

Listed below is the information that the Governor's representative distributed to the Legislative Education Planning Committee today, December 7.

EXCEL IN EDUCATION

In Governor Sam Brownback's Roadmap for Kansas he made a commitment to the people of our state to improve education by increasing the percentage of students who are career and college ready upon graduation and the percentage of 4th graders reading at grade level. He also made a commitment to introduce a new school finance formula that increases local control, transparency, accountability, breaks the cycle of litigation, and focuses more resources on the classroom.

The concepts described below are the result of several months of discussions with hundreds of Kansans who share the Governor's interest in improving education. They are the framework of a modern formula that will provide districts with the resources and flexibility they need to help Kansas students meet today's challenges, prepare for tomorrow's opportunities, and excel in education:

- Hold-harmless:** This provision will provide districts with a level of funding certainty as we transition from one formula to the other.
- FTE payment:** A standard per-student payment will be made to each school district in a lump sum based on their FTE count as certified by KSDE. The amount of money paid per-student will be determined by the Legislature.
- Equalization:** This provision will make payments directly to school districts to equalize for the discrepancy in property tax values. The state mandated mill levy will be reduced and the money would be collected into a special revenue fund for distribution. School districts will have the ability raise or lower their local mill levies to a rate determined by the local school board.
- Block grants:** Block grant programs managed and accounted for by KSDE will be made available to the school districts through an application process. The legislature will determine the amount available in each block grant.
- An operating premium block grant designed to help sparsely populated rural areas pay for physical plant equity and student transportation costs.
 - An at-risk block grant designed to aid districts with high poverty rates, a large bi-lingual population, or non-proficiencies.
 - A teacher incentive program designed to reward highly effective teachers who have shown the ability to increase student performance in at-risk populations.
 - A block grant for innovations in education.
- County sales tax option:** This provision will allow counties to opt-in to an equalized education fund managed by the state. The decision to opt-in must be approved by the voters of the county. Funding will then be distributed to the school districts operating in the participating counties.

Frequently Asked Questions

Why change the formula? Why don't we just fully fund the current formula?

The current formula is almost 20 years old. Kansas has changed significantly during that time.

The current formula has been under constant litigation for many years. The time has come for all Kansans to work together so we can stop sending education dollars to the courtroom and send them to the classroom.

The current formula does not focus resources on the classroom. Districts can fund the construction of new schools and athletic facilities while being forced simultaneously to layoff teachers because they lack funding for the classroom.

The current formula does not connect the allocation of resources to student outcomes. The weightings structure was designed to address the unique needs of local school districts but lacks accountability measurements to ensure the students' educational needs are being met.

The current formula limits local control and flexibility. The challenges and opportunities encountered by Kansas students vary significantly from one district to another. Local school boards should be given maximum flexibility to help students rise to local challenges and seize local opportunities.

Will the new formula shift the burden of financing education from the state to the local level?

Education is the primary mission of state government and will continue to be so moving forward.

The "Hold-Harmless" provision of the Governor's plan sets a floor for state spending on education, both statewide and for every individual district in Kansas. Therefore, the state cannot spend less state money on education in the future than it does at the time the new formula takes effect.

Will the new formula distribute money equitably?

Kansas must provide a quality education for every child, regardless of their zip code.

The Governor's formula will include a powerful equalization mechanism that distributes money from property tax rich districts to property tax poor districts.

Revenue generated from the county option sales tax for education will also be equalized among the school districts with students in the participating counties.

The block grant program will also provide additional state funding to address the needs of economically disadvantaged students.

How will the state fund education if income tax rates are reduced?

The Governor has stated his proposed changes to state income tax rates will be revenue neutral. Therefore, his tax plan will not reduce the amount of resources available to fund education.

Will the state's use of block grants to fund education create financial uncertainty from year-to-year, pit school districts against each-other to fight for funding, and require them to hire additional staff to write the grant applications?

As part of his plan, the Governor has suggested Kansas move to a 2 year budget cycle for education spending. Therefore, the new formula will provide more financial predictability and certainty for school districts, not less.

Kansas will use non-competitive formula grants for the operating premium and at-risk grant programs. The formula will allow school districts to make reasonable assumptions about future funding levels. KSDE will not require extensive application submissions for these programs. However, districts will be required to show the additional money they received to address the unique needs of At-Risk students did, in-fact, improve the measurable outcomes of their At-Risk population at the end of the school year.