



KDE 2022-2024 Biennial Budget Request

October 5, 2021



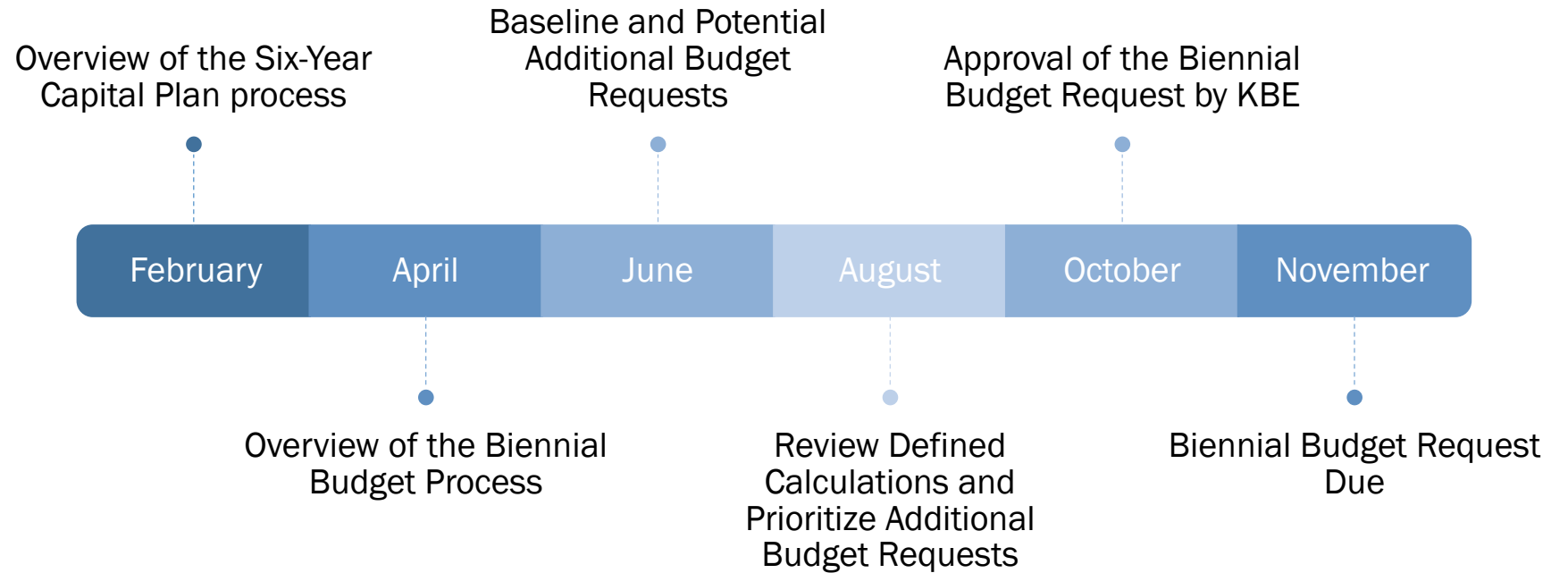
Kentucky Department of
E D U C A T I O N

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.

KDE/KBE Six-Year Capital Plan and Biennial Budget Request Process



2022-2028 Capital Plan

Project/Pool	2022-2024	2024-2026	2026-2028	
Maintenance Pool	\$1,500,000	\$1,500,000	\$1,500,000	KSB
	\$1,500,000	\$1,500,000	\$1,500,000	KSD
	\$100,000	\$100,000	\$100,000	LTC
	\$3,100,000	\$3,100,000	\$3,100,000	
Safety/Security Pool	\$2,050,000	\$0	\$0	KSB
	\$1,050,000	\$0	\$0	KSD
	\$3,100,000	\$0	\$0	
Roof Repair/Replacement Pool	\$1,258,530	\$0	\$0	KSB
	\$1,436,500	\$1,430,000	\$0	KSD
	\$0	\$50,000	\$0	LTC
	\$2,695,030	\$1,480,000	\$0	
HVAC Repair/Replacement Pool	\$16,016,000	\$6,240,000	\$1,248,000	KSB
	\$16,900,000	\$3,250,000	\$2,950,000	KSD
	\$100,000	\$0	\$0	LTC
	\$33,016,000	\$9,490,000	\$4,198,000	
Dormitory/Student Life Renovation	\$0	\$5,000,000	\$0	KSB
	\$6,000,000	\$5,000,000	\$0	KSD
	\$1,000,000	\$0	\$0	LTC
	\$7,000,000	\$10,000,000	\$0	
LTC Classroom/Activity Center	\$6,000,000	\$0	\$0	LTC
	\$6,000,000	\$0	\$0	
Lee Hall Renovation	\$1,000,000	\$14,000,000	\$0	KSD
	\$1,000,000	\$14,000,000	\$0	
TOTAL BY BIENNIUM	\$55,911,030	\$38,070,000	\$7,298,000	



Baseline Budget Summary

	FY22	FY23	FY24
SEEK	\$2,922,857,900	\$2,922,857,900*	\$2,922,857,900*
KDE Operations	\$34,255,500	\$34,255,500	\$34,255,500
Flex Focus	\$121,397,400	\$121,397,400	\$121,397,400
Grant Programs	\$215,186,300	\$215,186,300	\$215,186,300
Health/Life Insurance	\$753,972,300	\$753,972,300	\$753,972,300
KSB/KSD	\$18,433,700	\$18,433,700	\$18,433,700
Total P-12 GENERAL FUNDS	\$4,066,103,100	\$4,066,103,100	\$4,066,103,100
Restricted Funds	\$43,166,800	\$43,166,800	\$43,166,800
Federal Funds	\$971,677,000	\$1,588,677,000**	\$1,588,677,000**
TOTAL P-12 FUNDS	\$5,080,946,900	\$5,697,946,900	\$5,697,946,900

*Represents a placeholder for baseline funding. This amount will be finalized through the consensus estimating process with the Office of the State Budget Director

**Includes FY22 appropriation increases

SEEK Appropriation (\$4,000 per pupil)

SEEK	FY22	FY23	FY24
Base Funding	\$1,941,876,500	\$1,941,876,500	\$1,941,876,500
Transportation	\$214,752,800	\$214,752,800	\$214,752,800
Tier I	\$168,881,500	\$168,881,500	\$168,881,500
Facilities Support Program of KY (FSPK)	\$86,600,400	\$86,600,400	\$86,600,400
Growth Levy Equalization	\$20,119,400	\$20,119,400	\$20,119,400
Retroactive Equalized Facility	\$32,740,800	\$32,740,800	\$32,740,800
Equalized Facility	\$8,418,400	\$8,418,400	\$8,418,400
Equalized Funding for Critical Construction Needs	\$6,989,300	\$6,989,300	\$6,989,300
Schools			
BRAC Equalized Facility	\$2,226,400	\$2,226,400	\$2,226,400
SEEK RELATED			
Vocational Education Transportation	\$2,416,900	\$2,416,900	\$2,416,900
Local District Teachers' Retirement Match	\$435,085,500	\$435,085,500	435,085,500
Nat'l Board Certified Salary Supplement	\$2,750,000	\$2,750,000	\$2,750,000
TOTAL SEEK/SEEK-RELATED	\$2,922,857,900	\$2,922,857,900	\$2,922,857,900

*Represents a placeholder for baseline funding. This amount will be finalized through the consensus estimating process with the Office of the State Budget Director

Defined Calculations

- Defined Calculation costs are mandated by the budget instructions and amounts are provided by the Office of the State Budget Director (OSBD)
 - Employer retirement costs – KTRS for FY23-24 17.55%, KERS 83.97%
 - Employee increment – all state employees, 1% annual
 - Local School District Health Insurance – 10% increase, FY23 \$75,258,130, FY24 \$82,783,943
 - KHRIS, Personnel Board Assessments and Governmental Service Center
 - Rent – FY23 \$2,121,400, FY24 \$2,121,400
 - Utilities
 - Facilities Insurance
 - Worker's Compensation FY 23 \$157,800, FY24 \$157,800

2022-24 ADDITIONAL BUDGET REQUESTS

Title	Description	FY23	FY24	Biennial Total
Revised Kentucky Teacher Induction Program (KTIP) * <i>KRS 161.027</i>	KDE will bring together a group of stakeholders made up of Kentucky teachers and administrators, educator preparation providers, Kentucky cooperatives and KDE partners such as, KEA, KASA, KASS and KSBA to redesign a new KTIP model centered around focused induction, coaching, mentorship and new teacher support through a quality program to support districts as they strive to retain new teachers.	\$3,000,000	\$3,000,000	\$6,000,000
Professional Development <i>KRS 156.095 and 704 KAR 3:35</i>	Restore funding for school district professional development funds.	\$11,927,700	\$11,927,700	\$23,855,400
National Board-Certified Salary Supplement <i>KRS 157.395</i>	In FY21, \$1,208 of the required \$2,000 was reimbursed to districts. This item will fully fund the NBCT supplement.	\$1,850,000	\$1,905,500	\$3,755,500
ATC Operating Supports	These supports are needed in order to develop a skilled workforce the Commonwealth will need to move forward and be globally competitive. The development of opportunities for students for pre-apprenticeships, internships and work-based learning will lead to the development of skills required by business and industry.	\$3,098,700	\$3,572,900	\$6,671,600
Local Area Vocational Education Centers (LAVEC)	KDE an additional \$5,850,000 (\$450K average x 13) - \$580,087 = \$5,269,913 per year for existing and new programs/schools for the 2022-2024 biennial budget. Additionally, OCTE requests growth funding to support the unfunded pathways in the currently funded centers in the amount of \$1,400,000 per year for the 2022-2024 biennial budget.	\$6,669,900	\$6,669,900	\$13,339,800
Gifted and Talented <i>704 KAR 3:285, KRS 157.200, HB192</i>	To request a 20% increase to the gifted and talented appropriation; KSB requests funding for a gifted and talented teacher	\$1,341,680	\$1,341,680	\$2,683,360
Equity Initiative *	Provide leadership, resources and guidance in developing and ensuring an equitable education among all learners according to the Kentucky Board of Education (KBE) signed Resolution Affirming Its Commitment to Racial Equity in Kentucky Public Schools in July 2020.	\$750,000	\$450,000	\$1,200,000
Technical Advisory Committee (TAC) <i>SB192</i>	TAC will be responsible for providing advice and feedback on assessment and accountability matters.	\$175,000	\$175,000	\$350,000

2022-24 ADDITIONAL BUDGET REQUESTS, *continued*

Title	Description	FY23	FY24	Biennial Total
Testing Security	These test security services would include online testing technology, forensic analysis of data and scores, industry-leading insights regarding test security and test security investigation.	\$500,000	\$500,000	\$1,000,000
Kentucky Education Technology System (KETS) <i>KRS 156.670, KRS 156.010</i>	To help properly address the people side of Edtech in districts so there are the right number of technicians, digital learning coaches and other basic Edtech leadership responsibilities in districts; To address the rapid annual increase in the numbers of users on devices; address needs for online testing; restore previous cuts.	\$14,600,000	\$14,600,000	\$29,200,000
Preschool Regional Training Centers <i>KRS 157.318</i>	To request additional general funds in the amount of \$950,000 to ensure regional training centers are sufficiently equipped to provide training, consultation, technical assistance and materials to school districts serving all eligible children enrolled in the state-funded preschool program.	\$950,000	\$950,000	\$1,900,000
State funded Preschool <i>KRS 157.3175, 157.318, 156.160, 158.100, 702 KAR 3:250 and 704 KAR 3:410</i>	Restore funding for state preschool to \$90,113,200	\$5,632,100	\$5,632,100	\$11,264,200
Early Learning Initiative	Kentucky's school districts require leadership, support and services to enable them to effectively implement reading and mathematics programs for primary students.	\$11,000,000	\$11,000,000	\$22,000,000
Full-day Kindergarten	Funding to support full-day kindergarten included in SEEK Base.	\$140,000,000	\$140,000,000	\$280,000,000
Turnaround Schools <i>Senate Bill 1, Section 12 (5)(a)</i>	Provides that the local board of education shall select the turnaround audit team to complete comprehensive audit required under that section and that audit may be administered by an audit team separate of KDE. Additionally, following the comprehensive audit, Section 12 (7)(a) indicates that the local board shall select a turnaround entity to engage in the turnaround intervention process and that that entity can be a private entity, a group comprised of local staff and community partners or KDE. Additionally, following the comprehensive audit, Section 12 (7)(a) indicates that the local board shall select a turnaround entity to engage in the turnaround intervention process and that entity can be a private entity, a group comprised of local staff and community partners, or KDE.	\$14,400,000	\$14,400,000	\$28,800,000

2022-24 ADDITIONAL BUDGET REQUESTS, *continued*

Title	Description	FY23	FY24	Biennial Total
ATC Transition Payouts	OCTE is requesting additional funds to support the payouts for annual and comp leave for the 2022-2023 year in the amount of \$500,000 (\$100K x 5 districts) (only for ATCs moving to local control per SB101)	\$500,000	\$0	\$500,000
KSB/KSD Personnel	Costs for KSB/KSD associated with JCPS salary increases	TBD	TBD	TBD
Revise Content Standards	Per Senate Bill 1 (2017), academic standards are required to be revised every six years. KDE is requesting funding for one MOA and the operating costs associated to assist in content areas not currently covered. 1 World Language	\$300,000	\$300,000	\$600,000
Social, Emotional Learning/Mental Health	Regional SEL Institutes, KY SEL Center, SEL consultants, District SEL coaches, district mental health providers, et.	\$27,115,000	\$27,115,000	\$54,230,000
SEEK Base <i>KRS 157.310 through 157.440</i>	Funding to support inflation costs; 1% increase to SEEK Base	\$31,883,226	\$31,883,226	\$63,766,452
SEEK Transportation <i>KRS 157.310 - 440</i>	Funds to fully support pupil transportation costs	\$177,313,266	\$177,313,266	\$354,626,532
SEEK Vocational Transportation <i>KRS 157.370</i>	SEEK Vocational Transportation-KRS 157.370 Funds to fully support vocational transportation costs.	\$5,416,171	\$5,416,171	\$10,832,342
Education Finance Application*	Funding to develop and implement a new integrated finance system. The current system was created in 2003.	\$500,000	\$3,500,000	\$4,000,000
Employment of Leadership Personnel <i>HB192</i>	KDE leadership personnel	TBD	TBD	TBD
TOTAL		\$454,672,743	\$454,702,443	\$909,375,186

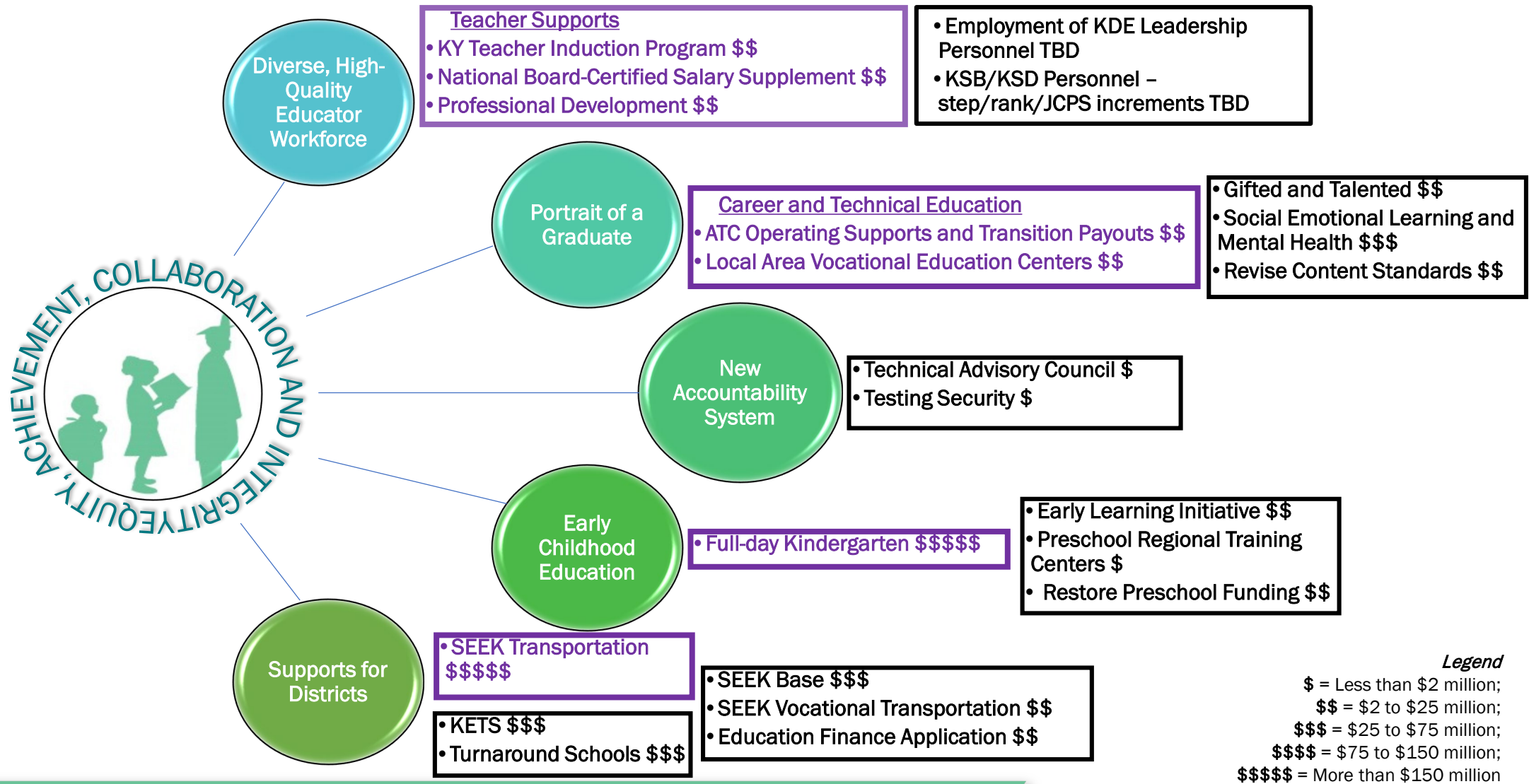
* ABRs using ESSER Funds

Title	Description	FY23	FY24	Biennial Total
Revised Kentucky Teacher Induction Program (KTIP) <i>KRS 161.027</i>	KDE will bring together a group of stakeholders made up of Kentucky teachers and administrators, educator preparation providers, Kentucky cooperatives and KDE partners such as KEA, KASA, KASS and KSBA to redesign a new KTIP model centered around focused induction, coaching, mentorship and new teacher support through a quality program to support districts as they strive to retain new teachers.	\$3,000,000	\$3,000,000	\$6,000,000
Equity Initiative	Provide leadership, resources and guidance in developing and ensuring an equitable education among all learners according to the Kentucky Board of Education (KBE) signed Resolution Affirming Its Commitment to Racial Equity in Kentucky Public Schools in July 2020.	\$750,000	\$450,000	\$1,200,000
Education Finance Application	Funding to develop and implement a new integrated finance system. The current system was created in 2003.	\$500,000	\$3,500,000	\$4,000,000
TOTAL		\$4,250,000	\$6,950,000	\$11,200,000

ABR Summary

	FY23	FY24	Biennial Total
Federal (ESSER I, ESSER II, or ARP ESSER) Fund ABRs	\$4,250,000	\$6,950,000	\$11,200,000
General and Restricted Fund ABRs	\$454,672,743	\$454,702,443	\$909,375,186
TOTAL	\$458,922,743	\$461,652,443	\$920,575,186

KDE ADDITIONAL BUDGET REQUESTS



Next Steps

- Determine top 5 additional budget request (ABR) priorities
- Authorize commissioner to prioritize additional ABRs
- Approve submission of 2022-2024 Biennial Budget Request

Agency Request

	FY23 Baseline*	FY23 Defined Calculations**	FY23 ABR's	FY23 KDE Request
General Fund	\$4,066,103,100	\$77,537,330	\$458,922,743	\$4,602,563,173
Federal Fund	\$1,588,677,000	\$		\$1,588,677,000
Restricted Fund	\$43,166,800	\$		\$43,166,800
KDE Totals	\$5,697,946,900	\$	\$458,922,743	\$6,234,406,973

	FY24 Baseline*	FY24 Defined Calculations**	FY24 ABR's	FY24 KDE Request
General Fund	\$4,066,103,100	\$85,063,143	\$461,652,443	\$4,612,818,686
Federal Fund	\$1,588,677,000	\$		\$1,588,677,000
Restricted Fund	\$43,166,800	\$		\$43,166,800
KDE Totals	\$5,697,946,900	\$	\$461,652,443	\$6,244,662,486

*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. Federal fund includes FY22 appropriation increases.

**Defined Calculation amounts will change and do not include KHRIS, Personnel Board Assessments, Governmental Services Center, Utilities, and Facilities Insurance.



Questions and Discussion

Robin Kinney, Associate Commissioner
Office of Finance and Operations

Karen Wirth, Director
Division of Budgets and Financial Management

