



KDE 2020-2022 Biennial Budget Request

October 3, 2019

Kentucky Department of Education

KBE Statutory Authority

▶ **KRS 156.024 states:**

Prior to submission of the formal budgetary requests of the Department of Education, established in KRS 156.010, to the Governor and executive branch, complete copies of the budget areas in the board's jurisdiction shall be forwarded to the Kentucky Board of Education to enable it to fully investigate and review said requests and make recommendations to the Governor.



Six-Year Capital Plan and Biennial Budget Request Process

- ▶ February – overview of the six-year capital plan process
- ▶ April – overview of the biennial budget process
- ▶ June – baseline and potential additional budget requests
- ▶ August – defined calculations and prioritization of additional budget requests
- ▶ October – approval of the biennial budget request due November 1, 2019



2020-2026 Capital Plan



Project/Pool	2020-2022	2022-2024	2024-2026	
Maintenance Pool	3,430,000	4,248,000	1,537,000	KSB
	3,000,000	3,000,000	3,000,000	KSD
	100,000	100,000	100,000	FFA
Total Maintenance Pool	\$6,530,000	\$7,348,000	\$4,637,000	
Safety/Security Pool	2,629,000			KSB
	2,410,000			KSD
Total Safety/Security Pool	\$5,039,000	\$0	\$0	
Roof Repair/Replacement Pool	2,422,000	459,000	240,000	KSB
	850,000	2,334,000	260,000	KSD
			50,000	FFA
Total Roof Pool	\$3,272,000	\$2,793,000	\$550,000	
HVAC Repair/Replacement Pool	6,885,000	73,000	8,100,000	KSB
	6,127,300	6,000,000	150,000	KSD
	100,000			FFA
Total HVAC Pool	\$13,112,300	\$6,073,000	\$8,250,000	
FFA LTC Cottage Renovation and Construction	0	1,000,000	1,000,000	FFA
Total FFA LTC Project	\$0	\$1,000,000	\$1,000,000	
Total by Biennium	\$27,953,300	\$16,214,000	\$13,437,000	



Baseline Budget Summary

	FY20	FY21	FY22
SEEK	\$3,047,480,900	\$3,047,480,900*	\$3,047,480,900*
KDE Operations	\$27,333,000	\$27,333,000	\$27,333,000
Flex Focus	\$121,397,400	\$121,397,400	\$121,397,400
Grant Programs	\$188,986,300	\$188,986,300	\$188,986,300
Health/Life Insurance	\$725,767,000	\$725,767,000	\$725,767,000
KSB/KSD	\$16,933,700	\$16,933,700	\$16,933,700
Total P-12 GENERAL FUNDS	\$4,127,898,300	\$4,127,898,300	\$4,127,898,300
Restricted Funds	\$43,420,900	\$43,420,900	\$43,420,900
Federal Funds	\$969,030,300	\$969,030,300	\$969,030,300
TOTAL P-12 FUNDS	\$5,140,349,500	\$5,140,349,500	\$5,140,349,500

*represents a placeholder for baseline funding as this amount will be finalized through the consensus estimating process with the Office of the State Budget Director

SEEK Appropriation (\$4,000 per pupil)



SEEK	FY20	FY21	FY22
Base Funding	\$2,068,339,200	\$2,068,339,200	\$2,068,339,200
Transportation	\$214,752,800	\$214,752,800	\$214,752,800
Tier I	\$176,702,400	\$176,702,400	\$176,702,400
Facilities Support Program of KY (FSPK)	\$84,695,100	\$84,695,100	\$84,695,100
Growth Levy Equalization	\$18,303,900	\$18,303,900	\$18,303,900
Retroactive Equalized Facility	\$23,415,000	\$23,415,000	\$23,415,000
Equalized Facility	\$7,133,500	\$7,133,500	\$7,133,500
Equalized Funding for Critical Construction Needs Schools	\$6,473,400	\$6,473,400	\$6,473,400
BRAC Equalized Facility	\$2,016,800	\$2,016,800	\$2,016,800
SEEK RELATED			
Secondary Vocational Education	\$22,881,900	\$22,881,900	\$22,881,900
Vocational Education Transportation	\$2,416,900	\$2,416,900	\$2,416,900
Local District Teachers' Retirement Match	\$417,600,000	\$417,600,000	\$417,600,000
Nat'l Board Certified Salary Supplement	\$2,750,000	\$2,750,000	\$2,750,000
TOTAL SEEK/SEEK RELATED	\$3,047,480,900	\$3,047,480,900*	\$3,047,480,900*

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2020-2022 Additional Budget Priorities

Priority	Request	Description	Current Year Funding	FY2021	FY2022	FY2021 % Increase	FY2022 % Increase
1	Defined Calculations	Funding for costs determined by the agency that administers the services (rent, utilities, worker's compensation, etc.). KDE does not control these costs.		TBD	TBD		
2	School Improvement Funds	KRS 158.782 and ESSA requirement to serve Comprehensive Support and Improvement schools; turnaround teams (Education Recovery staff) to increase by approximately 50 for 13M; district audit costs 60 x 15K for districts choosing an entity outside of KDE.	\$8,300,947	\$14,400,000	\$14,400,000	100.00%	100.00%
3	KY School for the Blind/KY School for the Deaf	Provide adequate funding for school operations.	\$16,966,700	\$1,500,000	\$1,500,000	8.84%	8.84%
4	Career and Technical Education	SEEK Secondary Vocational Education Growth; Local Area Vocational Education Centers; Area Technology Center Operating Support; Industry Certifications; SEEK Vocational Education Transportation	\$41,742,300	\$16,657,000	\$17,659,100	39.90%	42.31%
5	KY Education Technology System (KETS) Funding	KRS 156.670 and KRS 156.010 Increase offers of assistance; address increase in numbers and types of technical devices and services for 750K users; restore cuts to education technology over last ten yrs; 1.6M for Student Information System not funded; support online testing.	\$15,374,500	\$14,600,000	\$14,600,000	94.96%	94.96%
6	New Teacher Induction	Funding to support induction and retention efforts; would allocate approximately \$600 per new teacher to assist in the induction, orientation, and mentoring process.	\$0	\$1,500,000	\$1,500,000	NA	NA
7	National Board Certified Salary Supplement	KRS 157.395 in FY19 \$1,222 of the required \$2000 was reimbursed to districts.	\$2,750,000	\$1,850,000	\$1,905,500	67.27%	69.29%
8	Full-day Kindergarten	Funding to support full-day Kindergarten included in SEEK Base.	\$171,900,000	\$140,000,000	\$140,000,000	81.44%	81.44%

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 FY21-22 17.55%, KERS 89.37%
- ▶ Employee increment – all state employees, 1% annual
- ▶ Local School District Health Insurance – 3% increase, FY21 \$21,731,300, FY22 \$44,114,500
- ▶ KHRIS, Personnel Board Assessments, and Governmental Service Center
- ▶ Rent and utilities
- ▶ Facilities Insurance
- ▶ Worker’s Compensation



Agency Request



	FY21 Baseline*	FY21 Defined Calculations**	FY21 ABR's	FY21 KDE Request
General Fund	\$4,127,898,300	\$30,800,000	\$461,838,500	\$4,620,536,800
Federal Fund	\$969,030,300	\$2,600,000		\$971,630,300
Restricted Fund	\$43,420,900	\$700,000		\$44,120,900
KDE Totals	\$5,140,349,500	\$34,100,000	\$461,838,500	\$5,636,288,000
	FY22 Baseline*	FY22 Defined Calculations**	FY22 ABR's	FY22 KDE Request
General Fund	\$4,127,898,300	\$60,300,000	\$465,947,100	\$4,654,145,400
Federal Fund	\$969,030,300	\$5,000,000		\$974,030,300
Restricted Fund	\$43,420,900	\$1,400,000		\$44,820,900
KDE Totals	\$5,140,349,500	\$66,700,000	\$465,947,100	\$5,672,996,600

*represents a placeholder for baseline funding as the SEEK amount will be finalized through the consensus estimating process with the Office of the State Budget Director

**Defined Calculation amounts will change and do not include KHRIS, Personnel Board Assessments, Governmental Services Center, Rent, Utilities, Facilities Insurance, and Worker's Compensation



Questions and Discussion

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