

The background of the slide is a composite image. The top left portion shows a line of yellow school buses with "SCHOOL BUS" written on their fronts. The bottom left portion shows a classroom with blue walls, several desks with chairs, and colorful balloons hanging from the ceiling. A white diagonal line separates the two images.

2024-2026 Biennial Budget Update

Associate Commissioner Matt Ross
Division Director Karen Wirth,
Office of Finance and Operations

Governor's Budget HB114

- SEEK per pupil – \$4368 each year
- School District Employee Salary Increases - \$545m
- Fully funded pupil transportation
- KETS – \$9m
- Social Emotional Learning - \$6.2m
- Read to Succeed - \$2m
- Preschool for all 4 yr olds - \$172m
- Professional Learning - \$12.4m
- Instructional Resources - \$17m

Governor's Budget HB114 continued

- State Employees –
 - Executive Branch Compression increase – amounts based on months of service; unclassified staff with current salary \$100k and over are not eligible
 - Salary Increment – 6% increment effective July 1, 2024, 4% increment effective July 1, 2025

SEEK

Support Education Excellence in Kentucky (SEEK)	FY24 HB1	FY25 HB6 HCS1	FY26 HB6 HCS1
<i>Per Pupil Guarantee</i>	<i>\$4,200</i>	<i>\$4,368</i>	<i>\$4,455</i>
Base Funding	2,044,371,700	1,965,309,000	1,924,963,000
Transportation	274,446,300	319,107,600	398,884,500
Tier I	194,519,400	199,030,500	183,443,000
Facilities Support Program of KY (FSPK)	107,463,200	124,766,700	112,223,900
Growth Levy Equalization	41,044,100	50,045,800	40,102,800
Retroactive Equalized Facility	44,580,700	57,457,200	52,129,900
Equalized Facility	14,833,300	17,623,400	16,111,300
Vocational Education Transportation	7,833,100	7,833,100	7,833,100
Local District Teachers' Retirement Match	448,530,000	458,220,000	467,900,000
National Board Certified Salary Supplement	4,655,500	4,655,500	4,655,500
Equalization Funding for Critical Construction Needs Schools	8,376,000	9,371,000	8,716,900
BRAC Equalized Facility	2,843,300	3,121,200	2,780,500
Audio/Speech Path Salary Supplement	2,312,000	2,312,000	2,312,000
SEEK TOTAL	3,195,808,600	3,218,853,000	3,222,056,400

HB 6 HCS1 SEEK (continued)

- SEEK lapse to General Fund in both fiscal years
- Full-day kindergarten included
- Includes additional funding for pupil transportation (100% in FY26)
- Legislative Policy Requirement language –
 - Requires districts to prominently display on the local board of education's website, proficient and distinguished percentages in reading and math. KDE shall post a rank order by overall performance of all schools on KDE's website.
 - Encourages local school districts to provide certified and classified staff a salary or compensation increase
 - Failure to implement reporting requirements or to make adequate progress in recruitment and retention of staff may lead to the closure of schools or the takeover or consolidation of boards of education.

KBE ABR Priorities

KBE Additional Budget Requests	FY2025	FY2026	HB6 HCS1 FY25	HB6 HCS1 FY26
Increase SEEK Base	\$263,243,300	\$263,243,300	\$4368*	\$4455*
Universal Preschool	\$359,138,000	\$359,138,000		
Education Workforce Supports	\$18,677,700	\$18,702,700		
SEEK Transportation	\$124,438,200	\$124,438,200	\$44,,661,300	\$124,438,200
Kentucky Educational Recovery Fund	\$4,000,000	\$4,000,000		
Kentucky Education Technology System (KETS)	\$74,037,200	\$74,037,200		
Read to Succeed	\$4,000,000	\$4,000,000		
OCTE Salary Schedule	\$175,000	\$225,000		
School Health Branch	\$365,600	\$365,600		
Step/Rank/KRS 163.032	\$695,400	\$748,500		
Instructional Resources	\$17,000,000	\$17,000,000		
Content Standards	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Office of Career and Technical Education Consultants	\$590,900	\$628,300		
JROTC	\$623,900	\$654,500	\$623,900	\$654,500
Diversity, Inclusion, Equity and Belonging	\$220,000	\$220,000		
Assessments	\$1,010,500	\$1,091,300	\$1,010,500	\$1,093,300
Education Finance Application	\$250,000	\$250,000	\$250,000	\$250,000
Educators Employment Liability Insurance	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000

* per pupil amount increased from \$4200 in FY24 to \$4368 in FY25 and \$4455 in FY26

Bureau of Support Services (BOSS)

- KY Facilities Inventory Classification System (KFICS) - \$500,000, carry forward language
- Advanced Placement/International Baccalaureate Exams (AP/IB) - \$1 million free/reduced lunch students
- Employee Reporting – list of all employees (including contract employees), office served, position, annual compensation and fund source
- Educators Employment Liability Insurance Program - \$5 million
- SEEK Application - \$250,000 to maintain the application
- Certified and Classified Staff Compensation Increase Reporting – due September 1 each year, detailing staff compensation increases by district

Learning and Results Services (LARS)

Grant	FY24	HB6 HCS1 FY25	HB6 HCS1 FY26
Advanced Kentucky	\$1,900,000	\$1,900,000	\$1,900,000
Community Education	\$1,850,000	\$1,850,000	\$1,850,000
Extended School Services	\$23,916,300	\$23,916,300	\$23,916,300
Family Resource Youth Service Center (FRYSCs)	\$48,889,000	\$48,889,000	\$48,889,000
Gifted and Talented	\$10,000,000	\$10,000,000	\$10,000,000
Hearing & Speech Center	\$100,000	\$100,000	\$100,000
Heuser Hearing and Language Academy	\$100,000	\$100,000	\$100,000
Jobs for America's Graduates Program	\$1,000,000	\$1,000,000	\$1,000,000
JROTC	\$0	\$623,900	\$654,500
KY Alliance of Boys & Girls Clubs	\$500,000	\$500,000	\$500,000
Math Achievement	\$5,019,000	\$5,019,000	\$5,019,000
Read to Achieve	\$15,936,600	\$15,936,600	\$15,936,600
Read to Succeed	\$11,000,000	\$11,000,000	\$11,000,000
Save the Children	\$2,000,000	\$2,000,000	\$2,000,000
Standards Revision	\$0	\$1,200,000	\$1,200,000
State Agency Children (KECSAC)	\$12,500,000	\$12,500,000	\$12,500,000
Preschool	\$84,481,100	\$84,481,100	\$84,481,100
Safe Schools	\$13,000,000	\$13,000,000	\$13,000,000
School Counselors/Mental Health Professionals	\$7,412,500	\$7,412,500	\$7,412,500
School Resource Officers	\$0	\$16,500,000	\$18,000,000
Visually Impaired Preschool Services	\$500,000	\$500,000	\$500,000
Career & Tech Education	\$126,890,900	\$127,065,900	\$127,115,900
Teach for America	\$700,000	\$700,000	\$700,000



Learning and Results Services (LARS) (continued)

- Assessment – increased testing costs
- Academic Content Standards Review
- JROTC – fund 6 positions
- School Resource Officers

Salary Increases

- Certified and Classified Staff - Additional funds have been made available to local school districts through increases in SEEK resources. The 2024 General Assembly encourages local school districts to provide certified and classified staff a salary or compensation increase.
- State Employees - provides 4% base salary increment in FY25 on July 1, 2024, and 2% increment on July 1, 2025.

Other Education Funding

- School Facilities Construction Commission
 - Additional Offers of Assistance: Notwithstanding KRS 157.611 to 157.665, the School Facilities Construction Commission is authorized to make an additional \$85 million in offers of assistance during the 2024-2026 fiscal biennium in anticipation of debt service availability during the 2026-2028 fiscal biennium. No bonded indebtedness based on the above amount is to be incurred during the 2024-2026 fiscal biennium.

Special Offers of Assistance FY25 (SFCC)

- Offers of Assistance - \$26.4 million
 - Breckinridge County
 - Campbellsville Independent
 - Cumberland County
 - Martin County
 - Rockcastle County
- No local school districts receiving offers of assistance under this act shall be eligible to receive additional offers of assistance until the 2028-2030 fiscal biennium.

Other Education Funding (continued)

- Health and Family Services Cabinet: Family Resource and Youth Services Centers (FRYSC) - \$3.95 million for additional centers that currently serve more than one school
- Auditor of Public Accounts – Jefferson County Public Schools Audit - \$750,000 to support a special audit of the district

Capital Projects – KSB, KSD, FFA LTC

Project	Requested	HB6 HCS1
Maintenance Pool	\$3,100,000	\$3,100,000
State Schools Safety and Security Pool	\$1,000,000	\$1,000,000
State Schools Exterior Building Maintenance	\$1,000,000	\$1,000,000
McDaniel/Scoggin Classroom Building Upgrades	\$8,000,000	\$8,000,000
Dormitory/Cottage Renovation	\$500,000	\$500,000
FFA LTC Activity Center	\$1,000,000	\$1,000,000
Education Finance Application	\$2,000,000	\$2,000,000
Total	\$16,600,000	\$16,600,000

Questions

- Matt Ross, Associate Commissioner, Office of Finance and Operations
- Brian Perry, Director of Government Relations, Office of the Commissioner
- Karen Wirth, Director, Division of Budgets and Financial Management