

# Kentucky Board Of Education

## April 11, 2018

### FY2018-20 Budget Update

### HB 200EN



# P-12 Education

## General Fund Budget Appropriation (P. 43)



	REVISED	REQUESTED	HB 200	HB 200EN
FY 2018	\$4,113,199,100			
FY 2019		\$4,564,134,600	\$3,893,183,200	\$4,128,896,500
FY 2020		\$4,569,276,500	\$3,893,239,600	\$4,124,254,500

# Details

- ▶ Frankfort Based Operations, KETS, and KEN (BOSS): 6.25% cut (\$3.1M).
  - KFICS \$600,000 in FY2018-2019 and FY2019-2020;
  - AP/IB \$1,000,000 in FY2018-2019 and FY2019-2020;
  - School Technology in Coal Counties (1.75M).
- ▶ Grant line items excluding Inst. Res. and Prof. Dev. (LARS): 6.25% cut (\$17.4M).
  - Safe Schools receives an additional \$2.6M in each fiscal year.
  - CTE funding cut by \$2.47M.
  - Fully funded District Health Insurance.
- ▶ Capital Fund Maintenance Pool reduced by \$1.5M.



# Support Education Excellence in Kentucky (SEEK) (P. 31)

\$4,000 per pupil FY2018-2019

\$4,000 per pupil FY2019-2020

	REVISED	REQUESTED	HB 200	HB 200EN
FY 2018	\$3,035,552,800			
FY 2019		\$3,343,804,300	\$2,899,573,700	\$3,066,588,600
FY 2020		\$3,334,815,000	\$2,899,367,900	\$3,047,480,900



# Information

- ▶ HB 200EN provides that not less than \$12,953,600 of unexpended SEEK funds in FY2017-2018 shall lapse to the General Fund.
- ▶ HB200EN Provides \$7M for a Emergency Revolving School Loan Fund.
- ▶ Any unexpended SEEK funds in FY2018-2019 and FY 2019-2020 is earmarked for pupil transportation.
- ▶ Fully Funded the TRS Employer Contribution for districts.
- ▶ Provides funds for 31 school districts for loss of funds from unmined coal assessments (\$10.1M)



# SEEK Transportation (P.32)



	REVISED *	REQUESTED **	HB 200***	HB 200EN****
FY 2018	\$225,529,500			
FY 2019		\$347,786,800	\$86,946,700	\$214,752,800
FY 2020		\$347,786,800	\$86,946,700	\$214,752,800

\* 62.5% Funded when the excess SEEK appropriated to Pupil Transportation in HB 471(2017) is included

\*\* 100% Funded

\*\*\* 25% Funded

\*\*\*\* 61% Funded

# Details

- ▶ HB200EN funds transportation at \$214,752,800 or approximately 61% of calculated costs. This is the same funding level provided in the current Biennial Budget HB 303 (2016).
- ▶ An additional amount of \$133,034,000 in each fiscal year is required to achieve 100% funding.
- ▶ Any unexpended SEEK funds in fiscal years 2018-2019 and 2019-2020 are carried forward for pupil transportation.





# District Administrative Expenditures (P.160)

- ▶ Local school districts shall reduce administrative costs to the extent feasible in order to provide quality instruction for all students in the Commonwealth.
- ▶ Each local district shall submit a report to the LRC and KDE by December 1 of each fiscal year, which includes:
  - All expenses charged to the MUNIS codes for Instruction (1XXX), Student Support Services (21XX), Instructional Staff Support Services (22XX), District Administrative Support Services (24XX), and Business Support Services (25XX) for the previous fiscal year;
  - A comparison of the previous fiscal year's expenses, as detailed above, with the same expenses in the preceding fiscal year;
  - A detailed explanation of steps taken to reduce administrative expenditures; and
  - A copy of the district's policy for maintaining a reserve fund balance in compliance with appropriate accounting standards.
- ▶ KDE Shall submit a report to LRC by December 31 annually that verifies the fiscal information.





# Program Elimination (P.40-41)

- ▶ Instructional Resources - (\$16.7M) Provides funds for textbooks and other instruction devices for students in grades K-8.
- ▶ Professional Development - (\$11.9M) These dollars are used to provide for professional development funding for teachers, administrators and superintendents to support professional development activities for the benefits of school district.



# Program Elimination (Cont.)

- ▶ Commonwealth School Improvement Fund - (\$1.36M) These funds are used to provide support services to schools needing assistance under KRS 158.6455 or in order to meet the requirements of Every Student Succeeds Act. Examples of support services include State Assistance/Management, Education Recovery assistance and other targeted interventions for schools.
- ▶ Leadership and Mentor Fund - (\$329K) These funds provide support to both new and experienced principals. We use a variety of strategies including state-wide meeting, regional learning labs, and personalized support. We also encourage the participation of assistant principals, academic deans, and instructional coaches in many of the activities.



# Program Elimination (Cont.)

- ▶ Middle School Academic Achievement Fund – (\$339K) KDE partners with the KY Center for Mathematics at Northern KY University to provide a model for teacher learning built around collaborative lesson planning, classroom observations of lessons and in depth discussion of the lesson impacts on student learning.
- ▶ Teacher's Professional Growth Fund - (\$720K) These funds are used for professional development opportunities for Kentucky's educators. Most recently, they have been used to train teachers in high quality classroom implementation and assessment of the Kentucky Academic Standards. Specific areas covered include reading, writing, listening, and speaking skills, as well as content knowledge in all disciplines.



# Program Elimination (Cont.)

- ▶ Teacher Academies – (\$1.4M) Supports teacher networks to implement the new standards and the revision of the Model Curriculum Framework as required by Senate Bill 1 (2017).
- ▶ Writing Program – (\$534K) Funds are provided to university sites to provide intensive professional development in writing to teachers in all grades and all content areas in alignment with Senate Bill 1 (2017).



# Nickels, Flexibility and Publication Requirements

- ▶ Full equalization for recallable nickels that were equalized at 25% in the previous budget. Provides 25% equalization for new nickels levied between January 1, 2016 and January 1, 2018. (P. 33-34)
- ▶ Additional flexibility for Capital Outlay Funds to be used for general operating costs. Allows districts to request the use of capital funds not to exceed 25% of available capital funds in 2018-2019. (P. 35-36)
- ▶ Program flexibility for the use of Extended School Services and Safe Schools funds for general operating expenses. (P. 41).
- ▶ Alternative publication of school district annual financial statements and school report card. (HB366EN)



# Other Impacts to Districts

- ▶ HB 366 Revenue Bill – (Vetoed)
- ▶ HB 362 (Vetoed)
  - Phase-in of CERS actuarially required employer contributions through July 1, 2024. Provide that the maximum annual increase in projected dollars paid shall not exceed 10% of the value from the prior fiscal year through June 30, 2023.

