

Presentation at the 2010 Commission

M. Estee

- I. Increased funding ordered by the court: What progress has been made?
  - a. added 2 math teachers at the middle school and the high school;
  - b. added 4 tutoring positions at the district wide;
  - c. math district instruction coordinator (focusing on elementary math);
  - d. added 4 additional teachers to reduce class size;
  - e. added 4 year old program that services all 4 year olds (voluntary – district pays for transportation – ½ day program – the district has funded all-day kindergarten utilizing local funds for the past 15 years;
  - f. added enhanced summer school and after school programs;
  - g. increased in-service and professional development opportunities;
  - h. improved teacher salaries to reduce turnover;
  - i. increased emphasis on inclusion; hired 8 paraprofessionals to enhance program;
  - j. Reading scores on the State Assessments have increased by 22.2%; Math scores have increased by 29.7% from 2003-04 through 2008-09.
  - k. Composite ACT scores are above the state average (22.1-22.0) for 2007-2008.
- II. How have cuts in state funding affected that improvement?
  - a. cut instructional budgets by 20%; cut activities budget by 30%;
  - b. cut 4 teacher positions; elementary class sizes will increase;
  - c. cut 14 support staff positions;
    - 8 paraprofessional positions – will hurt inclusion efforts;
    - 1 library/technology aid
    - 1 bus driver
    - 1 SRO (Student Resource Officer – we had only one)
    - 1 IT
    - 2 ISS supervisors (detention supervisors – they tutored students)
  - d. Teachers got no step and movement this year – lost only two teachers And did not replace
  - e. Absorbed 3 more teachers who retired;
  - f. Cut 1 administrator position;
  - g. Consolidated SPED COOP into district office facility – sold SPED BLDG; Combined some positions – reduced services for students;
  - h. Reduced CBI program for SPED;
  - i. Cut six activities positions;
  - j. Field trips and extension experiences of students were eliminated unless provided by PTO's, donations, or charging students.
  - k. Professional development was halted in February and none will be allowed this next year;
  - l. The district calendar was moved to two weeks later to escape the hot days of August (energy reduction) but the number of student contact days remained the same – however, two professional/staff training days were lost;
  - m. Driver's ed nearly double student fees for this summer program;

- n. **Cut enhanced summer school and after school program.**

**Non Tangible Effects:** Although our staff understands that cuts must be made to education, the promises that were made following the court decision has weighed heavy on our education community. The plans that were crushed by the current budget cuts and the ground lost as a result of those cuts is demoralizing to our staff, parents, and students. As we always have, our community will pull together and will work to turn this situation into a positive. What we need is strong leadership and focus on the important things in education...doing right for our students and community. The long term effects of this revenue loss may be difficult to predict and overcome if the loss of revenue deepens.

### **III Advice to Legislators**

- **Equalize the cuts to schools across the state;**
- **Stop the drain on public funds by tax reductions and abatements;**
- **Broaden and revamp the tax base for public funds with some from property, sales, income taxes;**
- **Increase the statewide general fund assessment to 30 mills and initiate a reduction in LOB so that public schools regain some funding flexibility locally;**
- **Stop mandating more expensive programs for schools; Let us first meet the mandates of the essential and important programs;**
- **Stop using the Legislative Post Audit for non essential studies and surveys – it robs local and KSDE leaders and staff of valuable time and is creating terrible relationships between LPA staff and district staffs – Perhaps the leadership should better screen requests for studies and surveys requested of the LPA; Non critical studies are damaging the credibility of the LPA and support for the critical work it must do for all public officials;**
- **Kansas schools have shown they compare favorably with schools in other states; can the Kansas Legislature as a body recognize the fact that Kansas gets a great deal for its education dollars?**

### **IV Actual Cuts To USD 465 in Indicated Budgets**

1. **BSAPP 3.26% (457,000 of a 14,000,000)**
2. **Special Education 10% cut and expenses (385,000/3,555,000 may be greater due to possible loss created by Medicaid redistribution and categorical aid redistribution;**
3. **Capital Outlay 25.3% cut (244,000/964,000 capital outlay budget)**
4. **District Cuts 5.8 % (1,086,000/18,519,000)**

### **V A Voice for Public Education**

Recently, I read an article in the Wichita Eagle written by a spokesman from the Flint Hills Center for Public Policy. This group has been unfriendly to public school funding and recently has promoted the idea that a 2.75% cut to the BSAPP and a 1% cut to special education is not enough and the state needs to cut more from public education.

Included in this report is a newsletter from that legislator who parrots the same theme that public education is too protected and needs to suffer greater cuts than have so far been implemented. This same legislator misquoted the actual percentage of the state general fund budget that is distributed to K-12 public education. (in his news letter he has a figure of 60% when the real figure is close to 51%)

Within my own district, we have suffered a 3.26% cut to the BSAPP (an additional .55% loss when applying the 4,280 BSAPP to the Form 150 formulas to determine our total general fund budget. Add to that a 244,000 cut to our capital outlay budget due to state equalization aid being cut to zero and a 4% cut to special education (our local contribution nearly doubled for next year from 450,000 to 835,000 or a 385,000 dollar increase). The special education fund cut may be even more depending on the claims submitted by some districts that affect the Medicaid distribution and the categorical aid distribution statewide. For USD 465, Winfield Public Schools, the total loss in revenue adding the general fund, capital outlay fund, and the special education fund totals a loss in revenues of more than 5.7%. Deeper cuts are being suggested by some legislators.

I have announced this cut locally, have visited with KASB, KSDE, KASA, our representative, Mr. Ed Trimmer, and our senator, Mr. Steve Abrams. I have not heard of any of them speaking out against further cuts to education nor has a single voice for education been established statewide to my knowledge. Meanwhile, the public is bombarded with "cut education" statements in newspapers and newsletters from those who have been opposed to improved funding to education for some time. I would recommend that the support organizations for public education better coordinate an effort to represent the truth about public education cuts. Our superintendent colleagues across the state understand that education must be a part of the strategy to balance the state's budget in the current economic crisis. What we do not understand is the only strategy being discussed is further cuts. There are many other ways to raise revenue to help balance the state budget. We need to begin the dialogue with the public about other strategies and how we must refuse to further damage the funding for public education in Kansas.

- VI On June 9, I submitted the following testimony to the KBOE. Today, I remain extremely concerned about the disparity of cuts to the capital outlay fund in my district (244,000 dollars) when some districts avoided those cuts by taking advantage of the states larger amounts of state aid by assessing capital outlay through the LOB as opposed to the traditional method described in KSA72-6428.

My hope is that the 2010 commission will examine the testimony submitted today by the educators here to testify and will give serious thought to the credible and sound suggestions and questions submitted. Thank you for the opportunity to voice my

concerns and frustrations on behalf of educators in the public schools across this great state.

Marvin Estes  
Superintendent, Winfield Public Schools

## **Open Forum Comments to the Kansas State Board of Education June 9, 2009**

Thank you for taking time to hear my comments.

My comments today are about what I perceive as unfair treatment of my school district, and others, that receive their capital outlay funds through a local tax assessment.

When the legislature passed the omnibus bill, there was a provision in the bill to cut capital outlay state equalization aid to school districts. The effect was that any district that had a local levy for capital outlay, would receive no state equalization aid. For my district, that amounted to a \$244,000 cut from a \$964,000 yearly capital outlay budget or a 25.31% reduction.

Some school districts acquire their capital outlay funds by assessing local taxes through their LOB. The reason they do this is to get a higher percentage of state equalization aid by assessing it through the LOB rather than through a local capital outlay assessment. Once the money is in the LOB fund, it is transferred to the district's capital outlay fund. The net result is the state pays more aid for the local LOB assessment than for the local capital outlay assessment. For example, in my district, a capital outlay assessment locally would generate an additional 25.31% in state equalization aid while the same amount assessed through the local LOB would generate 56% in state equalization aid. Clearly, the districts who use the LOB assessment to fund capital outlay, take advantage of the state's equalization aid. The laws allowing that option are included below.

The omnibus bill applied only to the districts whose capital outlay funds were acquired via a local assessment. Those districts that acquired their capital outlay funds via the local LOB assessment were not affected by the omnibus bill provision and received no cut in funds.

It seems unfair and disparate that some districts lost a significant amount of their capital outlay budgets while others suffered no cuts to their capital outlay budgets even though they received a greater share of state equalization aid.

I realize that the State Board of Education is not responsible for legislative action. I do believe the State Board of Education should be informed when there is perceived unequal treatment of districts, and therefore children, under the governance of the State Board.

I believe equitable cuts can be made to school districts to meet the state's financial needs in this funding crisis. I agree that these particular cuts are difficult to equalize across the state's districts...but not impossible. I ask that more effort be put into finding a way to equalize such cuts on all districts and not just an unfortunate group that made the decision not to take advantage of the distribution of state equalization aid via an unintended loophole in the state law.

I was told that the reason for cutting the capital outlay equalization aid was that it was better than cutting LOB state aid. The idea was, I assume, that LOB would be already committed to operating funds and that capital outlay money would be committed to projects that could be "delayed". Would that not depend on each district's encumbered funds in the capital outlay budget? I have read in the newspaper that education will be "held harmless", and that education received only a 2.75% funding cut. Currently, my district has cut 5.7% from its budget and must meet the costs of increased insurance rates, federal minimum wage mandates, and increased operating costs. We will make the cuts necessary and continue to educate children as you would want us to. It would be an easier task if we knew that everyone was treated equitably during these difficult times.

I urge the State Board of Education to consider supporting an effort to be fair to those districts that have been singled out for this cut to their capital outlay state equalization funds and to redistribute the cuts equally among all districts in the state of Kansas.

Marvin R. Estes

Kansas law describing how money transfers can be made from the general fund to the capital outlay fund:

KSA 72-6428 (4): "No board shall transfer moneys in any amount from the general fund to the capital outlay fund in any school year commencing after June 30, 1993, unless such board, in its adopted budget for such year, shall have budgeted a capital outlay levy at (A) not less than a 3.5 mill rate or (B) not less than the mill rate necessary to produce the same amount of money that would have been produced by a 3.5 mill rate in the 1988-89 school year whichever of (A) or (B) is the greater mill rate."

Kansas law describing how money transfers can be made from the supplemental general fund to capital outlay funds:

KSA 72-6433 (5)(c): "There is hereby established in every district that adopts a local option budget a fund which shall be called the supplemental general fund. The fund shall consist of all amount deposited therein or credited thereto according to law. Amounts in the supplemental general fund may be expended for any purpose for which expenditures from the general fund are authorized or may be transferred to the general fund of the district or to any program weighted fund or categorical fund of the district. Any unexpended and unencumbered cash balance remaining in the supplemental general fund of a district at the conclusion of any school year in which a local option budget is adopted shall be transferred to the general fund of the district."

LEGISLATIVE UPDATE # 23, JUNE 17<sup>TH</sup> 2009

**HB 2374** draws down an additional \$69.0 million dollars in American Reinvestment and Recovery Act (ARRA) funds for the Kansas Employment Security Trust Fund through the modification of three provisions of the Kansas Unemployment Insurance Compensation law.

The first modification will allow unemployment insurance compensation applicants to use an alternative wage base period when calculating benefits. The modified version will allow claimants to use the last four completed quarters including the most recent quarter to determine benefits. This is designed to lessen the lag time for benefit receipt. This portion gave us \$22 million of ARRA funds.

The second modification codifies the practice of allowing traditional part-time workers to claim part-time unemployment compensation benefits, assuming they would be otherwise qualified to receive benefits. This modification has no fiscal impact but moves current DOL practice into statute.

The third modification provides an additional 26 weeks of unemployment insurance coverage for a person who is otherwise qualified to receive unemployment compensation and is enrolled in a stat-approved training program, a shared work program, or a job-training program authorized under the Workforce Investment Act of 1998.

The second and third modifications qualify Kansas to access an additional \$46 million dollars in ARRA funding. Department of labor projects the alternate wage based period and expanded coverage for workforce training provisions will exhaust the additional funding by 2023.

**SB 41** amends state law dealing with school district consolidation and disorganization. In a situation where a school district disorganizes and the territory of the disorganized district is attached to more than one other district, the state financial aid is allocated to the districts to which the territory of the former district is attached.

In addition the bill requires the State Board of Education to develop state curriculum standards for personal financial literacy for all grade levels within the existing mathematics or other appropriate subject matter curriculum.

The bill also requires the State Board to encourage school districts, when selecting textbooks for mathematics, economics, family and consumer science, accounting, or other appropriate courses to select textbooks containing substantive provisions on personal finance.

The bill also requires the BOE to designate a period of time each school year as a time for disability history and awareness. The State Board will develop objectives and guidelines for disability history and awareness, for all grade levels, within the existing curriculum.

The Kansas Legislative research Department recently provided us with a bit of interesting information. In 1990-91 total funding (State, Local, Federal) per pupil was \$5,115, by 2008-09 the amount was \$12,554. In comparison Full Time Enrollment (FTE) went from 444,465 in 90-91, to 447,961 in 08-09. Presented in a chart form the numbers are really interesting and show a dramatic trend.

Since 1997 enrollment in Kansas's schools has stayed flat, with a barely noticeable .08% increase. Yet, we have more than doubled (245%) the per pupil base state financial aid since the mid 90's. While our economy has taken a huge hit, (the Department of Labor says we have lost more than 100,000 jobs) our own downward adjustments in the budget, etc., education spending remains relatively untouched. FY 2010 total spending for education is still \$117 more than FY 2008 levels.

There is hardly a dip from FY 09 to FY 10 even with our rescission bill. In real dollars K-12 funding is down just \$1 million, or .02% from FY09

There are a couple of points of discussion here; is education spending in Kansas important and how can we make it more efficient? The question cannot be debated outside of the reality that we must get our budget under control. Why? Because our budget is K-12 spending! Over 60% of the state spending goes to K-12.

We have cut the easy stuff already and you can see the impact; closing of the El Dorado North Correctional Facility (Honor Camp), cuts in money for our court systems to operate and leading to furlough and limiting access to the judicial process, state employee hiring freeze, cut funding for SRS services, and the list goes on.

I have often said we are in a time when we will discover what is really important to Kansans. Where is the funding equality for our entitlement programs, safety issues, police protection, top-notch highway and bridges, and services for our elderly and disabled citizens?

Believe me this is not an issue of the Legislature versus K-12, this is a fiscal management issue with a state budget that is in dire need of repair and long term planning. Borrowing to make payroll or pay the utilities only works for a short time in the real world of business.

The reality kicks in and a decision has to be made to cut, consolidate, or eliminate some services or employees. These are decisions we in the business world make each day. Nothing less should be required of our state government.

I consider it an honor and privilege to be your representative in Topeka and I want to know what you think. My Topeka office is closed so use my local contact information. [REDACTED]

[REDACTED] Thanks, [REDACTED]

