

KENTUCKY DEPARTMENT OF EDUCATION

DRAFT BUDGET AND POLICY PRIORITIES FOR THE 2016 REGULAR SESSION

The vision of the Kentucky Board of Education and the Kentucky Department of Education is to ensure that all students reach proficiency and graduate from high school ready for college and careers. The board's vision is informed by a changing economy that requires P-12 schools to prepare students for a more complex and competitive workplace.

The Kentucky Education Reform Act (KERA) made many fundamental changes in our collective thinking about what public education should provide as well as how it should be implemented – from establishing a funding mechanism to providing equity across the state to requiring rigorous standards to ensuring local control and the input of parents through the School-Based Decision Making (SBDM) process. All of these components were key to successfully charting a new course in education for our kids. Importantly, KERA created an independent governance structure for public education with a Kentucky Board of Education responsible for hiring a commissioner, who in turn would oversee the daily operations of a state department of education dedicated to serving the districts that serve our children.

The **Kentucky Board of Education (KBE)** develops and adopts the regulations that govern Kentucky's public school districts and the actions of the Kentucky Department of Education. This includes management and control of interscholastic athletics, the Kentucky School for the Blind, the Kentucky School for the Deaf and community education programs and services. The board reviews the department's budget requests and makes recommendations to the governor and legislature.

The **Commissioner of Education** oversees the daily operations of the Kentucky Department of Education and recommends and implements Kentucky Board of Education policies.

The **Kentucky Department of Education (KDE)** provides support to locally-operated public school districts focused on educating children in elementary, middle and high schools throughout the Commonwealth.

Together, the KBE, the Commissioner and KDE are responsible for setting local school district standards for student, program, service and operational performance while respecting the local autonomy of each school district.

The budget and policy priorities are tied to the strategic goals developed by the board and the department.

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Kentucky Department of Education Goals:

Career Readiness Pathways:

KDE is collaborating with businesses throughout the state to understand the jobs in demand and the skills required to fill them. This enables schools to offer specific pathways in which students can earn industry certifications related to those jobs.

Professional Learning & Support:

As teachers set student growth goals, guidance is given for using formative assessments to adjust classroom instruction in order to meet those goals.

Integrated Methods for Learning:

Teachers are empowered to provide individual instruction in the classroom that best meets the needs of each student through methods such as the Literacy Design Collaborative, Math Design Collaborative and Culturally Responsive Instruction.

Learning Systems:

Kentucky recognizes the need to support students who excel as well as students who need academic or behavioral interventions. Systems have been established to support the needs of all students.

Human Resources Management:

Kentucky's Equity Plan was approved by the U.S. Department of Education in 2015. This plan will establish career pathways for educators and ensure that under-served students have equal access to highly effective teachers.

Persistence to Graduation:

Schools are now able to track students who are not meeting academic requirements in order to provide interventions and offer alternative routes to graduation such as early graduation.

Early Learning:

KDE partners with the Governor's Office of Early Childhood to provide early childhood educators with professional learning and resources in order to ensure that students are ready to learn when they start school and are on grade level in reading and math by third grade.

Continuous Improvement:

Schools and districts establish continuous improvement plans annually. Plans include innovative strategies to help all students succeed as well as strategies for improving leadership and school climate.

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2016-2018 Biennial Budget Initiatives

The 2016 Regular Session of the General Assembly will craft the 2016-2018 biennial budget for the Commonwealth. KDE's primary focus in the upcoming session is to ensure funding for several critical programs, including career and technical education and capital improvements for the campuses of the Kentucky School for the Deaf, the Kentucky School for the Blind and the FFA Leadership Training Center.

<u>Policy Initiative</u>	<u>FY17</u>	<u>FY18</u>	<u>Total</u>
Career and Technical Education	\$7,900,000	\$7,900,000	\$15,800,000
SEEK Transportation	\$160,000,000	\$160,000,000	\$320,000,000
Preschool	\$73,300,000	\$73,300,000	\$146,600,000
Technology	\$3,100,000	\$3,100,000	\$6,200,000
National Board Certified Teachers	\$1,900,000	\$2,100,000	\$4,000,000
Assessment	\$6,000,000	\$9,000,000	\$15,000,000
AdvanceKentucky	\$430,000	\$1,250,000	\$1,680,000
Education Recovery	\$6,000,000	\$6,000,000	\$12,000,000
Total Estimated Requests	\$258,630,000	\$262,650,000	\$521,280,000

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Career and Technical Education

\$7,900,000 each year of the biennium

- Industry Certifications – Provide a tiered reimbursement program for the successful earning of valid industry certifications. \$1,000,000 in FY18
- Regional Technical Center Grants – Four planning grants of \$250,000 each for the establishment of regional technical centers. The districts that feed into the state-operated area technology centers would develop a committee to plan for a regional center. \$1,000,000 in FY17
- Local Area Vocational Education Centers – Several districts have added new local area vocational centers and programs and are requesting state funding to help support these initiatives under 705 KAR 2:140. These initiatives will help to provide students with more career preparation programs and improve career readiness. \$3,150,000 in FY17 and \$3,150,000 in FY18
- Project Based Learning and Professional Development – Develop opportunities for students for pre-apprenticeships, internships and work-based learning for skills required by business and industry. New and on-going professional development, technical skills updates, project-based learning, training resources and technical assistance for implementation of CTE programs are needed for instructors. \$1,500,000 in FY17 and \$1,500,000 in FY18
- Equipment Upgrade – Upgrade equipment in schools and technical centers. This equipment provides programming which aligns with regional and/or state economic sectors. \$30,000,000 Bond; Estimated Debt Service \$2,250,000 in FY17 and \$2,250,000 in FY18

Transportation

\$160,000,000 each year of the biennium

Local district pupil transportation costs continue to increase annually, largely due to higher personnel and operating costs. The state provides an average reimbursement of approximately 59% of these costs to districts, placing a high burden on districts to pay for the balance out of local funds in order to continue providing safe transportation for students. The proposed increase in state funding would allow for full reimbursement of eligible local district pupil transportation costs by the state.

Preschool

\$73,300,000 each year of the biennium

The additional funds are needed to increase the number of four-year-olds served from 160% to 200% of poverty. The projected number of additional 4-year-olds served at 200% would be 15,653.

Kentucky Education Technology System (KETS)

\$3,100,000 each year of the biennium

KETS funds are used to support state technology shared services to all school districts and allow for specific technology offers of assistance directly to the school districts based on average daily attendance. This would restore KETS funding to historic (pre-2008) levels of funding (\$19.5 million a year).

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National Board Certified Teachers

\$1,900,000 FY 17 and \$2,100,000 FY 18

The number of teachers receiving this certification has increased steadily since the inception of the program in 2001. The state currently funds \$1,200 of the statutorily required district contribution of \$2,000. An increase in funding will provide for 100% support to school districts to fund this certification.

Assessment

\$6,000,000 in FY17 and \$9,000,000 in FY18

- Science – Additional funds will allow the design and development of new science assessments that meet the Kentucky Academic Standards. \$2,000,000 in FY17 and \$2,000,000 in FY18
- Social Studies – Additional funds will allow the design and development of new social studies assessments that meet the Kentucky Academic Standards. \$1,000,000 in FY17 and \$2,000,000 in FY18
- K-PREP (E/LA, Math Item Refresh) – Additional funds will allow an enhanced item pool for English/Language Arts and Math, including performance-based and technology enhanced formats. \$1,500,000 in FY17 and \$1,500,000 in FY18
- K-PREP On-Line – Additional funds will allow K-PREP to be administered in an online environment to meet the expectations of schools, districts, and the Kentucky General Assembly. \$1,500,000 in FY17 and \$3,500,000 in FY18

AdvanceKentucky

\$430,000 in FY 17 and \$1,250,000 in FY18

Additional funds will allow an increase in the number of high schools served and participating in Advanced Placement exams.

Education Recovery/Priority School Funding

\$6,000,000 each year of the biennium

Education Recovery Staff assist schools and districts in need of school improvement and turnaround, especially in persistently low-achieving schools.

College/Career Readiness for All

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Capital Initiatives

KDE has submitted its agency capital plan to the Capital Planning Advisory Board for 2016-2022. KDE leases for state-owned space administered by the Capital Plaza Authority and KDE administers the three state-owned campuses of KSD, KSB and the FFA Center. Capital improvements for the campuses of the Kentucky School for the Deaf and the Kentucky School for the Blind will be priorities in this budget request.

<u>Capital Initiative</u>	<u>Total*</u>
Miscellaneous Maintenance Pool – This fund is split between KSB, KSD, and the FFA Training Facility. Our Current funding has been set at \$675,000 annually for several years.	\$3,000,000
KSB Howser Hall – Renovate to provide additional dorm space, fully functioning infirmary, and provide 21 st century classroom space for blind and low-vision students.	\$5,000,000
KSD New Elementary Building – New dorm and classroom space in the central campus area.	\$6,000,000
KSB McDaniel Scoggin Hall – Renovation of building including doors, windows, and HVAC.	\$1,000,000
SEEK Technology Application – Rewrite of existing system to allow for communication with peer systems.	\$1,700,000
Total Requests	\$16,700,000

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Miscellaneous Maintenance Pool

\$3,000,000

The miscellaneous maintenance pool provides the Department with a source of funds for capital construction projects with a total scope of less than \$600,000 each, primarily for the Kentucky School for the Deaf, Kentucky School for the Blind and the FFA Leadership Training Center. Maintenance projects such as roof and HVAC system repairs and modifications to structures to meet health and safety standards are the principal components of the program.

The current budget includes authorization for a \$1,350,000 bond-funded maintenance pool for KDE.

KSB Howser Hall Renovation

\$5,000,000

KSB has had to limit residential students to only those outside of Jefferson County from residential opportunities. This renovation will allow KSB to serve all students across Kentucky, have a fully functioning health care center/infirmary, and adjust the floor plan to 21st century instructional classrooms centered on blind and low-vision student needs.

Howser Hall was built in 1982 and contains about 43,000 square feet. The building in its current condition is not able to be occupied due to a completely failed plumbing system.

KSD New Elementary Building

\$6,000,000

This project will replace Walker Hall with a new facility, as the current facility is not habitable. The overall condition of Walker Hall has deteriorated since 2004 when it was placed on the surplus list. Walker Hall currently houses the elementary program at KSD and can accommodate 128 students. A new site closer to center of campus is needed for the safety of elementary students.

This has not been listed in a previous KDE capital plan.

KSB McDaniel/Scoggin Educational Building

\$1,000,000

The project would replace doors and windows, renovate the remainder of building, and replace HVAC. The McDaniel Classroom Building was originally constructed in 1985 and is a 23,740 square foot facility. There have been no additions and no major renovations. External roof gutters and downspouts were added in 2001. The building is primarily used for classroom instruction with 10 classrooms.

This has not been listed in a previous KDE capital plan.

Next Generation SEEK

\$1,760,000

The objective of the system is to provide a consistent process for calculating and distributing the annual \$3 billion Support Education Excellence in Kentucky (SEEK) allocation. The system was developed to accept inputs from a variety of sources and generate the required reports for Districts, KDE Budget Management, Governor's Office for Policy and Management, and LRC Budget Staff. There are numerous deficiencies with the current system that need to be addressed to make the calculating and distributing of the SEEK allocation more efficient. This project would address those deficiencies.

The current system was developed in 2006 by KDE staff.

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Policy Initiatives

Career and Technical Education

In 2013 all of the regional centers were transferred to the Kentucky Department of Education from the Kentucky Cabinet for Education and Workforce Development. Since then, KDE has worked to streamline operations, hire certified instructors, upgrade equipment, and align personnel and retirement systems. A continuation of work on aligning programs and updates of statutes and regulations will continue. This includes the priorities listed in the budget as well as any additional recommendations from the CTE advisory group.

District Turnaround Support

An emphasis on funding is required for Education Recovery Staff to assist schools and districts in need of school improvement and turnaround, especially in persistently low-achieving schools. There also are discussions occurring on providing additional avenues for local districts to tackle Focus Schools early – before they slide into Priority status.

Dual Credit

KDE, along with the Council for Postsecondary Education (CPE), the Kentucky Higher Education Assistance Authority (KHEAA), the Kentucky Community and Technical College System (KCTCS), and other stakeholders from elementary and secondary education and postsecondary institutions, are continuing work to reach consensus on any recommendations that may move forward in the session.

Kentucky Teachers' Retirement System (KTRS)

An issue still pending before the Kentucky General Assembly includes the unfunded liability faced by the Kentucky Teachers' Retirement System. The Kentucky Board of Education supports the Governor and the General Assembly in determining revenue options that provide and sustain sufficient resources for the educational goals of the Commonwealth. The Governor's KTRS Work Group is currently reviewing options and plans to have a list of recommendations prepared by December.

College/Career Readiness for All