



# **FY2019 and FY2020 Agency Biennial Budget Request**

**October 4, 2017**

Kentucky Department of Education

# Additional Budget Priorities



| Recommended Budget Priority                                | KBE Strategic Goal    | FY2019*              | FY2020*              | Total*               |
|--|-----------------------|----------------------|----------------------|----------------------|
| SEEK Transportation<br>Senate Bill 1 (2017)                | Goal 1/Strategy B     | \$133,034,000        | \$133,034,000        | \$266,068,000        |
| -Assessment  | Goal 1/Strategy B & D | \$12,431,000         | \$11,364,000         | \$23,795,000         |
| -Standards   |                       |                      |                      |                      |
| -Industry Certifications                                   |                       |                      |                      |                      |
| -School Improvement  |                       |                      |                      |                      |
| School Report Card/IT System<br>Enhancements               | Goal 1/Strategy C     | \$700,000            | \$650,000            | \$1,350,000          |
| Charter School-Central Office<br>Support                   | Goal 1                | \$419,200            | \$439,200            | \$858,400            |
| Career and Technical Education<br>Career Advisor Positions | Goal 1/Strategy A     | \$3,853,100          | \$3,853,100          | \$7,706,200          |
| AP/IB Testing  | Goal 1/Strategy B     | \$5,000,000          | \$5,000,000          | \$10,000,000         |
| KY School for the Blind New<br>Positions                   | Goal 1/Strategy A     | \$650,000            | \$650,000            | \$1,300,000          |
| KETS   | Goal 1/Strategy B     | \$5,000,000          | \$5,000,000          | \$10,000,000         |
| OCTE New Skills for Youth                                  | Goal 1/Strategy A     | \$1,000,000          | \$1,000,000          | \$2,000,000          |
| Preschool 200%   | Goal 1/Strategy A     | \$78,500,000         | \$78,500,000         | \$157,000,000        |
| Full-day Kindergarten                                      | Goal 1/Strategy A     | \$171,900,000        | \$171,900,000        | \$343,800,000        |
| Defined Calculations                                       |                       | TBD                  | TBD                  | TBD                  |
| <b>Total Funding Requests</b>                              |                       | <b>\$412,487,300</b> | <b>\$411,390,300</b> | <b>\$823,877,600</b> |

\* All dollar amounts are estimates and may be revised prior to the final KDE submission in November, 2017.

# SEEK Transportation

- ▶ Funds to support 100% school district transportation costs

FY19 – \$133,034,000

FY20 - \$133,034,000



# Senate Bill 1 (2017)

## ► Assessment

- College Admissions Examination (section 5)
  - ✓ Additional college admissions examination at grade 10

FY19 - \$2,000,000      FY20 - \$2,000,000

- Independent Alignment Study (section 3)

- ✓ Assessments are required to align with KY Academic Standards

FY19 - \$425,000      FY20 - \$75,000





## ● Test Item Development/Field Study

(sections 4 and 5)

- ✓ Funds to support new assessments for grades 3-8, high school end-of-course, and writing. This requirement makes it necessary for new items to be developed as replacements. It is estimated that approximately 25 percent of the items will be replaced annually.
- ✓ Funds to support a new assessment which requires newly developed test items be field tested and analysis conducted on the results to determine whether or not the items are viable as operational items.

FY19 – \$2,844,000

FY20 - \$2,494,000



## ► Standards Revisions

(section 4)

- Funds to support the revision of academic standards on a six-year cycle

FY19 - \$662,000

FY20 - \$295,000



## ▶ Industry Certifications (section 6)

- Funds to support secondary students earning a valid industry certification

FY19 - \$6,000,000

FY20 - \$6,000,000



## ▶ School Improvement Funds (section 13)

- Funds to support reimbursements to school districts selecting a vendor other than KDE for support and improvement. Requires districts/schools in both Comprehensive and Targeted School Improvement status to be subject to diagnostic reviews.

FY19 - \$500,000

FY20 - \$500,000





# School Report Card/IT System Enhancements

- ▶ Funds to support a dashboard type report card to improve understanding and awareness of school performance
- ▶ Funds to support data collection through MUNIS, Infinite Campus, and other technology system

FY19 – \$700,000

FY20 - \$650,000

# Charter School Funding

## State Level Support

- ▶ Funds to support the Division of Charter Schools personnel and operating

FY19 – \$419,200

FY20 - \$439,200



# Career and Technical Education

## Career Advisor Positions

- ▶ Funds to support advising positions connected to the 95 career and technical centers throughout the state. These positions would provide career advising to middle and high school students.

FY19 – \$3,853,100

FY20 - \$3,853,100



# Advanced Placement (AP) and International Baccalaureate (IB) Test Fees

- ▶ Funds to support AP test fees per KRS 160.348  
FY19 – \$5,000,000      FY20 - \$5,000,000



# KY School for the Blind

## Additional Personnel Positions

- ▶ Funds to support four classroom teachers, four dormitory staff, two housekeeping staff, and one maintenance staff

FY19 – \$650,000

FY20 - \$650,000





# KY Education Technology System (KETS) Funding

- ▶ Funds to support the increased Internet consumption by students and teachers in the classroom. In the 2016-2017 school year there was a 70% increase in K-12 Internet usage.
- ▶ Funds to support state technology shared services to school districts through KETS Offers of Assistance. KETS unmet need is approximately \$173m.

FY19 – \$5,000,000

FY20 - \$5,000,000

# New Skills for Youth

- ▶ Funds to support expanding pilots and creating a support structure for transforming state and locally operated centers to regional career academies driven by labor market data

FY19 – \$1,000,000

FY20 - \$1,000,000



# Early Childhood

## Preschool 200%

- ▶ Funds to support the number of four-year-olds served from 160% to 200% of the federal poverty level

FY19 – \$78,500,000

FY20 - \$78,500,000

## Full Day Kindergarten

- ▶ Funds to support full day kindergarten to help schools implement research and evidence-based instruction and strategies to meet state goals

FY19 – \$171,900,000

FY20 - \$171,900,000





# Defined Calculations

- ▶ Defined Calculation costs are mandated by the budget instructions and provided by the Office of the State Budget Director (OSBD).
- ▶ Employer retirement costs– KTRS for FY19 17.55%, KRS 91.71%
- ▶ Employee increment – all state employees, 1% annual
- ▶ Health Insurance, Life Insurance, Social Security
- ▶ Commonwealth Office of Technology, Personnel Board, and Governmental Service Center
- ▶ Rent and utilities
- ▶ Facilities Insurance
- ▶ Motorpool



# Agency Request



|                   | FY19 Baseline*          | FY19 Defined Calculations | FY19 ABR's            |
|-------------------|-------------------------|---------------------------|-----------------------|
| General Fund      | \$ 4,134,941,664        | TBD                       | \$ 412,487,300        |
| Federal Fund      | \$ 948,493,100          | TBD                       | \$ -                  |
| Restricted Fund   | \$ 41,688,900           | TBD                       | \$ -                  |
| <b>KDE Totals</b> | <b>\$ 5,125,123,664</b> |                           | <b>\$ 412,487,300</b> |

|                   | FY20 Baseline           | FY20 Defined Calculations | FY20 ABR's            |
|-------------------|-------------------------|---------------------------|-----------------------|
| General Fund      | \$ 4,134,941,664        | TBD                       | \$ 411,390,300        |
| Federal Fund      | \$ 948,493,100          | TBD                       | \$ -                  |
| Restricted Fund   | \$ 41,688,900           | TBD                       | \$ -                  |
| <b>KDE Totals</b> | <b>\$ 5,125,123,664</b> |                           | <b>\$ 411,390,300</b> |

\* The FY19 baseline budget includes the Necessary Government Expense for SEEK Transportation, carry forward balances for KFICS and TPGF, and appropriation increases for both federal and restricted funds.

# Tentative Next Steps

- Submission of the 2019-2020 Budget Request to the Governor's Office in November 2017
- Governor submits budget to General Assembly by the 10<sup>th</sup> legislative day of the 2018 Regular Session.



# Questions

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