

Approved: Feb 27, 2008

Date

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:05 A.M. on February 12, 2008 in Room 313-S of the Capitol.

All members were present except:

Benjamin Hodge- absent

Marti Crow- excused

Committee staff present:

Theresa Kiernan, Office of Revisor of Statutes

Dianne Rosell, Office of Revisor of Statutes

Dale Dennis, Kansas State Department of Education

Martha Dorsey, Kansas Legislative Research Department

Sharon Wenger, Kansas Legislative Research Department

Janet Henning, Committee Assistant

Conferees appearing before the committee:

Scott Frank, Legislative Post Audit

Representative Pat Colloton

Colleen Riley, Director-Special Education Services, Kansas State Department of Education

Bill Reardon, Kansas City, Kansas Public Schools

Kathy Cook, Executive Director, Kansas Families for Education

Mark Tallman, Kansas Association of School Boards

Bill Brady, Schools for Fair Funding

Diane Gjerstad, Wichita Public Schools

Dr. Ron Sarnacki, Director, Special Education for Cowley County

Dr. Ron Ballard, USD 470, Arkansas City

Marvin Estes, Superintendent, USD 365, Winfield

Linda Aldridge, Executive Director of NE Kansas Education Service Center, Oskaloosa

Terry Collins, Director, Doniphan County Education Cooperative

Dr. David Sheppard, TriCounty Services, Ft. Larned School District - written testimony

Dr. Gary George, Asst Superintendent, Olathe School District - written testimony

Stuart Little, Shawnee Mission School District

Scott Frank, Legislative Post Audit, gave a report to Committee members on the "K-12 Education: Reviewing Issues Related to Special Education Funding - Summary of Findings". (Attachment 1)

Scott Frank, Legislative Post Audit, gave a response to Representative Trimmer's request regarding redistributing special education categorical aid based on an equal percent of excess costs covered. (Attachment 2)

Scott Frank, Legislative Post Audit, gave a response to Representative Aurand's request for a comparison of the special education excess costs and categorical aid received by school districts and cooperatives. (Attachment 3)

HB 2754: School districts; medicaid replacement state aid

HB 2753: School districts; distribution of state aid for special education and related services

HB 2790: School districts; special education state aid, distribution

Bill Reardon, Kansas City, Kansas Public Schools, spoke to Committee members as a proponent of **HB 2754**. (Attachment 4)

Kathy Cook, Executive Director, Kansas Families for Education, spoke to Committee members as a proponent of **HB 2754** and **HB 2790**. (Attachment 5)

Bill Brady, Schools for Fair Funding, spoke to Committee members as a proponent of **HB 2754**. (Attachment 6)

CONTINUATION SHEET

MINUTES OF THE House Education Committee at 9:05 A.M. on February 12, 2008 in Room 313-S of the Capitol.

Diane Gjerstad, Wichita Public Schools, spoke to Committee members as a proponent of **HB 2753** and **HB 2790**. (Attachment 7)

Representative Pat Colloton addressed Committee members in support of **HB 2790**. Representative Colloton stated the bill fixes the formula so that all school districts will eventually get 92% of excess cost funding from the state without any district losing current funding. (Attachment 8)

Colleen Riley, Director, Special Education Services, Kansas State Department of Education, spoke to Committee members regarding **HB 2790**. Director Riley stated determining eligibility and developing Individualized Education Plans for students is a complex process. She further stated this legislation is premature in light of the fact that educators have already determined that changes need to be made, but only after careful consideration of the impact to children with disabilities. Director Riley encouraged the House Education committee to allow educators and KSDE staff to continue research in order to determine the most equitable way to fund special education services in Kansas. (Attachment 9)

Bob Vancrum, Blue Valley, USD 229, testified before Committee members in support of **HB 2790**. (Attachment 10)

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards, spoke to Committee members as proponents of **HB 2754** and **HB 2790** and stated that KASB supports the concept of linking special education reimbursement more closely to actual costs, but encouraged the Legislature to move with caution. (Attachment 11)

Doug Mays, Topeka Public Schools, spoke to Committee members in support of **HB 2790**.

Written testimony was received from Dr. Gary George, Assistant Superintendent, Olathe District Schools, as a proponent of **HB 2790**. (Attachment 12)

Written testimony was received from Stuart Little, Shawnee Mission School District, as a proponent of **HB 2790**. (Attachment 13)

Linda Aldridge, Executive Director, Special Education Director, Northeast Kansas Education Service Center, spoke to Committee in opposition of **HB 2790** and **HB 2753**. (Attachment 14)

Marvin Estes, Superintendent, USD 365, Winfield, spoke to Committee members in opposition of **HB 2753**. (Attachments 15 and 16)

Dr. Ron Sarnacki, Director of Special Education for Cowley County, spoke to Committee members in opposition of **HB 2753**. (Attachments 17, 18, and 19)

Terry Collins, Director, Doniphan County Education Cooperative, spoke to Committee members in opposition of **HB 2753**. (Attachment 20)

Written testimony was received from David Sheppard, Director, TriCounty Special Services, Ft. Larned School District as an opponent of **HB 2753**. (Attachment 21)

A question and answer session followed the presentations.

Chairman Aurand closed the hearings on **HB 2753**, **HB 2754**, and **HB 2790**.

The meeting was adjourned at 10:45 A.M. The next meeting is scheduled for February 13, 2008.

**K-12 Education: Reviewing Issues
Related to Special Education Funding**
Summary of Findings

Question 1: What Percent of the Excess Costs of Special Education Are Districts and Cooperatives Reimbursed for, and Why Do those Percentages Vary?

1. In 2005-06, State categorical aid for special education covered between 45% and 207% of the excess costs of special education for 69 districts and cooperatives. [page 7]
 - These results are consistent with findings from our 1998 audit.
 - That audit found that the percent of excess costs covered varied from 69% to 208%.
2. Districts and cooperatives that spent more per special education student had less of their excess costs covered by categorical aid. [page 9]
 - Districts and cooperatives with a low percentage of their excess costs covered:
 - were large districts, or cooperatives made up of larger districts.
 - spent more per special education student on direct costs, such as instruction, student support, and transportation.
 - had more certified teachers per 10 students, and paid higher average teacher salaries.
3. Capping the amount of funding a provider could receive would allow money to be redistributed, but wouldn't eliminate the variation. [page 14]

Question 2: How Will Districts and Cooperatives Be Affected by Changes to School-Based Medicaid Funding?

1. Changes to Medicaid will cost districts and cooperatives almost \$2 million dollars in special education funding, starting in the 2007-08 school year. [page 16]
 - Changes to school-based Medicaid are the result of two recent federal audits. Those changes include:
 - changing from a bundled rate to a fee-for-service rate
 - requiring a doctor's authorization for services
 - requiring a parent's authorization to bill Medicaid
 - The Consensus Revenue Estimating Group estimates the changes will reduce Medicaid funding from \$35 million a year to \$11.5 million a year (a 67% decrease).
 - Under the current school finance formula, the Legislature will replace 92% of this lost funding (almost \$22 million) with special education categorical aid.
2. Because of how the lost Medicaid dollars will be replaced with State aid, some districts and cooperatives actually will gain funding. [page 17]
 - The new categorical aid will be distributed based on the number of special education teachers employed by the district or cooperative, not the amount of Medicaid funding lost.
 - As a result, some districts and cooperatives will gain funding, while others will lose funding:
 - 31 districts and cooperatives will gain an estimated \$3.9 million in funding. (Tend to be suburban with little poverty)
 - 38 districts and cooperatives will lose an estimated \$5.8 million in funding. (Tend to be districts with high poverty.)

In 2006-07, the Legislature Provided Almost \$334 Million In Special Education Categorical Aid for Districts and Cooperatives

Districts and cooperatives pay for special education services with a mix of federal, State, and local funds. Each year, the Legislature decides how much State funding it will provide for special education, which is known as "categorical aid." For the 2006-07 school year, the Legislature appropriated almost \$334 million in categorical aid for special education services.

Figure OV-2 Statewide Calculation and Distribution of State Categorical Aid 2006-07 School Year		
		Amounts Used in the 2006-07 Calculation
EXPENDITURE CALCULATION	Actual Expenditures (2004-05 School Year)	\$578,595,181
	Plus Estimated Increase in Special Education Teachers & Salaries for 2005-06 and 2006-07	+ \$81,151,808
	Projected Total Estimated Expenditures for 2006-07	= \$659,746,989
EXCESS COST CALCULATION	Less per Pupil Cost of Regular Education	- \$172,022,832
	Less Federal Aid	- \$100,060,000
	Less Medicaid Reimbursements	- \$35,000,000
	Less SRS contribution for students in State hospitals	- \$1,500,000
	Total Excess Cost	= \$351,164,157
CATEGORICAL AID CALCULATION	Excess Cost x 92%	x 92%
	Categorical Aid (a)	= \$323,071,024
DISTRIBUTION OF CATEGORICAL AID	"Catastrophic" Aid to be distributed	\$1,700,000
	Transportation Aid to be distributed	\$52,364,000
	The remainder is distributed based on the number of special ed teachers and paraprofessionals (approximately \$23,000 X 11,700 FTE teachers)	\$269,007,024
(a) This is the amount approved by the Legislature based on the estimates for that year. The amount of categorical aid actually paid that year was \$334 million. Source: Legislative Research Department and Department of Education.		



MEMORANDUM

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TO: Representative Ed Trimmer
FROM: Scott Frank, Manager, School Audits
DATE: February 12, 2008
SUBJECT: Redistributing special education categorical aid based on an equal percent of excess costs covered (REVISED)

This is in response to your request for revised versions of the tables presented to the House Education Committee on February 5. Per your request, I have revised Attachments A and B to include the amount of special education categorical aid per student for each district or cooperative.

As with the earlier memo, I've attached two sets of figures using excess cost and categorical aid data from the 2005-06 school year:

- **Fixed Percent Scenario** (Attachment A)—In 2005-06, the Legislature agreed to pay 89.3% of the Statewide excess costs of special education. This scenario illustrates the effect of providing each district or cooperative with enough special education categorical aid to cover 89.3% of their excess costs. It's important to note that because the Consensus Revenue Estimating Group's original estimate of excess costs was low, the \$287.5 million provided by the Legislature only covered 86.6% of excess costs. It would have cost the Legislature an additional \$8.9 million to reimburse all districts and cooperatives at the 89.3% level.
- **Fixed Amount Scenario** (Attachment B)—As described in the previous bullet, the Legislature appropriated \$287.5 million for special education in 2005-06. Although this was enough to cover 89.3% of the estimated excess costs, it ended up covering only 86.6% of the actual excess costs. This scenario illustrates the effect of distributing the \$287.5 million pool so that each district or cooperative gets an equal share of its excess costs covered.

cc: Members, House Education Committee

House Education Committee
Date: 2-12-08
Attachment # 2

2-2

Attachment A (REVISED 2/12/08)
Summary of the Effect of Distributing Special Education
Categorical Aid With an Equal Percent of Excess Costs Covered
Percent Set at 89.3%
2005-06 School Year

School District or Cooperative	Special Education Categorical Aid per Student FTE	Total Excess Costs	Current Law		Equal Percent Covered (Percent Set @ 89.3%)		Change in Categorical Aid
			Categorical Aid	% of Excess Costs Covered	Categorical Aid	% of Excess Costs Covered	
259 - Wichita	\$ 8,882	\$ 42,158,203	\$ 30,496,167	72.3%	\$ 37,647,275	89.3%	\$ 7,151,108
512 - Shawnee Mission	\$ 14,200	\$ 25,273,281	\$ 16,347,309	64.7%	\$ 22,569,040	89.3%	\$ 6,221,731
233 - Olathe	\$ 17,898	\$ 23,370,954	\$ 16,259,367	69.6%	\$ 20,870,262	89.3%	\$ 4,610,895
229 - Blue Valley	\$ 17,010	\$ 18,529,037	\$ 12,157,760	65.6%	\$ 16,546,430	89.3%	\$ 4,388,670
501 - Topeka	\$ 10,289	\$ 13,267,423	\$ 10,147,424	76.5%	\$ 11,847,808	89.3%	\$ 1,700,385
368 - Paola	\$ 15,213	\$ 7,673,030	\$ 5,833,332	76.0%	\$ 6,852,016	89.3%	\$ 1,018,684
232 - DeSoto	\$ 17,434	\$ 4,364,084	\$ 2,995,833	68.6%	\$ 3,897,127	89.3%	\$ 901,294
457 - Garden City	\$ 9,717	\$ 5,067,511	\$ 3,645,230	71.9%	\$ 4,525,287	89.3%	\$ 880,057
453 - Leavenworth	\$ 11,874	\$ 8,436,700	\$ 6,840,262	81.1%	\$ 7,533,974	89.3%	\$ 693,712
263 - Mulvane	\$ 9,642	\$ 1,371,415	\$ 622,510	45.4%	\$ 1,224,674	89.3%	\$ 602,164
614 - East Central Kansas Co-op	\$ 10,753	\$ 2,691,084	\$ 1,971,026	73.2%	\$ 2,403,138	89.3%	\$ 432,111
437 - Auburn Washburn	\$ 12,040	\$ 4,452,308	\$ 3,579,877	80.4%	\$ 3,975,911	89.3%	\$ 396,034
610 - Reno County Co-op	\$ 16,186	\$ 4,744,061	\$ 3,845,195	81.1%	\$ 4,236,447	89.3%	\$ 391,252
607 - Tri-County Co-op	\$ 11,514	\$ 6,046,099	\$ 5,009,853	82.9%	\$ 5,399,166	89.3%	\$ 389,313
230 - Spring Hill	\$ 14,287	\$ 1,439,871	\$ 974,238	67.7%	\$ 1,285,805	89.3%	\$ 311,567
260 - Derby	\$ 10,154	\$ 4,507,931	\$ 3,725,262	82.6%	\$ 4,025,582	89.3%	\$ 300,320
345 - Seaman	\$ 12,822	\$ 2,978,417	\$ 2,370,785	79.6%	\$ 2,659,727	89.3%	\$ 288,942
497 - Lawrence	\$ 16,952	\$ 9,123,680	\$ 7,868,877	86.2%	\$ 8,147,446	89.3%	\$ 278,569
428 - Great Bend	\$ 11,881	\$ 3,325,856	\$ 2,793,779	84.0%	\$ 2,969,990	89.3%	\$ 176,211
231 - Gardner-Edgerton	\$ 15,779	\$ 3,006,667	\$ 2,521,714	83.9%	\$ 2,684,954	89.3%	\$ 163,240
500 - Kansas City	\$ 11,205	\$ 13,913,229	\$ 12,278,129	88.2%	\$ 12,424,513	89.3%	\$ 146,384
273 - Beloit	\$ 14,715	\$ 1,807,237	\$ 1,478,686	81.8%	\$ 1,613,863	89.3%	\$ 135,177
373 - Newton	\$ 10,181	\$ 3,390,887	\$ 2,950,323	87.0%	\$ 3,028,063	89.3%	\$ 77,740
450 - Shawnee Heights	\$ 10,390	\$ 2,216,120	\$ 1,908,021	86.1%	\$ 1,978,996	89.3%	\$ 70,974
409 - Atchison	\$ 11,860	\$ 1,539,220	\$ 1,323,545	86.0%	\$ 1,374,523	89.3%	\$ 50,978
489 - Hays	\$ 9,511	\$ 3,179,327	\$ 2,810,354	88.4%	\$ 2,839,139	89.3%	\$ 28,785
234 - Ft. Scott	\$ 10,457	\$ 968,688	\$ 853,096	88.1%	\$ 865,038	89.3%	\$ 11,943
364 - Marysville	\$ 10,366	\$ 1,052,829	\$ 928,277	88.2%	\$ 940,176	89.3%	\$ 11,899
389 - Eureka	\$ 12,853	\$ 507,788	\$ 475,939	93.7%	\$ 453,455	89.3%	\$ (22,484)
618 - Sedgwick Co Interlocal	\$ 10,992	\$ 10,429,958	\$ 9,338,246	89.5%	\$ 9,313,952	89.3%	\$ (24,294)
321 - Kaw Valley	\$ 11,799	\$ 1,077,896	\$ 1,012,343	93.9%	\$ 962,561	89.3%	\$ (49,781)
330 - Wabaunsee East	\$ 12,676	\$ 375,401	\$ 440,119	117.2%	\$ 335,233	89.3%	\$ (104,886)
619 - Sumner Co Interlocal	\$ 11,577	\$ 1,644,810	\$ 1,608,795	97.8%	\$ 1,468,815	89.3%	\$ (139,980)
383 - Manhattan	\$ 13,511	\$ 3,952,341	\$ 3,742,438	94.7%	\$ 3,529,440	89.3%	\$ (212,998)
261 - Haysville	\$ 8,692	\$ 2,799,979	\$ 2,735,532	97.7%	\$ 2,500,381	89.3%	\$ (235,151)

School District or Cooperative	Special Education Categorical Aid per Student FTE	Total Excess Costs	Current Law		Equal Percent Covered (Percent Set @ 89.3%)		Change in Categorical Aid
			Categorical Aid	% of Excess Costs Covered	Categorical Aid	% of Excess Costs Covered	
336 - Holton	\$ 10,808	\$ 2,137,969	\$ 2,154,503	100.8%	\$ 1,909,206	89.3%	\$ (245,296)
244 - Burlington	\$ 11,442	\$ 1,128,176	\$ 1,276,841	113.2%	\$ 1,007,461	89.3%	\$ (269,380)
202 - Turner	\$ 9,563	\$ 2,225,977	\$ 2,264,698	101.7%	\$ 1,987,797	89.3%	\$ (276,901)
372 - Silver Lake	\$ 11,390	\$ 238,197	\$ 492,498	206.8%	\$ 212,710	89.3%	\$ (279,788)
480 - Liberal	\$ 10,479	\$ 1,230,381	\$ 1,411,963	114.8%	\$ 1,098,731	89.3%	\$ (313,232)
418 - McPherson	\$ 11,109	\$ 3,146,655	\$ 3,143,675	99.9%	\$ 2,809,963	89.3%	\$ (333,712)
407 - Russell	\$ 9,322	\$ 300,044	\$ 603,439	201.1%	\$ 267,940	89.3%	\$ (335,499)
320 - Wamego	\$ 12,450	\$ 1,610,907	\$ 1,784,622	110.8%	\$ 1,438,540	89.3%	\$ (346,082)
636 - North Central KS Special Ed Co-op	\$ 11,105	\$ 3,283,633	\$ 3,300,325	100.5%	\$ 2,932,285	89.3%	\$ (368,040)
442 - Nemaha Valley	\$ 11,179	\$ 437,511	\$ 793,838	181.4%	\$ 390,697	89.3%	\$ (403,141)
602 - Northwest Kansas Ed Center	\$ 12,925	\$ 4,762,254	\$ 4,657,065	97.8%	\$ 4,252,693	89.3%	\$ (404,372)
405 - Lyons	\$ 11,393	\$ 1,183,759	\$ 1,492,643	126.1%	\$ 1,057,097	89.3%	\$ (435,546)
290 - Ottawa	\$ 7,377	\$ 928,963	\$ 1,285,847	138.4%	\$ 829,564	89.3%	\$ (456,283)
282 - West Elk	\$ 10,313	\$ 534,778	\$ 934,442	174.7%	\$ 477,556	89.3%	\$ (456,886)
253 - Emporia	\$ 12,513	\$ 4,401,295	\$ 4,392,326	99.8%	\$ 3,930,356	89.3%	\$ (461,970)
617 - Marion County Spec Ed Co-op	\$ 12,305	\$ 1,838,202	\$ 2,137,753	116.3%	\$ 1,641,515	89.3%	\$ (496,238)
495 - Ft. Larned	\$ 9,552	\$ 884,082	\$ 1,288,640	145.8%	\$ 789,485	89.3%	\$ (499,155)
611 - High Plains Ed Co-op	\$ 10,285	\$ 4,033,774	\$ 4,103,465	101.7%	\$ 3,602,160	89.3%	\$ (501,305)
637 - Southeast Kansas Interlocal	\$ 10,751	\$ 7,806,955	\$ 7,498,724	96.1%	\$ 6,971,611	89.3%	\$ (527,113)
615 - Brown Co Spec Ed Interlocal	\$ 9,823	\$ 1,047,657	\$ 1,484,216	141.7%	\$ 935,558	89.3%	\$ (548,658)
379 - Clay Center	\$ 11,199	\$ 1,566,854	\$ 1,961,027	125.2%	\$ 1,399,200	89.3%	\$ (561,827)
603 - ANW Spec Ed Co-op	\$ 12,186	\$ 5,055,688	\$ 5,088,965	100.7%	\$ 4,514,729	89.3%	\$ (574,236)
616 - Doniphan Co Ed Co-op	\$ 9,389	\$ 525,196	\$ 1,071,992	204.1%	\$ 469,000	89.3%	\$ (602,992)
475 - Junction City	\$ 10,023	\$ 4,052,608	\$ 4,252,263	104.9%	\$ 3,618,979	89.3%	\$ (633,284)
620 - Three Lakes Co-op	\$ 9,659	\$ 2,820,037	\$ 3,165,452	112.2%	\$ 2,518,293	89.3%	\$ (647,159)
333 - Concordia	\$ 9,855	\$ 1,403,746	\$ 1,903,768	135.6%	\$ 1,253,546	89.3%	\$ (650,222)
305 - Salina	\$ 11,704	\$ 8,774,985	\$ 8,487,854	96.7%	\$ 7,836,062	89.3%	\$ (651,792)
608 - Northeast Kansas Ed Center	\$ 15,038	\$ 2,796,818	\$ 3,191,520	114.1%	\$ 2,497,559	89.3%	\$ (693,961)
353 - Wellington	\$ 7,822	\$ 682,543	\$ 1,324,164	194.0%	\$ 609,511	89.3%	\$ (714,653)
308 - Hutchinson	\$ 8,049	\$ 1,689,900	\$ 2,451,554	145.1%	\$ 1,509,080	89.3%	\$ (942,474)
605 - South Central Kansas Co-op	\$ 10,480	\$ 4,129,801	\$ 5,229,429	126.6%	\$ 3,687,912	89.3%	\$ (1,541,517)
465 - Winfield	\$ 8,644	\$ 2,738,735	\$ 4,273,591	156.0%	\$ 2,445,690	89.3%	\$ (1,827,901)
490 - El Dorado	\$ 11,872	\$ 7,049,677	\$ 8,202,555	116.4%	\$ 6,295,361	89.3%	\$ (1,907,194)
613 - Southwest Kansas Area Co-op	\$ 12,130	\$ 4,742,508	\$ 6,514,481	137.4%	\$ 4,235,060	89.3%	\$ (2,279,421)
STATEWIDE	\$ 11,539	\$ 331,873,586	\$ 287,509,780	86.6%	\$ 296,363,113	89.3%	\$ 8,853,332

Source: LPA analysis of 2005-06 special education revenues and expenditures for 69 districts and cooperatives.

2-4

Attachment B (REVISED 2/12/08)
Summary of the Effect of Distributing Special Education
Categorical Aid With an Equal Percent of Excess Costs Covered
Amount Set at \$287.5 million
2005-06 School Year

School District or Cooperative	Special Education Categorical Aid per Student FTE	Total Excess Costs	Current Law		Equal Percent Covered (Amount Set @ \$287.5 mil)		Change in Categorical Aid
			Categorical Aid	% of Excess Costs Covered	Categorical Aid	% of Excess Costs Covered	
259 - Wichita	\$ 8,882	\$ 42,158,203	\$ 30,496,167	72.3%	\$ 36,522,628	86.6%	\$ 6,026,461
512 - Shawnee Mission	\$ 14,200	\$ 25,273,281	\$ 16,347,309	64.7%	\$ 21,894,829	86.6%	\$ 5,547,520
233 - Olathe	\$ 17,898	\$ 23,370,954	\$ 16,259,367	69.6%	\$ 20,246,799	86.6%	\$ 3,987,432
229 - Blue Valley	\$ 17,010	\$ 18,529,037	\$ 12,157,760	65.6%	\$ 16,052,134	86.6%	\$ 3,894,374
501 - Topeka	\$ 10,289	\$ 13,267,423	\$ 10,147,424	76.5%	\$ 11,493,876	86.6%	\$ 1,346,452
368 - Paola	\$ 15,213	\$ 7,673,030	\$ 5,833,332	76.0%	\$ 6,647,324	86.6%	\$ 813,992
232 - DeSoto	\$ 17,434	\$ 4,364,084	\$ 2,995,833	68.6%	\$ 3,780,707	86.6%	\$ 784,874
457 - Garden City	\$ 9,717	\$ 5,067,511	\$ 3,645,230	71.9%	\$ 4,390,102	86.6%	\$ 744,872
263 - Mulvane	\$ 9,642	\$ 1,371,415	\$ 622,510	45.4%	\$ 1,188,089	86.6%	\$ 565,579
453 - Leavenworth	\$ 11,874	\$ 8,436,700	\$ 6,840,262	81.1%	\$ 7,308,909	86.6%	\$ 468,647
614 - East Central Kansas Co-op	\$ 10,753	\$ 2,691,084	\$ 1,971,026	73.2%	\$ 2,331,348	86.6%	\$ 360,322
437 - Auburn Washburn	\$ 12,040	\$ 4,452,308	\$ 3,579,877	80.4%	\$ 3,857,137	86.6%	\$ 277,260
230 - Spring Hill	\$ 14,287	\$ 1,439,871	\$ 974,238	67.7%	\$ 1,247,394	86.6%	\$ 273,156
610 - Reno County Co-op	\$ 16,186	\$ 4,744,061	\$ 3,845,195	81.1%	\$ 4,109,890	86.6%	\$ 264,695
607 - Tri-County Co-op	\$ 11,514	\$ 6,046,099	\$ 5,009,853	82.9%	\$ 5,237,875	86.6%	\$ 228,022
345 - Seaman	\$ 12,822	\$ 2,978,417	\$ 2,370,785	79.6%	\$ 2,580,272	86.6%	\$ 209,487
260 - Derby	\$ 10,154	\$ 4,507,931	\$ 3,725,262	82.6%	\$ 3,905,325	86.6%	\$ 180,063
428 - Great Bend	\$ 11,881	\$ 3,325,856	\$ 2,793,779	84.0%	\$ 2,881,266	86.6%	\$ 87,487
273 - Beloit	\$ 14,715	\$ 1,807,237	\$ 1,478,686	81.8%	\$ 1,565,652	86.6%	\$ 86,966
231 - Gardner-Edgerton	\$ 15,779	\$ 3,006,667	\$ 2,521,714	83.9%	\$ 2,604,745	86.6%	\$ 83,031
497 - Lawrence	\$ 16,952	\$ 9,123,680	\$ 7,868,877	86.2%	\$ 7,904,055	86.6%	\$ 35,178
450 - Shawnee Heights	\$ 10,390	\$ 2,216,120	\$ 1,908,021	86.1%	\$ 1,919,876	86.6%	\$ 11,855
409 - Atchison	\$ 11,860	\$ 1,539,220	\$ 1,323,545	86.0%	\$ 1,333,462	86.6%	\$ 9,917
373 - Newton	\$ 10,181	\$ 3,390,887	\$ 2,950,323	87.0%	\$ 2,937,604	86.6%	\$ (12,719)
234 - Ft. Scott	\$ 10,457	\$ 968,688	\$ 853,096	88.1%	\$ 839,197	86.6%	\$ (13,899)
364 - Marysville	\$ 10,366	\$ 1,052,829	\$ 928,277	88.2%	\$ 912,090	86.6%	\$ (16,187)
389 - Eureka	\$ 12,853	\$ 507,788	\$ 475,939	93.7%	\$ 439,908	86.6%	\$ (36,031)
489 - Hays	\$ 9,511	\$ 3,179,327	\$ 2,810,354	88.4%	\$ 2,754,325	86.6%	\$ (56,029)
321 - Kaw Valley	\$ 11,799	\$ 1,077,896	\$ 1,012,343	93.9%	\$ 933,807	86.6%	\$ (78,536)
330 - Wabaunsee East	\$ 12,676	\$ 375,401	\$ 440,119	117.2%	\$ 325,219	86.6%	\$ (114,900)
619 - Sumner Co Interlocal	\$ 11,577	\$ 1,644,810	\$ 1,608,795	97.8%	\$ 1,424,937	86.6%	\$ (183,858)
500 - Kansas City	\$ 11,205	\$ 13,913,229	\$ 12,278,129	88.2%	\$ 12,053,353	86.6%	\$ (224,776)
372 - Silver Lake	\$ 11,390	\$ 238,197	\$ 492,498	206.8%	\$ 206,356	86.6%	\$ (286,142)
244 - Burlington	\$ 11,442	\$ 1,128,176	\$ 1,276,841	113.2%	\$ 977,365	86.6%	\$ (299,476)
336 - Holton	\$ 10,808	\$ 2,137,969	\$ 2,154,503	100.8%	\$ 1,852,172	86.6%	\$ (302,331)

School District or Cooperative	Special Education Categorical Aid per Student FTE	Total Excess Costs	Current Law		Equal Percent Covered (Amount Set @ \$287.5 mil)		Change in Categorical Aid
			Categorical Aid	% of Excess Costs Covered	Categorical Aid	% of Excess Costs Covered	
618 - Sedgwick Co Interlocal	\$ 10,992	\$ 10,429,958	\$ 9,338,246	89.5%	\$ 9,035,714	86.6%	\$ (302,532)
261 - Haysville	\$ 8,692	\$ 2,799,979	\$ 2,735,532	97.7%	\$ 2,425,687	86.6%	\$ (309,845)
383 - Manhattan	\$ 13,511	\$ 3,952,341	\$ 3,742,438	94.7%	\$ 3,424,004	86.6%	\$ (318,434)
202 - Turner	\$ 9,563	\$ 2,225,977	\$ 2,264,698	101.7%	\$ 1,928,415	86.6%	\$ (336,283)
407 - Russell	\$ 9,322	\$ 300,044	\$ 603,439	201.1%	\$ 259,935	86.6%	\$ (343,504)
480 - Liberal	\$ 10,479	\$ 1,230,381	\$ 1,411,963	114.8%	\$ 1,065,908	86.6%	\$ (346,055)
320 - Wamego	\$ 12,450	\$ 1,610,907	\$ 1,784,622	110.8%	\$ 1,395,566	86.6%	\$ (389,056)
442 - Nemaha Valley	\$ 11,179	\$ 437,511	\$ 793,838	181.4%	\$ 379,026	86.6%	\$ (414,812)
418 - McPherson	\$ 11,109	\$ 3,146,655	\$ 3,143,675	99.9%	\$ 2,726,020	86.6%	\$ (417,655)
636 - North Central KS Special Ed Co-op	\$ 11,105	\$ 3,283,633	\$ 3,300,325	100.5%	\$ 2,844,688	86.6%	\$ (455,637)
405 - Lyons	\$ 11,393	\$ 1,183,759	\$ 1,492,643	126.1%	\$ 1,025,518	86.6%	\$ (467,125)
282 - West Elk	\$ 10,313	\$ 534,778	\$ 934,442	174.7%	\$ 463,290	86.6%	\$ (471,152)
290 - Ottawa	\$ 7,377	\$ 928,963	\$ 1,285,847	138.4%	\$ 804,782	86.6%	\$ (481,065)
495 - Ft. Larned	\$ 9,552	\$ 884,082	\$ 1,288,640	145.8%	\$ 765,901	86.6%	\$ (522,739)
602 - Northwest Kansas Ed Center	\$ 12,925	\$ 4,762,254	\$ 4,657,065	97.8%	\$ 4,125,651	86.6%	\$ (531,414)
617 - Marion County Spec Ed Co-op	\$ 12,305	\$ 1,838,202	\$ 2,137,753	116.3%	\$ 1,592,477	86.6%	\$ (545,276)
615 - Brown Co Spec Ed Interlocal	\$ 9,823	\$ 1,047,657	\$ 1,484,216	141.7%	\$ 907,610	86.6%	\$ (576,606)
253 - Emporia	\$ 12,513	\$ 4,401,295	\$ 4,392,326	99.8%	\$ 3,812,944	86.6%	\$ (579,382)
379 - Clay Center	\$ 11,199	\$ 1,566,854	\$ 1,961,027	125.2%	\$ 1,357,402	86.6%	\$ (603,625)
611 - High Plains Ed Co-op	\$ 10,285	\$ 4,033,774	\$ 4,103,465	101.7%	\$ 3,494,552	86.6%	\$ (608,913)
616 - Doniphan Co Ed Co-op	\$ 9,389	\$ 525,196	\$ 1,071,992	204.1%	\$ 454,989	86.6%	\$ (617,003)
333 - Concordia	\$ 9,855	\$ 1,403,746	\$ 1,903,768	135.6%	\$ 1,216,098	86.6%	\$ (687,670)
603 - ANW Spec Ed Co-op	\$ 12,186	\$ 5,055,688	\$ 5,088,965	100.7%	\$ 4,379,859	86.6%	\$ (709,106)
620 - Three Lakes Co-op	\$ 9,659	\$ 2,820,037	\$ 3,165,452	112.2%	\$ 2,443,064	86.6%	\$ (722,388)
353 - Wellington	\$ 7,822	\$ 682,543	\$ 1,324,164	194.0%	\$ 591,303	86.6%	\$ (732,861)
637 - Southeast Kansas Interlocal	\$ 10,751	\$ 7,806,955	\$ 7,498,724	96.1%	\$ 6,763,346	86.6%	\$ (735,378)
475 - Junction City	\$ 10,023	\$ 4,052,608	\$ 4,252,263	104.9%	\$ 3,510,868	86.6%	\$ (741,395)
608 - Northeast Kansas Ed Center	\$ 15,038	\$ 2,796,818	\$ 3,191,520	114.1%	\$ 2,422,949	86.6%	\$ (768,571)
305 - Salina	\$ 11,704	\$ 8,774,985	\$ 8,487,854	96.7%	\$ 7,601,973	86.6%	\$ (885,881)
308 - Hutchinson	\$ 8,049	\$ 1,689,900	\$ 2,451,554	145.1%	\$ 1,463,999	86.6%	\$ (987,555)
605 - South Central Kansas Co-op	\$ 10,480	\$ 4,129,801	\$ 5,229,429	126.6%	\$ 3,577,742	86.6%	\$ (1,651,687)
465 - Winfield	\$ 8,644	\$ 2,738,735	\$ 4,273,591	156.0%	\$ 2,372,630	86.6%	\$ (1,900,961)
490 - El Dorado	\$ 11,872	\$ 7,049,677	\$ 8,202,555	116.4%	\$ 6,107,298	86.6%	\$ (2,095,257)
613 - Southwest Kansas Area Co-op	\$ 12,130	\$ 4,742,508	\$ 6,514,481	137.4%	\$ 4,108,545	86.6%	\$ (2,405,936)
STATEWIDE	\$ 11,539	\$ 331,873,586	\$ 287,509,780	86.6%	\$ 287,509,780	86.6%	\$ 0

Source: LPA analysis of 2005-06 special education revenues and expenditures for 69 districts and cooperatives.



MEMORANDUM

Legislative Division of Post Audit
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TO: Representative Clay Aurand
FROM: Scott Frank, Manager, School Audits
DATE: February 12, 2008
SUBJECT: Comparison of Special Education Excess Costs and Categorical Aid per Student

This is in response to your request for a comparison of the special education excess costs and categorical aid received by school districts and cooperatives. I've attached a figure that shows this comparison, on a per student basis, using excess cost and categorical aid data from the 2005-06 school year.

cc: Members, House Education Committee

House Education Committee
Date: 2-12-08
Attachment # 3

**Comparison of Excess Costs and
Special Education Categorical Aid per FTE Student
2005-06 School Year**

School District or Cooperative	Special Education FTE Students	Special Education Excess Costs per FTE Student			Categorical Aid per FTE Student
		Total Expenditures	Primary Funding	Excess Costs	
233 - Olathe	908.5	\$ 38,051	\$ (12,325)	\$ 25,726	\$ 17,898
232 - DeSoto	171.8	\$ 36,367	\$ (10,970)	\$ 25,396	\$ 17,434
229 - Blue Valley	714.8	\$ 36,353	\$ (10,429)	\$ 25,924	\$ 17,010
497 - Lawrence	464.2	\$ 31,932	\$ (12,277)	\$ 19,655	\$ 16,952
610 - Reno County Co-op	237.6	\$ 32,817	\$ (12,847)	\$ 19,970	\$ 16,186
231 - Gardner-Edgerton	159.8	\$ 29,553	\$ (10,739)	\$ 18,814	\$ 15,779
368 - Paola	383.5	\$ 32,774	\$ (12,763)	\$ 20,011	\$ 15,213
608 - Northeast Kansas Ed Center	212.2	\$ 29,465	\$ (16,287)	\$ 13,178	\$ 15,038
273 - Beloit	100.5	\$ 34,047	\$ (16,063)	\$ 17,984	\$ 14,715
230 - Spring Hill	68.2	\$ 32,024	\$ (10,908)	\$ 21,116	\$ 14,287
512 - Shawnee Mission	1,151.2	\$ 33,427	\$ (11,473)	\$ 21,954	\$ 14,200
383 - Manhattan	277.0	\$ 24,845	\$ (10,576)	\$ 14,268	\$ 13,511
602 - Northwest Kansas Ed Center	360.3	\$ 27,180	\$ (13,964)	\$ 13,217	\$ 12,925
389 - Eureka	37.0	\$ 28,475	\$ (14,762)	\$ 13,713	\$ 12,853
345 - Seaman	184.9	\$ 26,672	\$ (10,563)	\$ 16,108	\$ 12,822
330 - Wabaunsee East	34.7	\$ 22,538	\$ (11,725)	\$ 10,812	\$ 12,676
253 - Emporia	351.0	\$ 26,179	\$ (13,640)	\$ 12,539	\$ 12,513
320 - Wamego	143.3	\$ 23,123	\$ (11,885)	\$ 11,238	\$ 12,450
617 - Marion County Spec Ed Co-op	173.7	\$ 22,699	\$ (12,118)	\$ 10,581	\$ 12,305
603 - ANW Spec Ed Co-op	417.6	\$ 24,537	\$ (12,431)	\$ 12,107	\$ 12,186
613 - Southwest Kansas Area Co-op	537.0	\$ 22,943	\$ (14,112)	\$ 8,831	\$ 12,130
437 - Auburn Washburn	297.3	\$ 24,811	\$ (9,838)	\$ 14,974	\$ 12,040
428 - Great Bend	235.2	\$ 25,376	\$ (11,232)	\$ 14,144	\$ 11,881
453 - Leavenworth	576.1	\$ 24,997	\$ (10,351)	\$ 14,646	\$ 11,874
490 - El Dorado	690.9	\$ 21,540	\$ (11,337)	\$ 10,203	\$ 11,872
409 - Atchison	111.6	\$ 24,471	\$ (10,679)	\$ 13,792	\$ 11,860
321 - Kaw Valley	85.8	\$ 23,559	\$ (10,996)	\$ 12,563	\$ 11,799
305 - Salina	725.2	\$ 24,694	\$ (12,594)	\$ 12,100	\$ 11,704
619 - Sumner Co Interlocal	139.0	\$ 24,606	\$ (12,770)	\$ 11,836	\$ 11,577
607 - Tri-County Co-op	435.1	\$ 26,724	\$ (12,828)	\$ 13,895	\$ 11,514
244 - Burlington	111.6	\$ 22,149	\$ (12,039)	\$ 10,110	\$ 11,442
405 - Lyons	131.0	\$ 21,600	\$ (12,564)	\$ 9,036	\$ 11,393
372 - Silver Lake	43.2	\$ 17,090	\$ (11,581)	\$ 5,509	\$ 11,390
500 - Kansas City	1,095.8	\$ 25,806	\$ (13,109)	\$ 12,697	\$ 11,205
379 - Clay Center	175.1	\$ 21,909	\$ (12,961)	\$ 8,948	\$ 11,199
442 - Nemaha Valley	71.0	\$ 20,015	\$ (13,854)	\$ 6,161	\$ 11,179
418 - McPherson	283.0	\$ 21,965	\$ (10,845)	\$ 11,120	\$ 11,109

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School District or Cooperative	Special Education FTE Students	Special Education Excess Costs per FTE Student			Categorical Aid per FTE Student
		Total Expenditures	Primary Funding	Excess Costs	
636 - North Central KS Special Ed Co-op	297.2	\$ 24,140	\$ (13,092)	\$ 11,049	\$ 11,105
618 - Sedgwick Co Interlocal	849.5	\$ 22,734	\$ (10,457)	\$ 12,277	\$ 10,992
336 - Holton	199.3	\$ 23,209	\$ (12,484)	\$ 10,725	\$ 10,808
614 - East Central Kansas Co-op	183.3	\$ 25,403	\$ (10,721)	\$ 14,681	\$ 10,753
637 - Southeast Kansas Interlocal	697.5	\$ 23,486	\$ (12,293)	\$ 11,193	\$ 10,751
605 - South Central Kansas Co-op	499.0	\$ 19,733	\$ (11,456)	\$ 8,276	\$ 10,480
480 - Liberal	134.7	\$ 21,207	\$ (12,075)	\$ 9,132	\$ 10,479
234 - Ft. Scott	81.6	\$ 25,060	\$ (13,186)	\$ 11,874	\$ 10,457
450 - Shawnee Heights	183.6	\$ 23,147	\$ (11,079)	\$ 12,068	\$ 10,390
364 - Marysville	89.6	\$ 23,820	\$ (12,063)	\$ 11,757	\$ 10,366
282 - West Elk	90.6	\$ 19,109	\$ (13,207)	\$ 5,902	\$ 10,313
501 - Topeka	986.3	\$ 24,341	\$ (10,889)	\$ 13,452	\$ 10,289
611 - High Plains Ed Co-op	399.0	\$ 22,864	\$ (12,754)	\$ 10,110	\$ 10,285
373 - Newton	289.8	\$ 22,660	\$ (10,959)	\$ 11,702	\$ 10,181
260 - Derby	366.9	\$ 22,515	\$ (10,228)	\$ 12,288	\$ 10,154
475 - Junction City	424.2	\$ 19,652	\$ (10,099)	\$ 9,553	\$ 10,023
333 - Concordia	193.2	\$ 20,593	\$ (13,327)	\$ 7,267	\$ 9,855
615 - Brown Co Spec Ed Interlocal	151.1	\$ 18,764	\$ (11,830)	\$ 6,934	\$ 9,823
457 - Garden City	375.2	\$ 23,485	\$ (9,977)	\$ 13,508	\$ 9,717
620 - Three Lakes Co-op	327.7	\$ 19,343	\$ (10,738)	\$ 8,605	\$ 9,659
263 - Mulvane	64.6	\$ 33,590	\$ (12,348)	\$ 21,242	\$ 9,642
202 - Turner	236.8	\$ 20,296	\$ (10,897)	\$ 9,399	\$ 9,563
495 - Ft. Larned	134.9	\$ 19,676	\$ (13,123)	\$ 6,553	\$ 9,552
489 - Hays	295.5	\$ 21,466	\$ (10,706)	\$ 10,760	\$ 9,511
616 - Doniphan Co Ed Co-op	114.2	\$ 16,755	\$ (12,155)	\$ 4,600	\$ 9,389
407 - Russell	64.7	\$ 17,666	\$ (13,031)	\$ 4,635	\$ 9,322
259 - Wichita	3,433.7	\$ 23,405	\$ (11,127)	\$ 12,278	\$ 8,882
261 - Haysville	314.7	\$ 18,853	\$ (9,956)	\$ 8,896	\$ 8,692
465 - Winfield	494.4	\$ 16,437	\$ (10,898)	\$ 5,539	\$ 8,644
308 - Hutchinson	304.6	\$ 17,854	\$ (12,305)	\$ 5,549	\$ 8,049
353 - Wellington	169.3	\$ 13,613	\$ (9,581)	\$ 4,032	\$ 7,822
290 - Ottawa	174.3	\$ 15,216	\$ (9,887)	\$ 5,329	\$ 7,377
STATEWIDE	24,916.6	\$ 24,993	\$ (11,674)	\$ 13,319	\$ 11,539

Source: LPA analysis of 2005-06 special education revenues and expenditures for 69 districts and cooperatives.

2-2



Kansas City, Kansas Public Schools

Unified School District No. 500

**House Education Committee
Testimony by Kansas City, Kansas Public Schools
HB 2754
February 12, 2008**

Federal Medicaid funding that is provided to Kansas USDs was reduced this year from \$35 million to \$11.5 million. Since current law requires the state to provide 92% of Special Ed excess costs, the Kansas Department of Education replaced \$22 million of this \$23.5 million loss. Currently, the only method provided in the statutes for distributing these new dollars is to increase the number of dollars provided to each Special Education teacher. This results in a distribution to USDs that has no relationship to the number of Medicaid students in a given school district. Some districts, such as Kansas City, that has large numbers of Medicaid students must transfer dollars from our general fund to cover these Medicaid costs. Other districts with few Medicaid students are reaping a windfall from the additional state dollars that were intended to cover the shortfall of federal Medicaid dollars.

I have included several pages of the December, 2007 Post Audit Report on Special Education Funding that focuses on Medicaid Funding. This complete report also includes graphs that illustrate the funding effect on each USD in the state.

The Kansas City, Kansas Public School District appreciates the Committee's introduction of HB 2754 to rectify this problem. Directing these new state dollars to the districts that in fact incur the additional Medicaid costs is fair and is precisely what most legislators assumed would happen when the state provided 92% of these lost federal funds.

Bill Reardon
Lobbyist, Kansas City, Kansas
Public Schools

Question 2: How Will Districts and Cooperatives Be Affected by Changes to School-Based Medicaid Funding?

Answer In Brief:

Recent changes to Medicaid will cost the State an estimated \$24 million in Medicaid funding, starting in the 2007-08 school year. The Legislature has agreed to replace 92% of the lost funding, resulting in almost half the districts and cooperatives gaining more funding than they lost in Medicaid because of how the new funding will be distributed. Districts and cooperatives that will lose funding tend to be in high-poverty areas, while districts and cooperatives that gain funding tend to be in more affluent, suburban areas. These and related findings are discussed in the sections that follow.

Changes to Medicaid Will Cost Districts and Cooperatives Almost \$2 Million in Special Education Funding, Starting in the Current School Year

Because some special education services provided by districts and cooperatives are health-related, they are able to bill Medicaid to help pay for these services if the students are eligible. Beginning with the 2007-08 school year, several key changes have been made to the Kansas Medicaid plan that will make it more difficult for districts and cooperatives to access this funding.

Changes to the school-based Medicaid rules are the result of two recent audits by the federal Department of Health and Human Services. In the past two years, the federal Department of Health and Human Services conducted two audits of the school-based Medicaid program in Kansas. These audits found several problems with how the program was being administered, including errors in reimbursement rates and cost reports that didn't accurately reflect the services provided by districts and cooperatives. As a result of these findings, the Kansas Health Policy Authority—the agency that administers the Medicaid program in Kansas—implemented the following changes:

- reimbursements will be based on a fee-for-service rate rather than a bundled rate
- services will have to be authorized by a doctor to be eligible for reimbursement
- each year, a student's parent will have to authorize the school to access Medicaid for reimbursement

These changes are expected to decrease the amount of Medicaid funding districts and cooperatives are able to receive, primarily for these reasons:

- **Because the bundled rates were too high, districts will receive less when they have to document the individual services.** A bundled rate plan includes an array of services priced at one rate. However, a fee-for-service plan prices each service individually. Because the federal audits

concluded the State's bundled rates were too high, the State will lose money when districts and cooperatives are reimbursed for each individual service.

- **Fee-for-service rates will require districts and cooperatives to maintain more detailed service records in order to receive reimbursements.** Under a bundled rate plan, a provider only needed to show the student received a service once that month in order to bill Medicaid for the month. Under the new fee-for-service plan, districts and cooperatives must be able to match their billing records directly to the documentation in the student's file. Some districts and cooperatives might find this requirement too burdensome and not even try to seek reimbursement for many services.
- **Parents will have little incentive to obtain a doctor's note or sign an authorization form to allow their school to bill Medicaid.** That's because schools are required to provide special education services to all students who need them, regardless of how those services are going to be paid for.

Kansas' Consensus Revenue Estimating Group estimates that changes to Medicaid will reduce Medicaid funding from \$35 million to \$11.5 million, beginning with the 2007-08 school year. This group recently estimated Kansas would receive only \$11.5 million in school-based Medicaid funding because of the changes described above. In 2005-06 (the most recent year for which actual revenue data was available), districts and cooperatives in Kansas received \$35.4 million in school-based Medicaid funding. If they receive only \$11.5 million in Medicaid funding, it would mean a loss of \$23.9 million, or 67.5%, of Statewide Medicaid funding for the 2007-08 school year.

Under the current school finance formula, the Legislature will replace 92%, or almost \$22 million, of the lost Medicaid revenues with State categorical aid. Medicaid is one of the sources of primary funding used in calculating the excess costs of special education. Every dollar lost increases Statewide excess costs by a dollar. Under current law, the Legislature funds 92% of all excess costs. If the State loses \$23.9 million in Medicaid funding, the Legislature will offset most of the loss by providing an additional \$21.9 million in categorical aid. Districts and cooperatives will have to fund the remaining almost \$2.0 million with their own revenues.

Because of How the Lost Medicaid Dollars Will Be Replaced With State Aid, Some Districts And Cooperatives Actually Will Gain Funding

As we described above, it's estimated that districts and cooperatives will lose a little more than two-thirds of their Medicaid funding as a result of the recent changes. Although the Legislature will replace 92% of the lost funding with special education categorical aid, the new aid will be distributed based on the number of special education teachers employed by each district or cooperative (as described in the Overview), not based on the amount of Medicaid funding districts and cooperatives will lose. This means that some are likely to be affected more adversely than others.

To assess the net effect of the Medicaid changes on each district or cooperative in the State, we used revenue and staffing data from the 2005-06 school year to estimate the amount of Medicaid funding each provider would lose (assuming they lost a little more than two-thirds of their funding), and the amount of new categorical aid they would receive. *Figure 2-1* summarizes our estimates, while *Appendix G* details the estimated impact on each of the 69 districts and cooperatives.

Figure 2-1 Summary of the Estimated Effect of Changes to Medicaid on Districts and Cooperatives Based on 2005-06 Revenue and Staffing Data				
	Districts or Co-ops Estimated To Gain Funding		Districts or Co-ops Estimated To Lose Funding	
ALL DISTRICTS OR COOPERATIVES				
Total # of Districts or Cooperatives	31		38	
Total Estimated Gain (Loss)	\$3.9 million		(\$5.8 million)	
DISTRICTS OR COOPERATIVES AFFECTED MOST				
Total # of Districts or Co-ops Estimated to Gain (Lose) More Than \$100,000	13		12	
Average Estimated Gain (Loss)	\$258,004		(\$426,408)	
Poverty (% Free Lunch)	19%		39%	
INDIVIDUAL DISTRICTS OR COOPERATIVES				
Districts or Cooperatives Estimated To Gain or Lose the Most Funding	Shawnee Mission (512)	\$ 827,710	Wichita (259)	(\$2,166,500)
	Blue Valley (229)	\$ 622,765	Kansas City (500)	(\$769,074)
	Olathe (233)	\$ 421,028	Hutchinson (308)	(\$352,953)
Source: LPA estimates based on 2005-06 Medicaid reimbursement and special education staffing data from 69 providers, and Consensus Estimating Group estimates.				

As the figure shows, 31 districts or cooperatives will gain an estimated total of \$3.9 million, while 38 will lose a total of \$5.8 million. Although all providers will be affected, 10 were estimated to gain or lose less than \$10,000 each. On the other hand, many districts and cooperatives will be affected significantly—we estimated that 13 would gain more than \$100,000 and 12 would lose more than \$100,000.

When we looked at the characteristics of districts that will gain or lose the most money, we found that:

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- **Suburban districts with little poverty are likely to gain the most funding.** The three districts that gain the most are Shawnee Mission, Blue Valley, and Olathe. Overall, the districts that gain the most tend to have very little poverty—on average only 19% of their students qualify for free lunches under the National School Lunch program.
- **Districts with high poverty are likely to lose the most funding.** The three districts that lose the most are Wichita, Kansas City, and Hutchinson. Overall, the districts that lose the most tend to be very poor. On average, 39% of their students qualify for free lunches.

Districts and cooperatives with very little poverty don't rely as heavily on Medicaid as a funding source. As a result, it will be easier for them to get enough of the new special education categorical aid to offset (or even exceed) the Medicaid funding they will lose.

On the other hand, districts and cooperatives with more poverty likely will be more adversely affected by the changes because they rely more heavily on Medicaid as a funding source than other districts. It's far less likely that they will be able to get enough new categorical aid to offset the lost Medicaid funding.

Conclusion

Each year the Legislature provides categorical aid to districts and cooperatives to help pay for the cost of providing special education services. The categorical aid isn't distributed based on the actual costs of providing special education services or on the number of students who are served. Rather, the majority of it is given to districts and cooperatives based on the number of special education teachers they employ.

Using the number of special education teachers as the basis for distributing categorical aid reduces the incentives districts and cooperatives may have to "over identify" students for services and may help control costs. But it also can create certain inequities in the distribution of aid. As we've found in this audit and in our 1998 audit of special education funding, this system results in significant differences in the percent of districts' and cooperatives' special education excess costs that are paid for with categorical aid. We've also found that recent changes that will reduce the amount of school-based Medicaid funding for districts and cooperatives will affect them very differently because of this system. If the Legislature wants the distribution of special education funding to be more closely linked to the excess costs of providing those services, it will have to consider changing the current funding formula.

Kansas Families for Education

Demanding Excellent Public Schools for All

Testimony

House Education Committee – HB 2754 and HB 2790

February 12, 2008

Kathy Cook, Executive Director

Kansas Families for Education

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to address you this morning regarding HB 2790 and HB 2754.

Kansas Families for Education's position with regard to any portion of the school finance system is that it must be structured to benefit the students it serves regardless of the student's geographical location or socioeconomic status. We believe that HB 2790 will properly address the inequities brought to light by the Legislative Post Audit study in December as well as the study that they performed in 1998 with regard to special education funding.

LPA noted that many school districts were receiving anywhere from 45%-207% of excess special education costs. In fact districts that actually spent more per special education students had less of their excess costs covered by categorical aid. HB 2790 is a fair solution to correcting the inequity in distribution of categorical aid for excess costs. I would be remiss and disappoint my members if I did not take this opportunity to mention that 92% of excess costs are still a far cry from 100% of excess or actual costs, and ask the legislature to work towards that goal in the future.

We feel that HB 2754 must be passed out favorably by this committee. Legislative Post Audit study indicated that districts, specifically suburban districts with few students from poverty stricken homes will gain almost \$4 million dollars under the current formula and districts with high levels of poverty will lose close to \$6 million dollars. We contend that the students in districts that will lose money have already spent years being short-changed prior to the new school finance plan that was recently enacted. It would be shortsighted of us to allow a flaw in the formula to impede the progress that these districts have been able to make with the new infusion of funding.

In closing the passage of these bills simply allows for a fair distribution of categorical aid, and we ask for the committee to be fair for ALL Kansas students.

Thank you for your time and consideration.

Kathy Cook
Executive Director
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House Education Committee

Date: 2-12-08

Attachment # 5

SCHOOLS FOR FAIR FUNDING

Testimony in Support of HB 2754

Bill Brady

February 12, 2008

Mr. Chairman and members of the Education Committee:

Schools for Funding believes the underwriting principle in deciding where to place limited resources for public education is actual costs. Each year a myriad of proposals are made by various individuals and groups to divide educational dollars in a different manner. We are not supportive of such efforts unless it is proven that the change would better serve actual education expenditures. We believe the issue in HB 2754 is one that warrants your support. For the 2006-07 school year the federal government changed its policy on Medicaid reimbursement to Kansas for schools providing health services to students. The change resulted in a loss of Medicaid dollars in the neighborhood of \$24 million and a new system for billing for these services. The 2007 legislature appropriated state dollars to replace the lost federal dollars. In the absence of any formula to direct the department to send the lost Medicaid dollars back to the districts that are serving the kids who are getting the services the Department distributed the dollars across the board to all school districts through the normal special education funding formula. The result is districts that have large Medicaid expenditures did not receive the dollars necessary to pay for the costs associated with the students responsible for those costs. Since all districts received a portion of the dollars, in some cases, districts with little Medicaid expense are receiving higher reimbursed costs than their Medicaid expenditures. The Legislative Post Audit substantiated this fact in its Audit released in December 2007. Appendix G on page 42 of the Audit lists the districts that lost Medicaid dollars, the amount of increased categorical aid that they received due to the Department of Education's allocation process and the net impact to the district.

Schools for Fair Funding believes that the \$24 million should be directed more effectively to get the dollars to the districts actually serving the Medicaid children. This includes services such as speech and hearing, physical therapy that can be critical to the educational achievement of students. The change in HB 2754 attempts to distribute this funding based on headcount. We understand the challenge in coming up with a fair formula. Although not a perfect answer we believe distributing funds generated with Medicaid reimbursed services by headcount is closer to funding based on actual costs than the current method of distributing the money to all districts whether they have any Medicaid eligible students or not. SFFF encourages this committee to address this problem this session. We believe it is a fairness issue and should not get bogged down in how it affects individual member's districts. If a district has the students that need services the money should flow to meet those needs.

House Education Committee

Date: 2-12-08

Attachment # 6



**House Education Committee
Representative Aurand, chair**

**Special Education and Medicaid Reimbursement
H.B. 2790 and 2753**

*Submitted by: Diane Gjerstad
Wichita Public Schools*

Mr. Chairman, members of the Committee:

Wichita Public Schools rises in support of both bills this morning. Legislative Post Audit's report "Reviewing Issues Related to Special Education Funding" December 2007 finds the current distribution of categorical state aid leaves a number of districts far short of the state policy of funding 92% of excess cost; and on the other hand, the formula reimburses a number of districts and cooperatives over 100% of the excess cost to educate special education students.

This structural problem with allocating categorical state aid is not new. In 1998 LPA conducted a similar audit which had similar results; page 8, "Overall, the results are consistent with findings from our 1998 audit of special education funding. In that audit, using a similar methodology, we found that the percent of costs covered ranged from 69% to 238% for the 1996-97 school year". Attached to this testimony is appendix C comparing the 1998 audit to the current. For many districts, like Wichita, there is not much change. In 1998 Wichita received 74% of excess costs; compared to 72% in the current audit.

The result is districts below the state target are disproportionately subsidizing special education. In Wichita the subsidy is over \$30 million dollars or to put into 'per pupil' terms, each regular education student subsidizes special ed by \$700.

Post Audit estimated the impact if those districts receiving more than 100 or 105% of excess costs were capped. The result is obviously 'winners' and 'losers'. HB 2790 takes a moderate approach by simply targeting future new money to those districts below the state policy target of 92%. This approach doesn't create 'losers' but does assist the districts who have historically been under-compensated for serving high need, high cost students as mandated by law.

H.B. 2753 establishes a Medicaid fund to reimburse districts who are serving Medicaid eligible students. Districts are required by federal law to serve the students and have been encouraged by the legislature to claim Medicaid dollars. Recent changes to the federal rules for Medicaid reimbursement for school based services (OT, PT and speech) has significantly reduced the amount districts are reimbursed by Medicaid (estimated statewide loss between \$11.5m to \$35m for 2007-08). Last session the legislature appropriated more to special education in an attempt to off-set the losses. However the current distribution method (categorical aid based on certified special education teachers) benefited districts with low poverty, while the districts with high poverty still face significant losses (Figure 2-1). H.B. 2753 establishes a distribution mechanism directing dollars to the districts with Medicaid eligible populations.

Mr. Chairman, we urge the committee's favorable action on both bills.

House Education Committee
Date: 2-12-08
Attachment # 7

APPENDIX C
Comparison of Percent of Excess Costs Covered by
Categorical Aid for 23 Districts and Cooperatives
1996-97 and 2005-06 School Years

This appendix compares the percent of excess costs covered by categorical aid in 1996-97 and 2005-06 for 20 districts and three cooperatives that were included in our 1998 audit of Special Education funding.

Provider #	Provider Name	Percent of Excess Costs Covered	
		1996-97	2005-06
202	Turner	123%	102%
229	Blue Valley	72%	66%
234	Fort Scott	92%	88%
259	Wichita	74%	72%
260	Derby	83%	83%
261	Haysville	82%	98%
263	Mulvane	97%	45%
290	Ottawa	128%	138%
308	Hutchinson	115%	145%
321	Kaw Valley	102%	94%
330	Wabaunsee East	111%	117%
336	Holton Special Education Cooperative	113%	101%
383	Manhattan	83%	95%
389	Eureka	137%	94%
407	Russell	116%	201%
409	Atchison	123%	86%
457	Garden City	87%	72%
475	Junction City	93%	105%
480	Liberal	85%	115%
497	Lawrence	78%	86%
512	Shawnee Mission	69%	65%
616	Doniphan County Education Cooperative	238%	204%
620	Three Lakes Educational Cooperative	113%	112%

Source: LPA 99-02, published October 1998, and LPA analysis of 2005-06 Special Education funding and expenditures for 69 districts and cooperatives.

7-2

Appendix B lists each of the 39 special education cooperatives and the 270 school districts that belong to them, as well as the 30 districts that provide special education independently.

- **We had to remove certain internal transfers and payments made between districts or cooperatives in order to avoid double-counting them.** For example, districts that serve as the head of a cooperative typically transfer many of the special education revenues between two internal funds—the normal special education fund that all districts use, and a separate cooperative fund they use to pay for the expenses of the cooperative. In order to not count that money twice, we backed out those transfers.
- **We had to allocate the special education expenditures from the Southeast Kansas Education Service Center (Greenbush) to the districts and cooperatives it served.** Although special education students aren't directly assigned to Greenbush, the service center does contract with a number of districts and cooperatives to provide specific special education services for their students. In 2005-06, Greenbush spent about \$5.5 million on services for public school students and received a little over \$802,000 in State special education categorical aid. In order to match these revenues and expenditures with the students Greenbush served,

we allocated those amounts back to the districts and cooperatives that were responsible for serving those students.

Figure 1-1
Percent of Special Education "Excess Costs"
Covered By Categorical Aid
2005-06 School Year

District or Cooperative		% of Excess Costs Covered
TOP 10		
372 - Silver Lake	District	207%
616 - Doniphan Co Ed Co-op	Co-op	204%
407 - Russell County	District	201%
353 - Wellington	District	194%
442 - Nemaha Valley	Co-op	181%
282 - West Elk	Co-op	175%
465 - Winfield	Co-op	156%
495 - Fort Larned	Co-op	146%
308 - Hutchinson	District	145%
615 - Brown County Special Ed Co-op	Co-op	142%
BOTTOM 10		
368 - Paola	Co-op	76%
614 - East Central Ks Co-op	Co-op	73%
259 - Wichita	District	72%
457 - Garden City	District	72%
233 - Olathe	District	70%
232 - DeSoto	District	69%
230 - Spring Hill	District	68%
229 - Blue Valley	District	66%
512 - Shawnee Mission	District	65%
263 - Mulvane	District	45%

Source: LPA analysis of 2005-06 special education revenues and expenditures for 69 districts and cooperatives

In 2005-06, the percent of a district's or cooperative's excess costs that were covered by special education categorical aid ranged from 45% to 207%. Figure 1-1 shows the top 10 and bottom 10 districts or cooperatives in terms of the percent of excess costs that were covered by categorical aid. As the figure shows, the Mulvane school district had the lowest percent of its costs covered (45%) while the Silver Lake school district had the highest (207%). Because Department of Education officials were surprised by the results for Mulvane and Silver Lake, we contacted officials from both districts and confirmed that the data we used either matched their own internal records, or seemed reasonable to them.

Overall, the results are consistent with findings from our 1998 audit of special education funding. In that audit, using a similar methodology, we found that the percent of costs covered ranged from 69% to 238% for the 1996-97 school year. **Appendix C** compares the results for 23 districts or cooperatives that were examined in both audits.

7-3

To assess the net effect of the Medicaid changes on each district or cooperative in the State, we used revenue and staffing data from the 2005-06 school year to estimate the amount of Medicaid funding each provider would lose (assuming they lost a little more than two-thirds of their funding), and the amount of new categorical aid they would receive. *Figure 2-1* summarizes our estimates, while *Appendix G* details the estimated impact on each of the 69 districts and cooperatives.

Figure 2-1 Summary of the Estimated Effect of Changes to Medicaid on Districts and Cooperatives Based on 2005-06 Revenue and Staffing Data				
	Districts or Co-ops Estimated To Gain Funding		Districts or Co-ops Estimated To Lose Funding	
ALL DISTRICTS OR COOPERATIVES				
Total # of Districts or Cooperatives	31		38	
Total Estimated Gain (Loss)	\$3.9 million		(\$5.8 million)	
DISTRICTS OR COOPERATIVES AFFECTED MOST				
Total # of Districts or Co-ops Estimated to Gain (Lose) More Than \$100,000	13		12	
Average Estimated Gain (Loss)	\$258,004		(\$426,408)	
Poverty (% Free Lunch)	19%		39%	
INDIVIDUAL DISTRICTS OR COOPERATIVES				
Districts or Cooperatives Estimated To Gain or Lose the Most Funding	Shawnee Mission (512)	\$ 827,710	Wichita (259)	(\$2,166,500)
	Blue Valley (229)	\$ 622,765	Kansas City (500)	(\$769,074)
	Olathe (233)	\$ 421,028	Hutchinson (308)	(\$352,953)
Source: LPA estimates based on 2005-06 Medicaid reimbursement and special education staffing data from 69 providers, and Consensus Estimating Group estimates.				

As the figure shows, 31 districts or cooperatives will gain an estimated total of \$3.9 million, while 38 will lose a total of \$5.8 million. Although all providers will be affected, 10 were estimated to gain or lose less than \$10,000 each. On the other hand, many districts and cooperatives will be affected significantly—we estimated that 13 would gain more than \$100,000 and 12 would lose more than \$100,000.

When we looked at the characteristics of districts that will gain or lose the most money, we found that:

7-4

STATE OF KANSAS
HOUSE OF REPRESENTATIVES

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COMMITTEE ASSIGNMENTS
EDUCATION
VETERANS, MILITARY AND HOMELAND SECURITY
JUDICIARY



2513 W. 118TH STREET
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PAT COLLOTON

28TH DISTRICT

February 11, 2008

House Education Committee

HB 2790

Chairman Aurand and Committee Members:

Thank you for the opportunity to appear in support of HB 2790. This bill corrects the current inequity in the special education formula that fails to provide 92% of the excess cost of special education for many of our school districts. The state puts aside an amount of money that could fund each school district and cooperative at the 92% level, but the funding formula fails to accomplish this.

HB 2790 fixes the formula so all school districts will eventually get 92% of excess cost funding from the state without any district losing current funding. HB 2790 holds all school districts harmless from a decrease in state funding below the amount received this school year and it provides that future increases will go to those districts who receive less than 92% of their excess special education costs. It disburses the money among those under 92% based up the current method of counting the number of teachers and paraprofessionals employed.

The 2010 Commission identified the problem this summer and requested a legislative post audit to quantify the magnitude of disparity between school districts. It is a hardship on regular education students when the state funds are not provided. Certain districts are a mecca for particular handicaps such as severe cognitive disability in Wichita and autism in Blue Valley. These districts have more students who require greater levels of service than special education students in other districts. Their Individual Education Plans mandate specific services under federal law and the school district must comply. We should not penalize those districts who serve the most profoundly disabled by shifting state funds away from them. It makes no sense to take away state money that is based upon one district's actual expenditures and give it to another district that then gets more than 100% of what they spend on special education. Our policy is 92%.

I respectfully request the adoption of HB 2790.

Pat Colloton

State Representative Pat Colloton

House Education Committee
Date: 2-12-08
Attachment # 8



Special Education Services

785-291-3097 or 1-800-203-9462
785-296-6715 (fax)

120 SE 10th Avenue • Topeka, KS 66612-1182 • 785-296-6338 (TTY) • www.ksde.org

Date: February 12, 2008
To: House Education Committee
From: Colleen Riley, Director, Special Education Services, KSDE

Dear Mr. Chairman and House Education Committee Members,

Thank you for the opportunity to share some information with you regarding HB 2790.

Determining eligibility and developing Individualized Education Plans for students is a complex process. It begins with identifying the unique needs of children who require additional services in order to benefit from their individualized educational program. This process may involve numerous professionals such as speech language pathologists, physical therapists, occupational therapists, school psychologists, general education classroom teachers and special education classroom teachers. After the process of eligibility is completed, services must be provided based on need.

As a school team is working through the process of determining services a child requires, they are assessing the needs of the child, not determining the cost of providing those services. Districts are required by both state and federal law to provide a "free appropriate public education" to each child with a disability, regardless of cost.

This legislation is premature in light of the fact that educators have already determined that changes need to be made, but only after careful consideration of the impact to children with disabilities. This bill will impact children with severe needs in the most remote areas of our state in an unfavorable way.

I encourage the House Education Committee to allow educators and KSDE staff to continue research in order to determine the most equitable way to fund special education services in Kansas.

House Education Committee
Date: 2-12-08
Attachment # 9

TESTIMONY TO HOUSE EDUCATION COMMITTEE
Robert Vancrum, Kansas Government Affairs Specialist
for Blue Valley Unified School District No. 229
February 12, 2008

Honorable Members of the Committee:

I am here representing Blue Valley USD 229 in support of HB 2790. This bill would attempt to equalize the vast disparity found by the Legislative Post Audit last year in state reimbursement of the excess costs of special education. The disparity ranged from districts like ours that receive 40-50% of their excess costs to other districts who were actually paid nearly 200% of their excess costs. There are probably many reasons for this – my district believes the main causes are (1) salaries are generally higher in the metropolitan areas, especially where there is competition from districts in other states with different funding streams and (2) families with special needs children tend to congregate in areas where special programs and treatments exist, making excess costs of special education higher in those areas.

HB 2790 would accomplish by freezing the amount received by districts that were above the statewide mandate of 92% of excess costs last year and distributing new amounts necessary to keep the average at that level only to those that were below 92% last year. Therefore, no district has funding taken away and the disparity is corrected very gradually.

I'd be happy to respond to questions.

House Education Committee
Date: 2-12-08
Attachment # 10

**KANSAS
ASSOCIATION**



**OF
SCHOOL
BOARDS**

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Testimony before the
House Committee on Education

on
HB 2754 – Medicaid Replacement Aid
HB 2753 – Special Education Distribution

by

Mark Tallman, Assistant Executive Director/Advocacy
Kansas Association of School Boards

February 12, 2008

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to offer comments today on the two bills addressing the distribution of special aid.

KASB's long-standing position on special education is that the state should fund 100 percent of the "excess cost" formula. Although that formula has historically been based primarily on reimbursement of teacher units, rather than actual district costs, the only position adopted by our Delegate Assembly regarding distribution has been that use of a weighting system should be considered. There have been no alternative proposals advanced through our policy-making process. However, much more attention is being focused on the current formula in light of the Post Audit report on the current distribution formula and the replacement of Medicaid funding. We would offer the following comments.

First, the whole point in having a separate funding system for special education is that districts have different costs in serving these children. Therefore, the system ought to reflect these differences, and the more closely it reimburses districts for these actual cost differences, the better.

Second, we believe changes in the formula should be adopted so no districts face abrupt losses in funding. We support Rep. Colloton's proposal to "hold harmless" districts which might lose money in a transition.

Third, the Legislature needs to decide on a comprehensive plan for dealing with special education. If the Legislature decides to reimburse districts for their actual costs, which we understand is

House Education Committee
Date: 2-12-08
Attachment # 11

the concept of **HB 2753**, a separate system for funding catastrophic costs or reimbursing for Medicaid should not be necessary.

Fourth, the state should carefully study whether changes in funding may have unintended negative consequences. For example, one reason some districts are currently receiving a lower percentage of excess costs is because they pay their teachers more. These districts will argue this is because salary costs are higher in their areas. On the other hand, some districts appear to be getting more than their "fair share" because their salaries are low and pupil teacher ratios are high. Reducing funding for these districts could further depress salaries, make it harder to employ the required number of teachers, and result in even higher "class sizes." This could, in turn, further reduce state reimbursement and create new inequities.

Fifth, the Legislature needs to understand that reimbursement for actual costs may tend to increase spending on special education. From the viewpoint of students, parents and advocates, that would be a very good thing. Parents want the best for their children, and that often means more expensive services. Often, it is the school system that is put in the position of having to say no. Many advocates claim districts are not providing nearly enough special services – you will no doubt hear that on Thursday from those concerned about dyslexia. Yet school districts are also being told the state is spending enough on education, that state spending and taxation is too high, and that school advocates should stop asking for more. But special education is just one area where the state, the federal government, and parents are asking the schools to do more.

In conclusion, KASB supports the concept of linking special education reimbursement more closely to actual costs, but we encourage the Legislature to move with caution.

Thank you for your consideration.

Testimony in Support of HB 2790

February 12, 2008

Gary George Assistant Superintendent

Olathe District Schools

We are submitting written testimony in support of HB 2790. This bill would take steps to correct a problem identified by Legislative Post Audit. The audit of special education funding revealed that some districts are receiving reimbursements of as much as 207% of "excess cost" and other districts are receiving much lower amounts. In fact a number of districts are receiving less than the 92% of "excess cost" which the Legislature has set as the reimbursement rate. This bill will begin the process of correcting an inequity in the school finance formula. We do not believe it was the intent of the Legislature to have such a range of reimbursements. However, now that all are aware of the inequity, it is appropriate to take steps to correct the problem.

The Olathe District is receiving approximately 70% of "excess cost". We have to meet the needs of students as required by law. People seek us and nearby districts out for services because of the hospitals and job opportunities in the area. The state and federal mandates require that we meet these needs. In the year 2007-08 we are projecting a transfer of \$10,226,887 to the special education fund from the supplemental general fund. As you can see, this issue is a significant one for us. We urge your support of HB 2790. Thank you.

House Education Committee
Date: 2-12-08
Attachment # 12

STUART J. LITTLE, Ph.D.
Little Government Relations

House Education Committee

Testimony on House Bill 2790

February 12, 2008

Representative Aurand and Members of the House Education Committee,

I appear today on behalf of the Shawnee Mission School District 512 in support of House Bill 2790.

Shawnee Mission School District is the state's second largest school district serving over 28,000 students in 35 elementary schools, 7 middle schools, and 5 high schools with 4,063 employees. The district covers 72 square miles in Johnson County. The district has been a strong supporter of the Legislature's continued funding of the school finance formula while pointing out areas where the formula needs to be amended to provide greater equity in funding. For example, while the available state average expenditure per pupil increased to \$10,642 in 2007-08, the amount of funding available to Shawnee Mission remains well below the state average at \$8,142. Two hundred and sixty-six of 296 districts in the state outrank Shawnee Mission in funding available for operations. The district will spend over \$49 million on special education this year and employs over 400 teachers and 480 paraprofessionals. House Bill 2790 would help address some of the inequity concerns.

The Shawnee Mission School District Legislative Platform for 2008 includes a number recommended changes and special education funding is a critical area.

Position: Support changes to special education funding provisions that more closely reimburse actual costs while not mandating expanded programming without adequate state funding.

Rationale: The state continues to pay only 65 percent of the cost of special education in Shawnee Mission schools while other districts are compensated at a much higher level. In some cases, districts receive more than 100 percent of their costs."

The December 2007 Legislative Post Audit expresses some of our concerns in a couple of key ways that would be addressed by HB 2790.

- LPA report shows the state reimbursed special education excess costs between 45% and 207%
- Attributes of districts with a low reimbursement rate
 - Large districts or coops with large districts

- Higher costs for instruction, student support and transportation – students with more severe disabilities locate around urban areas where more services are available
- Higher salary costs

House Bill 2790 would not lower the state aid for any school district. It would provide that any additional appropriation (above the 2007-08 amount) will be allocated to districts that are currently being funded below 92% of their excess cost. We support the bill because Shawnee Mission has the second lowest amount funded by the state at 65 percent. Mulvane was at 45 percent.

There are a couple of places where House bill 2790 should be corrected.

- Line 36 of page 3 refers to the district's actual cost. It should read excess cost.
- Line 37 of page 3 "Such moneys shall be distributed in the manner provided by subsection (a)" should be replaced by "Such moneys shall be prorated to districts receiving less than 92% of excess cost." Since excess costs are not known until the year is completed, it is likely that this will need to be handled as a reimbursement.

I would be happy to stand for questions.

To: Kansas House Education Committee
Fr: Linda Aldridge, Ed.D. *LA*
Executive Director, Special Education Director
Northeast Kansas Education Service Center
Re: House Bills 2790/2753
February 12, 2008

House Bill 2790/2753 is opposed on the following grounds:

- Special Education funds will be redistributed in a manner that rewards districts and cooperatives that already have higher teacher salaries and more teachers for every ten students.
- Districts and cooperatives that currently have lower teacher salaries and fewer teachers for every ten students will lose money.
- Most of the districts/cooperatives that will lose money serve smaller, rural communities. These communities have already consolidated through their cooperative agreements, to control costs while providing the best services the community can afford.
- If this bill is passed, districts and cooperatives will need to increase spending to maintain or increase funding in their districts. It is unwise to encourage higher spending patterns.
- It may be argued that larger, urban and suburban districts need to pay higher salaries to offset higher costs of living. There is a severe, nation-wide shortage of special education teachers. Small communities and rural areas could benefit greatly if they were able to pay higher salaries to entice fully licensed teachers to work in outlying areas.
- There is no good argument to explain why some districts and cooperatives can afford better staffing (lower student/teacher ratios) of their programs. We've all heard that a child's address should not dictate the quality of his/her education. This is especially true of our most fragile learners, those in need of special education services.

Summary: Any plan to redistribute limited special education funds will produce winners and losers. It could well be that our current finance method can be improved. House Bill 2790 does not reflect thorough analysis of the situation, nor does it reflect a commitment to improvement of services for all Kansas children. Any new special education finance plan must first acknowledge inequities already existing in Kansas, and have at its core, a determination to provide equitable and quality services for all children, regardless of geographic location.

Source: (December, 2007) K-12 Education: Reviewing Issues Related to Special Education Funding, Legislative Post Audit Committee.

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House Education Committee

Date: 2-12-08

Providing Qu# Attachment # 14

**Testimony to the House Education Committee
Concerning the Consideration of Legislation Related to
The Loss of Medicaid Funds and the Redistribution of Categorical
Aid for Special Education Students**

Submitted to the House Education Committee for Consideration
On Tuesday, February 12, 2008, Room 313 S of the State Capitol at 9:05 a.m.

House Education Committee
Date: 2-12-08
Attachment # 15

Educators realize that legislators have difficult jobs and almost always hear conflicting testimony about any bill or action that is being contemplated. Your work is truly appreciated and so too is your consideration of this testimony.

I have read and studied the LPA Report entitled K-12 Education: Reviewing Issues Related to Special Education Funding. I can not with good conscience remain silent when my district and fellow districts in the Cowley County Special Education Cooperative stand to be so catastrophically affected by the passage of any bill that would support what the conclusions of this report suggest. The average district valuation for our COOP is the lowest of any district, interlocal, or cooperative listed in the study on page 11. Also on page 11 are figures that suggest that one district receives about \$32,000 per FTE student while our COOP districts receive about \$16,000. I would certainly believe that that kind of disparity would have caught someone's attention, but the study is focused on bringing equity among districts that receive a higher percent of categorical aid as part of the excess costs per district.

Please understand that my COOP stands to lose \$203,000 due to lost Medicaid reimbursement, and, if the cap is held at 100% excess costs, about 1.3 million dollars. Understanding that the consequences of this loss to our COOP would have devastating consequences for the services now provided to the students of that district, I ask the House Education Committee to consider the following questions:

1. **The Study Has Questionable Validity:** The study, which should be comparing special education populations, compromises validity by contaminating special education student data with data from non special education students that distorts the spending on special education. (Figure 1-3, page 11) Why use all-student populations when trying to identify costs for special education students? Why average all-student populations of COOPs when comparing them to independent school districts with special education programs? In Figure 1-3, Spring Hill is shown to have a population of 1633.8 students while Newton shows a population of 1624.9 students and Winfield's COOP shows a population of 1034.7. The real figures are that Spring Hill does have an all-student population of 1633.8 but Newton's COOP has an all-student population of 4,874.7 and Winfield COOP has an all-student population of 6208.2. If you look at just special education populations, Spring Hill has a special education population of 204, Newton COOP a special education population of 941, and Winfield a special education population of 1,350. I do not understand how the other figures were determined even after studying the report, but I don't have faith that the conclusions are valid based on the method of using such confusing data.

Certain other factors make the comparison of independent district programs and a COOP difficult. For example, the Spring Hill district's all special education category population makes up 11.47% of its all-student population. (Newton's COOP 18.86% of its all-student population and Winfield's COOP 21.36% of its all-student population.) Although we did not analyze the type of

disability and how it would affect the number of teachers, paras, etc. the type of disability could greatly affect the number of each hired under categorical aid.

Perhaps the biggest affect on the funding of special education is teacher and para salaries. We have a collective, average valuation per student of \$34,816 for our COOP. It is the lowest of all the schools listed in Figure 1-1 on page 8 of the LPA report. Our salaries have lagged behind other COOPs. We are improving those salaries and wages each year but are still behind. Higher salaries paid to teachers and paras is a huge part of the categorical aid funding differences among districts. I believe that wealthier districts will always have their pick of teachers because they have the capabilities to pay higher salaries. I don't know how to overcome this issue with our current valuation handicap. I do know that reducing funding for our students and sending it to wealthier districts will not help solve the problems we face attracting and retaining quality teachers for our students in our COOP and regular education classrooms.

Transportation should also be considered since our county COOP has to involve more travel and transport of students than most independent district special education programs.

2. **Catastrophic Consequences Require Caution:** I believe there should be further studies accomplished to determine the true affects of changing the current funding system. If we are receiving money that deprives a child in another district of what they need, I will be the first to speak out against such inequities. I believe if further, in-depth studies are done, the legislature will be fully informed and I believe will see that there are more inequities than just distribution of categorical aid.

I ask that the legislature continue to study the issue before any bill is proposed that may have devastating affects on some districts and COOPs. Not many will lose huge amounts of revenue as a result of redistribution of categorical aid and the loss of Medicaid money. Two years ago, Dr. Ballard (Arkansas City superintendent) and I were sitting in the Senate Education Committee meeting. We were praised and applauded for being the most efficient Cooperative in the state of Kansas. At the time, I told Dr. Ballard that I was not proud of the award because it meant that we were not paying our teachers and paras as much as they deserved. Now, we see that being efficient was not the wisest course for us and certainly has come to threaten even the lower salaries we pay our employees.

Where the consequences are so catastrophic to our COOP, I urge caution in passing any legislation until further, more valid, study can be accomplished to ascertain the true affects of lost funds on districts. Even holding districts and COOPs that lose funds harmless, will not erase the disadvantages of low

valuation and low salaries that do not allow us to compete with higher valuation districts for quality employees.

3. **Consistent Practice:** How can a bill be supported that moves funds from poor districts to wealthier, better funded districts? ("Districts and cooperatives that will lose funding tend to be in high-poverty areas, while districts and cooperatives that gain funding tend to be in more affluent, suburban areas." Page 16 Answer in Brief) Although the quote is made concerning the loss of Medicaid money, I believe it also applies to the redistribution of categorical aid for special education. Both the loss of Medicaid and the redistribution of categorical aid seem to be contrary to the legislation passed to attempt to better equalize funding and opportunities for all Kansas children. (Free lunch program, at risk funding, equalization of state aid – LOB – capitol outlay – bond capitol improvement funding) Will all of these programs be eventually abandoned in favor of wealthier districts because they must pay more for similar opportunities?

I believe the Kansas Legislature will act in the best interests of all students in the state. I also believe that the legislature will support the concept that a child's quality educational opportunities will be made as equal as possible and not depend on a student's address or his USD number.

Thank you for your time and consideration.

Marvin R. Estes
Superintendent of Schools
Winfield Public Schools
USD 465

The Reverse Robin Hood Effect
 Another Look at Figure 1-1 (page 8) of the Legislative Post Audit Study

Number	School District or Cooperative Name	Percent of Excess Costs Covered by Categorical Aid	Net Impact of Medicaid Lost	Total Valuation Per Pupil
Top 10				
372	Silver Lake	206.8%	\$12,138	\$37,601
616	Doniphan County Education Cooperative	204.1%	-\$9,947	\$44,512
407	Russell	201.1%	-\$56,889	\$71,702
353	Wellington	194.0%	\$17,806	\$36,278
442	Nemaha Valley	181.4%	-\$12,843	\$46,979
282	West Elk	174.7%	-\$61,938	\$51,389
465	Winfield	156.0%	-\$203,802	\$34,816
495	Ft. Larned	145.8%	-\$25,062	\$71,199
308	Hutchinson	145.1%	-\$352,953	\$44,661
615	Brown County Special Education Interlocal	141.7%	-\$22,937	\$47,239
Top 10 Avg				\$48,638
Bottom 10				
368	Paola	76.0%	-\$16,881	\$64,466
614	East Central Kansas Cooperative	73.2%	\$127,552	\$47,876
259	Wichita	72.3%	-\$2,166,500	\$54,301
457	Garden City	71.9%	\$112,085	\$46,331
233	Olathe	69.6%	\$421,028	\$71,412
232	DeSoto	68.6%	\$138,908	\$69,315
230	Spring Hill	67.7%	\$54,985	\$64,833
229	Blue Valley	65.6%	\$622,765	\$112,294
512	Shawnee Mission	64.7%	\$827,710	\$115,371
263	Mulvane	45.4%	-\$9,097	\$29,366
Bottom 10 Avg				\$71,871

School/USD #	% of Excess Costs Covered by CatAid	Medicaid Gain/Loss	Valuation Per Pupil	% SPED of Student Pop.	% Gifted	% Disabled	Cat Aid/Pupil
Silver Lake 372	206.8	12,138	37,601	14.91	3.39	11.65	
Doniphan Co. 616	204.1	-9,947	44,512	20.42	2.14	18.65	
Russell 407	201.1	-56,889	71,702	20.80	1.86	18.95	
Wellington 353	194.0	17,806	36,278	24.33	1.70	22.75	
Nemaha Valley 442	181.4	-12,843	46,979	17.35	1.39	16.02	
West Elk 282	174.7	-61,938	51,389	25.62	1.18	24.53	
Winfield 465	156.0	-203,802	34,816	21.63	2.52	19.29	
Ft. Larned 495	145.8	-25,062	71,199	19.03	1.05	18.04	
Hutchinson 308	145.1	-352,953	44,661	20.46	2.93	17.57	
Brown Co. 615	141.7	-22,937	47,239	26.06	4.75	21.44	
	Average	-71,642.7	48,638	21.06	2.29	18.89	
Paola 368	76.0	-16,881	64,466	15.99	2.43	13.58	
East Central 614	73.2	127,552	47,876	16.65	2.77	13.97	
Wichita 259	72.3	-2,166,500	54,301	16.96	2.76	14.31	
Garden City 457	71.9	112,085	45,331	12.66	1.37	11.30	
Olathe 233	69.6	421,028	71,412	14.51	3.07	11.51	
DeSoto 232	68.6	138,908	69,315	10.76	2.34	8.44	
Spring Hill 230	67.7	54,985	64,833	11.47	1.69	9.78	
Blue Valley 229	65.6	622,765	112,294	16.40	7.03	9.47	
Shawnee Miss. 512	64.7	827,710	115,371	16.78	5.26	11.63	
Mulvane 263	45.5	-9,097	29,366	15.17	1.77	13.40	
	Average*	11,255	71,871	14.73	3.05	11.74	

*Exclude Wichita and the average is \$253,228

The Reverse Robin Hood Effect

A paper presented to the Subcommittee on Education in Response to House Bill 2753

Authors

Dr. Ron Ballard, Arkansas City USD 470 Superintendent
Marvin Estes, Winfield USD 465 Superintendent
Dr. Ron Sarnacki, Director of Special Education for Cowley County

February 12, 2008

House Education Committee
Date: 2-12-08
Attachment # 17

The Reverse Robin Hood Effect

The rising cost of providing special education services to exceptional students has been a concern not only in Kansas but nationally as well. In 1998 the Kansas Legislative Research Department published a document entitled *Selected Factors Regarding Special Education Costs (7/14/1998)*. In this document eighteen issues that caused special education costs to increase were listed. The Legislative Budget Committee of the Kansas Legislature was considering a census-based approach to funding special education to address this issue and conducted hearings. In the census-based approach the major funding of special education would be allocated to schools based on total district enrollment rather than special education teaching units as is presently done. The Legislative Budget Committee, after hearing testimony from a group of special education directors, nixed the census-based approach and chose to continue funding special education in its present manner, a system that is based on student need ... in all Kansas school districts ... not a select group of districts.

The current system of financing special education in Kansas works well for students with disabilities and the districts that serve them. Several reasons for this follow:

- **It is based on student need.** Districts are able to hire and employ staff as the need surfaces. This is often unpredictable. For example, a deaf student may move into a school district in the middle of the school year and require a 1:1 interpreter. The Kansas system of state aid allows a special education entity to receive state aid for hiring this employee.
- **It is equitable.** The system does not penalize districts that hire staff to work with small numbers of low incidence disability populations (e.g., students with severe multiple disabilities) who require unique services far different from students with mild disabilities who would spend much of their school day in the regular classroom. Therefore, the present system is equitable for both large and small districts/cooperatives – all special education entities have the ability to afford to hire the staff needed to work with low incidence populations, whether a district has hundreds of students with severe disabilities or small amounts.
- The present system of financing special education in Kansas has appeared to have the **overwhelming support of the majority of special education directors around the state.** Directors are aware of student needs in the districts they serve and are able to pay for the staff needed to provide appropriate special education services.
- Kansas present system is **helpful to districts that are above the state average for students who live in poverty** or are identified educationally at-risk. Typically, these districts have a higher prevalence of students who will be eligible for and require special education services.
- The present system **does not penalize districts where group homes for students with severe disabilities or emotional disturbance** have been established. Districts are able to receive state aid to assist in hiring the

employees needed to provide the required services for these students with unique needs.

The question must be asked, "If the current system of financing special education in Kansas works well for students with disabilities, provides equitable access to districts/cooperatives in the ability to afford to hire staff to serve these students, and has been supported by the overwhelming majority of special education directors in the state, why should the system be changed?" The Legislative Post Audit Committee in its December 2007 Report appears to suggest that a different system of financing special education should be considered based on the percentage of excess costs covered by state aid to special education districts/cooperatives. Findings from that study follow:

- **Districts, in general, that are larger and have a higher valuation per pupil are able to employ more staff and pay their staff higher salaries than smaller districts/cooperatives are able to.**
- **Redistributing state aid** by capping the amount of funding a provider would receive **would make the rich districts richer and poor districts poorer** (please see attachments). Most special education cooperatives probably have 90% or more of their budget spent on personnel. Redistributing state aid based on the ratio of categorical aid to excess cost is not the answer. This ratio has nothing to do with efficiency.
- The study implies that the solutions offered within would help the school districts/cooperatives in the greatest need ... however, just the opposite is accomplished. **The gap will widen even further between districts and cooperatives that already have difficulty competing with the other public school entities that pay their staff more.**
- **The LPA study makes it appear that Mulvane USD 463 has an efficient ratio of excess costs to categorical aid** and should be a model for other districts and cooperatives. **This is misinformation.** While other districts hire staff members to work with students with disabilities and receive categorical aid, **Mulvane contracts with professionals from other agencies** for services for many of its students. Some examples include Occupational Therapy, Physical Therapy, Speech Therapy, Day School Teacher for Emotionally Disturbed, Teacher for the Hearing Impaired, Teacher for Visually Impaired. Mulvane still pays to provide services for these students, but these costs do not come under the heading of categorical aid, significantly reducing the amount that appears under categorical aid and lowering that district's ration of excess costs to categorical aid. Mulvane's placement as having the lowest ratio of excess cost to categorical aid is an anomaly.

Regarding the Winfield Cooperative, the following points need to be made:

- **Our cooperative was applauded just two years ago by the Senate Education Subcommittee as being the most cost effective special education cooperative in the state.** The main reason for this cost effectiveness was because we probably employed fewer teachers per pupil

than other cooperatives in the study and paid them less (the base salary for a beginning teacher in 2005/2006 was \$27,425 per year, para educator pay began at \$5.65 per hour). Our reward now is a threat of losing \$2,000,000 in state aid.

- **No consultants are employed by the cooperative.** The two administrators for the cooperative handle all consulting responsibilities.
- Our cooperative received almost \$800,000 in **Medicaid money** when bundled rate billing was in effect. Now we will be fortunate to collect \$225,000 under the new system. Despite the increase in state categorical aid, overall **our cooperative will still receive \$200,000 less in revenues than in than in the previous year.**
- According to Appendix E, **there are only three districts/cooperatives in the state that employ fewer special education teachers per 10 students** than our cooperative. We have attempted to do a good job managing the resources we have.
- If legislation is passed to fund special education based on the information in the December LPA study, **our cooperative stands to lose anywhere from \$1.3 million to \$1.5 million dollars in state aid.**

Our appeal to you today is to ask you to have this study reviewed more carefully before using it as your basis to make a decision that will affect all students with disabilities in the state. There appear to be some **questionable areas** that form the foundation of the study (e.g., **the method used to compute average FTE student enrollment for cooperatives ... which forms the whole basis for the entire study,** factoring out anomalies for districts that contract out services rather than serving students with their own staff, listings in Appendix E for prevalence of special education populations that do not match those shared by the state in its annual MIS audit figures). After a thorough review, then make your decision about the most appropriate method for funding special education in Kansas.

As a Kansas Representative, you represent all school age children in Kansas and must do what is best for all of them. Each child, regardless of district of residence, is entitled equal access to an appropriate education. Please allow each child access to this right by ensuring that all districts/cooperatives in Kansas receive appropriate funding.

The Reverse Robin Hood Effect
 Another Look at Figure 1-1 (page 8) of the Legislative Post Audit Study

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Bottom 10 Avg				\$71,871

3/6/2007		Kansas State Department of Education Assessed Valuation Report for 2006-2007					
USD #	County Name	USD Name	2006-07 FTE (incl MILT)	Total Valuation	Total Valuation Per Pupil	General Fund Valuation	LOB/BI Valuation
D0207	Leavenworth	Ft. Leavenworth	1,631.4	1,214,989	745	1,214,989	1,214,989
D0505	Labette	Chetopa - St. Paul	562.5	9,602,862	17,072	7,821,092	9,602,862
D0499	Cherokee	Galena	736.2	12,857,583	17,465	9,690,556	12,857,583
D0475	Geary	Junction City	6,538.8	150,663,448	23,041	133,879,700	144,476,880
D0447	Montgomery	Cherryvale	694.6	16,881,908	24,305	14,055,314	16,832,763
D0504	Labette	Oswego	488.0	11,870,462	24,325	9,883,670	11,792,690
D0439	Harvey	Sedgwick	520.5	13,138,866	25,243	11,453,101	13,030,881
D0337	Jackson	Mayetta	921.3	23,333,635	25,327	20,077,479	23,231,361
D0357	Sumner	Belle Plaine	741.5	18,780,734	25,328	15,766,316	18,563,150
D0246	Crawford	Northeast	574.1	15,186,021	26,452	11,435,689	15,186,021
D0249	Crawford	Frontenac	797.0	21,125,208	26,506	17,706,783	21,057,689
D0261	Sedgwick	Haysville	4,503.5	119,544,024	26,545	101,579,356	119,451,323
D0396	Butler	Douglass	820.8	22,623,167	27,562	19,512,881	22,578,792
D0508	Cherokee	Baxter Springs	877.0	24,629,980	28,084	20,304,865	24,629,980
D0470	Cowley	Arkansas City	2,773.2	80,724,396	29,109	66,732,771	80,682,479
D0263	Sedgwick	Mulvane	1,840.0	54,034,253	29,366	45,656,247	53,840,040
D0506	Labette	Labette County	1,600.5	47,403,784	29,618	40,747,261	47,397,564
D0235	Bourbon	Uniontown	468.5	14,004,921	29,893	11,940,868	14,004,921
D0404	Cherokee	Riverton	882.0	26,889,071	30,486	23,604,549	26,889,071
D0394	Butler	Rose Hill	1,662.0	50,849,651	30,595	44,503,186	50,813,456
D0413	Neosho	Chanute	1,819.2	56,407,470	31,007	46,569,722	56,407,470
D0443	Ford	Dodge City	5,586.3	174,196,842	31,183	155,254,209	174,196,842
D0257	Allen	Iola	1,415.0	44,532,416	31,472	36,901,209	44,532,416
D0430	Brown	Brown County	649.5	20,496,805	31,558	17,519,892	20,118,748
D0339	Jefferson	Jefferson County	493.5	15,889,687	32,198	13,863,352	15,889,687
D0344	Linn	Pleasanton	373.5	12,083,967	32,353	10,113,401	12,056,203
D0356	Sumner	Conway Springs	567.7	18,690,627	32,923	16,532,766	18,346,844
D0487	Dickinson	Herington	484.5	16,057,161	33,142	13,181,318	16,057,161
D0247	Crawford	Cherokee	804.5	26,975,917	33,531	22,752,473	26,975,917
D0402	Butler	Augusta	2,157.9	72,389,623	33,546	62,524,264	72,284,963
D0336	Jackson	Holton	1,096.4	37,086,017	33,825	31,969,972	37,007,282
D0248	Crawford	Girard	1,021.5	34,715,804	33,985	29,859,674	34,715,804
D0338	Jefferson	Valley Halls	409.5	14,020,755	34,239	12,051,352	14,020,755
D0454	Osage	Burlingame	330.5	11,322,497	34,259	9,652,731	11,322,497
D0471	Cowley	Dexter	201.5	6,947,714	34,480	6,321,880	6,947,714
D0335	Jackson	North Jackson	402.5	13,902,299	34,540	12,103,124	13,902,122
D0429	Doniphan	Troy	379.5	13,110,772	34,547	11,371,689	12,481,730
D0406	Doniphan	Wathena	409.5	14,781,822	36,097	12,840,190	14,068,540
D0353	Sumner	Wellington	1,629.0	59,097,626	36,278	50,731,596	58,431,382
D0436	Montgomery	Caney	792.0	28,785,248	36,345	24,883,959	28,750,975
D0211	Norton	Norton	658.6	23,950,381	36,366	20,542,076	23,950,381
D0253	Lyon	Emporia	4,665.0	169,858,579	36,411	150,806,603	169,420,351
D0461	Wilson	Neodesha	773.8	28,265,484	36,528	24,863,677	28,265,484
D0463	Cowley	Udall	379.5	13,960,883	36,788	12,095,140	13,960,883
D0503	Labette	Parsons	1,435.4	52,905,945	36,858	43,796,206	51,726,816
D0262	Sedgwick	Valley Center	2,479.4	92,030,264	37,118	81,094,385	92,030,264
D0367	Miami	Osawatomie	1,177.5	43,879,220	37,265	38,142,326	43,443,347
D0451	Nemaha	B & B	210.5	7,854,326	37,313	7,149,244	7,854,326
D0372	Shawnee	Silver Lake	708.6	26,643,815	37,601	23,965,690	26,643,815
D0358	Sumner	Oxford	390.5	14,685,692	37,607	12,896,101	14,474,868
D0373	Harvey	Newton	3,440.1	130,076,896	37,812	112,702,939	129,141,863
D0434	Osage	Santa Fe	1,158.4	44,204,685	38,160	38,538,387	44,204,685
D0340	Jefferson	Jefferson West	919.0	35,235,198	38,341	31,061,363	35,235,198
D0307	Saline	Ell-Saline	458.2	17,647,270	38,514	15,994,293	17,647,270
D0234	Bourbon	Ft. Scott	1,889.6	73,307,154	38,795	62,514,342	73,197,420
D0323	Pottawatomie	Westmoreland	802.4	31,366,499	39,091	27,564,773	31,366,499
D0268	Sedgwick	Cheney	743.6	29,150,327	39,202	26,225,981	29,132,213
D0288	Franklin	Central Heights	573.9	22,507,866	39,219	19,683,236	22,507,866
D0465	Cowley	Winfield	2,408.2	95,095,141	39,488	83,014,591	94,749,018
D0462	Cowley	Central	335.0	13,321,954	39,767	11,441,170	13,321,954

*David E. ...
2-12-08
att: ... 18*

USD #	County Name	USD Name	2006-07 FTE (incl MILT)	Total Valuation	Total Valuation Per Pupil	General Fund Valuation	LOB/BI Valuation
D0486	Doniphan	Elwood	306.2	12,314,280	40,216	11,373,854	11,962,850
D0428	Barton	Great Bend	3,008.0	122,509,501	40,728	107,137,937	120,635,494
D0202	Wyandotte	Turner	3,671.2	150,268,888	40,932	135,808,768	150,268,888
D0440	Harvey	Halstead	769.7	31,946,078	41,505	28,047,672	31,807,361
D0498	Marshall	Valley Heights	386.5	16,089,709	41,629	14,109,446	15,906,668
D0491	Douglas	Eudora	1,317.2	54,846,401	41,639	49,462,366	54,846,401
D0420	Osage	Osage City	694.8	28,997,785	41,735	25,569,082	28,997,785
D0265	Sedgwick	Goddard	4,487.8	187,946,140	41,879	169,222,788	187,946,140
D0405	Rice	Lyons	813.6	34,098,484	41,911	30,564,636	34,098,484
D0341	Jefferson	Oskaloosa	577.7	24,218,041	41,921	20,801,446	24,218,041
D0240	Ottawa	Twin Valley	609.8	25,567,491	41,928	23,191,325	25,567,491
D0500	Wyandotte	Kansas City	18,477.5	776,510,496	42,025	691,707,297	774,897,593
D0378	Riley	Riley County	643.0	27,072,953	42,104	23,849,051	27,072,953
D0325	Phillips	Phillipsburg	634.0	26,847,220	42,346	23,671,960	26,847,220
D0333	Cloud	Concordia	1,059.6	45,228,009	42,684	39,168,504	45,228,009
D0205	Butler	Bluestem	660.8	28,302,217	42,830	24,660,073	28,302,217
D0441	Nemaha	Sabetha	915.9	39,290,775	42,899	35,197,166	39,281,496
D0256	Allen	Marmaton Valley	349.5	15,030,224	43,005	13,495,364	15,030,224
D0435	Dickinson	Abilene	1,512.7	65,116,531	43,047	57,733,859	65,095,223
D0445	Montgomery	Coffeyville	1,823.3	78,503,741	43,056	65,850,535	78,480,753
D0380	Marshall	Vermillion	532.0	22,928,407	43,099	20,450,352	22,753,157
D0480	Seward	Liberal	4,322.4	186,481,526	43,143	173,303,295	186,481,526
D0287	Franklin	West Franklin	841.5	36,326,689	43,169	31,615,847	36,326,689
D0421	Osage	Lyndon	462.5	20,055,660	43,364	17,444,768	20,055,660
D0449	Leavenworth	Easton	684.0	29,687,478	43,403	26,664,929	29,687,478
D0460	Harvey	Hesston	795.4	34,714,502	43,644	31,936,695	34,299,291
D0411	Marion	Goessel	262.8	11,587,073	44,091	10,285,386	11,587,073
D0469	Leavenworth	Lansing	2,217.6	98,211,308	44,287	89,367,180	98,103,160
D0286	Chautauqua	Chautauqua	398.5	17,749,408	44,541	15,263,696	17,687,852
D0408	Marion	Marion	624.4	27,830,855	44,572	23,987,011	27,815,332
D0376	Rice	Sterling	518.0	23,111,518	44,617	20,631,322	23,036,401
D0308	Reno	Hutchinson	4,434.2	198,036,199	44,661	170,121,537	196,391,545
D0243	Coffey	Lebo-Waverly	556.5	24,934,394	44,806	22,467,605	24,934,394
D0381	Ford	Spearsville	326.5	14,695,269	45,008	13,664,683	14,695,269
D0266	Sedgwick	Maize	6,064.2	273,698,554	45,133	250,696,488	273,698,554
D0393	Dickinson	Solomon	416.5	18,934,633	45,461	17,158,624	18,934,633
D0379	Clay	Clay Center	1,330.4	60,650,410	45,588	53,062,367	58,519,471
D0264	Sedgwick	Clearwater	1,272.3	58,381,990	45,887	53,681,339	58,381,990
D0457	Finney	Garden City	6,818.2	315,896,654	46,331	294,470,318	315,729,792
D0260	Sedgwick	Derby	6,406.3	299,547,296	46,758	275,287,597	299,547,296
D0446	Montgomery	Independence	1,861.9	88,278,065	47,413	76,223,664	88,182,373
D0320	Pottawatomie	Wamego	1,310.7	62,210,694	47,464	56,234,289	62,210,694
D0290	Franklin	Ottawa	2,355.5	112,093,679	47,588	100,372,659	111,051,430
D0492	Butler	Flinthills	316.3	15,061,259	47,617	13,713,010	15,061,259
D0389	Greenwood	Eureka	619.5	29,500,776	47,620	24,413,058	29,500,776
D0385	Butler	Andover	4,050.6	193,578,509	47,790	178,428,604	193,578,509
D0453	Leavenworth	Leavenworth	3,963.9	189,967,521	47,924	168,757,365	189,107,389
D0481	Dickinson	Rural Vista	428.2	20,545,296	47,981	18,415,155	20,545,296
D0410	Marion	Durham-Hills	645.8	31,295,612	48,460	27,717,033	31,150,337
D0450	Shawnee	Shawnee Heights	3,352.2	163,115,929	48,659	147,052,937	163,115,929
D0267	Sedgwick	Renwick	1,941.2	94,475,562	48,669	88,301,768	94,475,562
D0490	Butler	El Dorado	2,042.8	99,918,491	48,913	88,723,397	98,349,379
D0464	Leavenworth	Tonganoxie	1,723.7	84,312,856	48,914	76,614,472	84,042,606
D0258	Allen	Humboldt	500.5	24,597,603	49,146	22,013,822	24,597,603
D0238	Smith	West Smith Co.	169.5	8,386,595	49,478	7,639,196	8,381,825
D0493	Cherokee	Columbus	1,133.0	56,066,991	49,485	49,114,558	56,066,991
D0322	Pottawatomie	Onaga	352.0	17,444,508	49,558	15,504,012	17,423,030
D0509	Sumner	South Haven	240.5	12,000,686	49,899	11,252,077	11,955,066
D0409	Atchison	Atchison	1,582.7	79,038,774	49,939	69,501,434	72,568,215
D0484	Wilson	Fredonia	760.5	38,444,076	50,551	33,516,723	38,033,339
D0495	Pawnee	Ft. Larned	886.4	45,026,489	50,797	39,570,947	45,026,489
D0400	McPherson	Smoky Valley	1,004.7	51,244,896	51,005	45,580,017	51,244,896
D0212	Norton	Northern Valley	198.0	10,110,286	51,062	9,336,116	10,110,286

USD #	County Name	USD Name	2006-07 FTE (incl MILT)	Total Valuation	Total Valuation Per Pupil	General Fund Valuation	LOB/BI Valuation
D0251	Lyon	North Lyon Co.	561.0	28,697,161	51,154	25,747,635	28,697,161
D0442	Nemaha	Nemaha Valley	498.1	25,541,788	51,278	22,683,372	25,541,788
D0289	Franklin	Wellsville	801.0	41,163,545	51,390	37,127,778	41,163,545
D0501	Shawnee	Topeka	12,589.3	647,279,206	51,415	571,707,196	630,013,271
D0431	Barton	Hoisington	608.5	31,327,325	51,483	27,752,604	31,327,325
D0312	Reno	Haven	1,075.5	55,583,468	51,682	50,540,771	55,511,703
D0365	Anderson	Garnett	1,132.2	58,595,811	51,754	52,181,095	58,517,162
D0425	Doniphan	Highland	235.5	12,189,206	51,759	10,863,229	11,818,331
D0348	Douglas	Baldwin City	1,349.9	70,030,943	51,879	63,871,224	70,030,943
D0426	Republic	Pike Valley	246.0	12,777,906	51,943	11,592,519	12,777,906
D0316	Thomas	Golden Plains	185.6	9,655,387	52,023	8,909,560	9,655,387
D0456	Osage	Marais Des Cygnes	278.5	14,553,860	52,258	12,933,232	14,553,860
D0252	Lyon	Southern Lyon Co.	560.6	29,601,692	52,804	27,013,795	29,601,692
D0327	Ellsworth	Ellsworth	583.0	30,854,186	52,923	27,024,327	30,854,186
D0458	Leavenworth	Basehor-Linwood	2,111.5	111,896,576	52,994	102,715,035	111,523,937
D0488	Marshall	Axtell	299.5	16,023,179	53,500	14,543,958	15,878,510
D0239	Ottawa	North Ottawa Co.	575.3	30,800,932	53,539	27,537,978	30,488,662
D0311	Reno	Pretty Prairie	284.8	15,387,909	54,031	13,872,030	15,387,909
D0392	Osborne	Osborne	339.8	18,376,578	54,081	16,420,861	18,376,578
D0283	Elk	Elk Valley	202.0	10,928,062	54,099	10,179,796	10,926,337
D0102	Gray	Cimarron-Ensign	635.8	34,452,086	54,187	31,795,529	34,452,086
D0346	Linn	Jayhawk	546.3	29,659,162	54,291	25,746,979	29,659,162
D0259	Sedgwick	Wichita	45,239.6	2,456,551,433	54,301	2,213,403,243	2,455,279,412
D0309	Reno	Nickerson	1,128.5	61,285,802	54,307	54,870,874	61,258,496
D0231	Johnson	Gardner-Edgerton	3,903.6	212,758,632	54,503	196,804,242	212,082,279
D0285	Chautauqua	Cedar Vale	145.0	7,913,147	54,573	7,017,495	7,909,328
D0398	Marion	Peabody-Burns	374.9	20,540,888	54,790	18,417,090	20,485,122
D0313	Reno	Buhler	2,141.5	117,544,846	54,889	107,287,227	117,188,123
D0342	Jefferson	McLouth	532.7	29,271,837	54,950	26,245,216	29,271,837
D0479	Anderson	Crest	241.0	13,260,399	55,022	11,963,427	13,260,399
D0377	Atchison	Atchison County	685.9	37,806,550	55,120	33,729,186	35,862,542
D0273	Mitchell	Beloit	719.2	40,108,664	55,768	35,668,509	40,108,664
D0448	McPherson	Inman	417.1	23,521,033	56,392	21,475,308	23,521,033
D0382	Pratt	Pratt	1,177.7	66,566,744	56,523	59,280,342	63,157,480
D0250	Crawford	Pittsburg	2,544.5	143,826,063	56,524	125,768,749	143,381,419
D0343	Jefferson	Perry	943.6	53,430,807	56,624	48,654,020	53,430,807
D0305	Saline	Salina	7,120.7	408,461,416	57,363	369,773,136	407,248,121
D0282	Elk	West Elk	358.7	20,615,338	57,472	17,675,633	20,614,713
D0366	Woodson	Woodson	426.0	24,819,382	58,261	21,939,784	24,819,382
D0272	Mitchell	Waconda	372.8	21,826,983	58,549	19,068,846	21,826,983
D0349	Stafford	Stafford	287.1	16,858,677	58,721	15,484,404	16,858,677
D0369	Harvey	Burrton	250.0	14,680,399	58,722	13,346,533	14,628,686
D0415	Brown	Hiawatha	883.0	51,874,089	58,748	46,414,046	51,176,633
D0315	Thomas	Colby	965.0	56,815,436	58,876	51,405,528	56,815,436
D0368	Miami	Paola	2,037.1	120,438,746	59,123	110,859,154	120,438,746
D0330	Wabaunsee	Wabaunsee East	512.0	30,399,835	59,375	26,975,165	30,254,128
D0108	Washington	Washington Co. Schools	427.5	25,446,025	59,523	22,992,819	24,966,310
D0473	Dickinson	Chapman	900.2	53,805,592	59,771	48,576,460	53,805,592
D0360	Sumner	Caldwell	249.4	14,930,053	59,864	13,247,925	14,835,905
D0359	Sumner	Argonia	199.0	11,951,017	60,055	10,918,025	11,852,116
D0417	Morris	Morris County	817.3	49,094,994	60,070	43,321,264	49,094,994
D0419	McPherson	Canton-Galva	422.0	25,351,280	60,074	22,913,683	25,351,280
D0361	Harper	Anthony-Harper	843.3	50,787,404	60,225	45,866,915	50,432,023
D0345	Shawnee	Seaman	3,380.7	205,321,162	60,733	188,901,962	205,321,162
D0293	Gove	Quinter	317.7	19,305,185	60,765	17,950,277	19,305,185
D0237	Smith	Smith Center	428.5	26,067,149	60,833	23,370,596	25,986,193
D0204	Wyandotte	Bonner Springs	2,303.2	140,569,555	61,032	130,366,710	138,733,855
D0206	Butler	Remington-Whitewater	523.5	32,482,507	62,049	29,435,104	32,482,507
D0371	Gray	Montezuma	243.7	15,162,244	62,217	13,945,617	15,162,244
D0352	Sherman	Goodland	932.3	58,346,556	62,583	52,816,255	58,346,556
D0355	Barton	Ellinwood	453.5	28,430,854	62,692	25,770,071	28,342,465
D0438	Pratt	Skyline	370.3	23,334,616	63,015	22,250,513	22,986,030
D0386	Greenwood	Madison-Virgil	243.5	15,467,271	63,521	14,050,636	15,467,271

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USD #	County Name	USD Name	2006-07 FTE (incl MILT)	Total Valuation	Total Valuation Per Pupil	General Fund Valuation	LOB/BI Valuation
D0224	Washington	Clifton-Clyde	313.3	20,044,651	63,979	18,226,673	20,044,651
D0101	Neosho	Erie	713.5	45,836,662	64,242	41,243,504	45,836,662
D0230	Johnson	Spring Hill	1,705.5	110,573,069	64,833	103,053,985	110,573,069
State			304,602.0	13,842,538,511	45,445	12,374,345,104	13,776,423,158
D0364	Marshall	Marysville	756.6	49,889,246	65,939	44,931,854	48,824,561
D0324	Phillips	Eastern Heights	116.5	7,735,364	66,398	7,012,971	7,735,364
D0298	Lincoln	Lincoln	346.5	23,532,564	67,915	21,158,050	23,485,675
D0418	McPherson	McPherson	2,394.2	163,669,463	68,361	151,779,170	163,669,463
D0387	Wilson	Altoona-Midway	252.0	17,358,360	68,882	15,709,269	17,358,360
D0232	Johnson	DeSoto	5,348.6	370,740,389	69,315	349,205,014	370,717,826
D0331	Kingman	Kingman	1,065.3	73,923,587	69,392	67,925,510	73,666,075
D0223	Washington	Barnes	353.7	24,557,302	69,430	22,385,577	23,402,428
D0496	Pawnee	Pawnee Heights	164.4	11,431,093	69,532	10,725,289	11,431,093
D0467	Wichita	Leoti	458.5	31,888,851	69,550	29,888,770	31,888,851
D0219	Clark	Minneola	274.9	19,157,753	69,690	18,252,175	19,157,753
D0384	Riley	Blue Valley	202.5	14,274,662	70,492	12,487,919	14,274,662
D0329	Wabaunsee	Alma	468.2	33,058,467	70,608	29,880,619	32,809,513
D0397	Marion	Centre	265.0	18,718,123	70,634	17,300,239	18,718,123
D0233	Johnson	Olathe	24,153.4	1,724,844,514	71,412	1,632,042,870	1,724,844,514
D0407	Russell	Russell	991.0	71,056,986	71,702	64,632,424	70,458,727
D0477	Gray	Ingalls	236.5	17,093,551	72,277	16,410,664	17,093,551
D0109	Republic	Republic County	500.5	36,423,496	72,774	32,576,384	36,423,496
D0416	Miami	Louisburg	1,559.9	114,195,652	73,207	107,024,088	114,195,652
D0271	Rooks	Stockton	321.0	23,793,535	74,123	21,885,008	23,793,535
D0388	Ellis	Ellis	374.7	27,826,299	74,263	25,377,289	27,826,299
D0245	Coffey	LeRoy-Gridley	272.5	20,468,913	75,115	18,845,065	20,468,913
D0294	Decatur	Oberlin	409.3	30,820,753	75,301	27,760,534	30,820,753
D0390	Greenwood	Hamilton	102.5	7,762,827	75,735	7,195,147	7,762,827
D0225	Meade	Fowler	184.0	14,266,243	77,534	13,457,425	14,266,243
D0334	Cloud	Southern Cloud	224.5	17,437,968	77,675	16,002,158	17,437,968
D0105	Rawlins	Rawlins County	326.0	25,541,982	78,350	23,382,347	25,541,982
D0354	Barton	Claffin	264.5	20,725,818	78,358	19,559,785	20,588,757
D0459	Ford	Bucklin	234.1	18,446,059	78,796	17,096,659	18,446,059
D0107	Jewell	Rock Hills	310.5	24,475,604	78,826	22,431,140	24,475,604
D0489	Ellis	Hays	2,797.1	220,520,534	78,839	202,618,515	220,017,307
D0350	Stafford	St. John-Hudson	395.6	31,409,535	79,397	29,555,553	31,409,535
D0242	Wallace	Weskan	120.5	9,579,089	79,495	9,330,634	9,579,089
D0395	Rush	LaCrosse	297.0	23,681,467	79,736	21,369,054	23,681,467
D0468	Lane	Healy	92.5	7,382,477	79,811	7,067,527	7,382,477
D0433	Doniphan	Midway	189.5	15,278,156	80,624	14,335,179	14,965,214
D0437	Shawnee	Auburn Washburn	5,163.1	416,300,948	80,630	391,030,531	416,300,948
D0227	Hodgeman	Jetmore	281.5	23,026,212	81,798	21,771,200	23,026,212
D0347	Edwards	Kinsely-Offerle	296.7	24,833,776	83,700	22,630,474	24,740,059
D0383	Riley	Manhattan	5,195.0	438,452,459	84,399	406,611,616	438,452,459
D0466	Scott	Scott County	874.5	73,808,488	84,401	69,241,706	73,808,488
D0203	Wyandotte	Piper	1,479.3	124,881,896	84,420	117,961,428	124,881,896
D0279	Jewell	Jewell	125.5	10,626,682	84,675	9,913,898	10,626,682
D0274	Logan	Oakley	393.9	33,487,444	85,015	30,979,209	33,458,794
D0326	Phillips	Logan	183.5	15,761,149	85,892	14,853,441	15,761,149
D0299	Lincoln	Sylvan Grove	153.0	13,174,975	86,111	12,130,457	13,158,949
D0375	Butler	Circle	1,555.3	134,409,395	86,420	127,313,169	134,386,445
D0208	Trego	WaKeeney	378.5	33,737,050	89,134	30,801,578	33,737,050
D0403	Rush	Otis-Bison	206.5	18,414,182	89,173	16,962,689	18,414,182
D0284	Chase	Chase County	444.7	40,212,927	90,427	37,118,359	40,212,927
D0306	Saline	Southeast of Saline	704.1	63,989,444	90,881	61,143,570	63,989,444
D0292	Gove	Grainfield	136.5	12,613,876	92,409	11,741,814	12,613,876
D0444	Rice	Little River	295.5	27,430,784	92,828	26,139,783	27,430,784
D0497	Douglas	Lawrence	10,122.5	942,153,126	93,075	885,892,867	942,153,126
D0310	Reno	Fairfield	355.3	34,205,882	96,273	31,775,078	34,205,882
D0423	McPherson	Moundridge	432.0	42,686,527	98,811	39,989,462	42,686,527
D0476	Gray	Copeland	120.6	11,977,012	99,312	11,339,598	11,977,012
D0241	Wallace	Wallace	200.5	20,155,624	100,527	18,943,582	20,155,624
D0412	Sheridan	Hoxie	291.5	29,584,204	101,490	27,433,714	29,584,204

USD #	County Name	USD Name	2006-07 FTE (incl MILT)	Total Valuation	Total Valuation Per Pupil	General Fund Valuation	LOB/BI Valuation
D0328	Ellsworth	Lorraine	474.9	48,504,449	102,136	45,953,401	48,491,878
D0422	Kiowa	Greensburg	277.5	28,535,814	102,832	26,731,973	28,332,640
D0297	Cheyenne	St. Francis	314.5	32,599,730	103,656	30,362,674	32,599,730
D0314	Thomas	Brewster	109.0	11,491,508	105,427	10,899,396	11,491,508
D0281	Graham	Hill City	394.7	44,390,055	112,465	41,839,956	44,390,055
D0291	Gove	Grinnell	116.5	13,128,728	112,693	12,514,032	13,128,728
D0229	Johnson	Blue Valley	19,390.8	2,190,043,605	112,942	2,113,912,388	2,190,043,605
D0401	Rice	Chase	152.0	17,282,041	113,698	16,529,409	17,282,041
D0512	Johnson	Shawnee Mission	27,353.5	3,155,813,176	115,371	2,987,032,926	3,155,813,176
D0351	Stafford	Macksville	307.5	35,849,503	116,584	34,716,206	35,849,503
D0432	Ellis	Victoria	254.3	29,930,075	117,696	28,103,124	29,930,075
D0254	Barber	Barber Co.	547.0	64,574,377	118,052	61,372,564	63,974,993
D0103	Cheyenne	Cheylin	145.0	17,424,356	120,168	16,257,856	17,424,356
D0483	Seward	Kismet-Plains	689.5	83,069,829	120,478	80,829,150	83,069,829
D0226	Meade	Meade	474.2	60,168,215	126,884	58,254,004	60,168,215
D0482	Lane	Dighton	251.0	31,870,182	126,973	30,289,397	31,870,182
D0270	Rooks	Plainville	390.1	49,812,274	127,691	47,511,339	49,812,274
D0474	Kiowa	Haviland	150.5	20,335,033	135,116	19,737,573	20,229,393
D0303	Ness	Ness City	276.7	39,089,675	141,271	37,388,940	39,089,675
D0220	Clark	Ashland	222.5	31,565,887	141,869	30,446,004	31,565,887
D0362	Linn	Prairie View	975.6	138,617,195	142,084	132,541,210	138,237,645
D0218	Morton	Elkhart	669.1	96,623,427	144,408	94,488,683	96,623,427
D0228	Hodgeman	Hanston	75.0	10,969,168	146,256	10,492,873	10,969,168
D0502	Edwards	Lewis	118.0	17,386,632	147,344	16,731,017	17,386,632
D0255	Barber	South Barber Co.	223.5	33,117,500	148,177	31,702,987	33,005,608
D0275	Logan	Triplains	101.0	16,171,645	160,115	15,726,644	16,142,554
D0511	Harper	Attica	121.5	19,976,575	164,416	19,195,779	19,959,467
D0106	Ness	Western Plains	182.0	30,108,036	165,429	28,806,552	30,108,036
D0494	Hamilton	Syracuse	464.0	76,979,894	165,905	74,804,645	76,979,894
D0424	Kiowa	Mullinville	138.1	24,080,315	174,369	23,717,364	24,048,393
D0200	Greeley	Greeley County	229.0	40,719,104	177,813	39,420,668	40,719,104
D0399	Russell	Paradise	155.0	27,578,236	177,924	26,935,361	27,578,236
D0300	Comanche	Commanche County	316.1	56,321,156	178,175	54,556,842	56,182,262
D0321	Pottawatomie	Kaw Valley	1,116.5	234,107,450	209,680	228,903,709	234,107,450
D0214	Grant	Ulysses	1,610.3	352,847,934	219,119	347,146,719	352,847,934
D0363	Finney	Holcomb	845.8	186,923,321	221,002	184,903,234	186,923,321
D0213	Norton	West Solomon	49.5	11,432,294	230,955	10,905,431	11,432,294
D0216	Kearny	Deerfield	312.5	72,854,441	233,134	72,081,494	72,854,441
D0269	Rooks	Palco	151.5	37,005,190	244,259	36,227,573	37,005,190
D0374	Haskell	Sublette	483.5	120,921,519	250,096	119,065,667	120,921,519
D0452	Stanton	Stanton County	445.5	129,830,053	291,425	128,062,756	129,830,053
D0332	Kingman	Cunningham	191.0	61,493,626	321,956	60,116,866	61,472,316
D0210	Stevens	Hugoton	965.4	321,794,151	333,327	317,990,806	321,794,151
D0215	Kearny	Lakin	618.0	234,480,636	379,419	232,170,283	234,480,636
D0217	Morton	Rolla	204.0	98,519,616	482,939	97,860,504	98,519,616
D0244	Coffey	Burlington	835.5	416,981,719	499,080	413,216,024	416,981,719
D0209	Stevens	Moscow	198.4	103,687,753	522,620	103,130,019	103,687,753
D0507	Haskell	Satanta	362.0	195,845,630	541,010	194,507,655	195,845,630

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USD#	USD Name	9/20/2007			Percent
		Total Students	Free Enrollment	Reduced Enrollment	Free & Reduced
D0422	Greensburg	202	160	8	83.17%
D0500	Kansas City	19,722	13,125	2,301	78.22%
D0443	Dodge City	5,836	3,335	833	71.42%
D0216	Deerfield	306	157	55	69.28%
D0405	Lyons	863	464	118	67.44%
D0259	Wichita	48,522	26,757	5,286	66.04%
D0483	Kismet-Plains	757	395	104	65.92%
D0501	Topeka Public Schools	13,469	7,324	1,512	65.60%
D0480	Liberal	4,585	2,410	588	65.39%
D0499	Galena	767	389	111	65.19%
D0486	Elwood	337	154	64	64.69%
D0445	Coffeyville	1,909	951	258	63.33%
D0505	Chetopa-St. Paul	560	227	117	61.43%
D0310	Fairfield	338	135	72	61.24%
D0470	Arkansas City	2,933	1,445	337	60.76%
D0457	Garden City	7,311	3,463	974	60.69%
D0283	Elk Valley	193	79	38	60.62%
D0253	Emporia	4,810	2,258	651	60.48%
D0390	Hamilton	101	42	19	60.40%
D0202	Turner-Kansas City	4,025	1,874	549	60.20%
D0250	Pittsburg	2,739	1,363	268	59.55%
D0452	Stanton County	467	184	94	59.53%
D0246	Northeast	584	270	76	59.25%
D0349	Stafford	284	122	45	58.80%
D0217	Rolla	208	79	43	58.65%
D0103	Cheylin	145	67	18	58.62%
D0401	Chase-Raymond	137	57	23	58.39%
D0409	Atchison Public Schools	1,673	769	207	58.34%
D0430	South Brown County	666	286	99	57.81%
D0308	Hutchinson Public Schools	4,777	2,233	526	57.76%
D0503	Parsons	1,531	688	192	57.48%
D0508	Baxter Springs	973	409	150	57.45%
D0511	Attica	133	50	26	57.14%
D0225	Fowler	185	76	29	56.76%
D0351	Macksville	321	107	75	56.70%
D0209	Moscow Public Schools	242	111	26	56.61%
D0309	Nickerson	1,224	493	198	56.45%
D0235	Uniontown	471	194	71	56.26%
D0316	Golden Plains	190	74	32	55.79%
D0456	Marais Des Cygnes Valley	305	133	37	55.74%
D0428	Great Bend	3,159	1,443	314	55.62%
D0324	Eastern Heights	117	35	30	55.56%
D0476	Copeland	146	62	19	55.48%
D0507	Satanta	363	152	49	55.37%
D0213	West Solomon Valley Sch	47	18	8	55.32%
D0424	Mullinville	264	121	25	55.30%
D0502	Lewis	113	45	17	54.87%
D0334	Southern Cloud	254	109	30	54.72%
D0212	Northern Valley	212	81	35	54.72%

House Education Committee

Date: 2-12-08

Attachment # 19

D0361	Anthony-Harper	884	317	155	53.39%
D0459	Bucklin	256	80	56	53.13%
D0214	Ulysses	1,729	704	209	52.81%
D0446	Independence	1,961	777	246	52.17%
D0234	Fort Scott	2,021	776	274	51.95%
D0504	Oswego	528	182	92	51.89%
D0475	Geary County Schools	7,052	2,280	1,367	51.72%
D0285	Cedar Vale	147	53	23	51.70%
D0101	Erie	601	211	99	51.58%
D0333	Concordia	1,112	392	180	51.44%
D0367	Osawatomie	1,206	480	140	51.41%
D0282	West Elk	378	138	56	51.32%
D0426	Pike Valley	247	79	47	51.01%
D0257	Iola	1,522	608	165	50.79%
D0494	Syracuse	493	182	67	50.51%
D0247	Cherokee	764	262	123	50.39%
D0404	Riverton	850	320	108	50.35%
D0210	Hugoton Public Schools	1,043	367	157	50.24%
D0344	Pleasanton	391	170	25	49.87%
D0374	Sublette	539	194	74	49.72%
D0106	Western Plains	179	63	25	49.16%
D0305	Salina	7,415	2,698	947	49.16%
D0286	Chautauqua Co Community	398	141	54	48.99%
D0366	Woodson	456	157	66	48.90%
D0398	Peabody-Burns	353	118	53	48.44%
D0105	Rawlins County	318	91	63	48.43%
D0269	Palco	164	50	29	48.17%
D0360	Caldwell	244	77	40	47.95%
D0238	West Smith County	169	61	20	47.93%
D0467	Leoti	455	159	59	47.91%
D0484	Fredonia	789	259	119	47.91%
D0373	Newton	3,758	1,284	510	47.74%
D0506	Labette County	1,592	447	312	47.68%
D0466	Scott County	902	282	148	47.67%
D0363	Holcomb	876	281	136	47.60%
D0387	Altoona-Midway	217	69	34	47.47%
D0461	Neodesha	789	250	124	47.40%
D0256	Marmaton Valley	344	110	53	47.38%
D0493	Columbus	1,214	434	137	47.03%
D0200	Greeley County Schools	249	69	48	46.99%
D0453	Leavenworth	4,201	1,564	408	46.94%
D0413	Chanute Public Schools	1,894	645	244	46.94%
D0275	Triplains	96	36	9	46.88%
D0353	Wellington	1,723	571	234	46.72%
D0389	Eureka	647	223	78	46.52%
D0479	Crest	239	75	36	46.44%
D0498	Valley Heights	397	105	78	46.10%
D0465	Winfield	2,545	813	358	46.01%
D0477	Ingalls	269	105	18	45.72%
D0241	Wallace County Schools	215	75	23	45.58%
D0346	Jayhawk	550	167	82	45.27%
D0447	Cherryvale	944	289	136	45.02%

D0369 Burrton	253	83	30	44.66%
D0431 Hoisington	635	168	115	44.57%
D0258 Humboldt	532	155	81	44.36%
D0496 Pawnee Heights	152	20	47	44.08%
D0395 LaCrosse	318	113	27	44.03%
D0376 Sterling	577	172	82	44.02%
D0495 Ft Larned	909	274	126	44.00%
D0215 Lakin	654	218	69	43.88%
D0341 Oskaloosa Public Schools	576	183	69	43.75%
D0474 Haviland	158	32	37	43.67%
D0350 St John-Hudson	393	124	47	43.51%
D0298 Lincoln	357	104	51	43.42%
D0365 Garnett	1,157	349	152	43.30%
D0462 Central	356	100	54	43.26%
D0481 Rural Vista	436	108	80	43.12%
D0509 South Haven	246	60	46	43.09%
D0415 Hiawatha	933	288	113	42.98%
D0297 St Francis Comm Sch	319	77	60	42.95%
D0355 Ellinwood Public Schools	489	111	99	42.94%
D0399 Paradise	154	32	34	42.86%
D0272 Waconda	386	106	59	42.75%
D0322 Onaga-Havensville-Wheaton	361	103	51	42.66%
D0490 El Dorado	2,180	718	208	42.48%
D0362 Prairie View	1,002	263	161	42.32%
D0109 Republic County	531	134	90	42.18%
D0237 Smith Center	489	134	72	42.13%
D0299 Sylvan Grove	152	58	6	42.11%
D0332 Cunningham	188	44	35	42.02%
D0392 Osborne County	347	102	43	41.79%
D0482 Dighton	260	64	44	41.54%
D0407 Russell County	979	283	121	41.27%
D0347 Kinsley-Offerle	350	109	35	41.14%
D0220 Ashland	217	62	27	41.01%
D0294 Oberlin	405	117	49	40.99%
D0300 Comanche County	337	87	51	40.95%
D0352 Goodland	1,001	309	100	40.86%
D0487 Herington	542	147	74	40.77%
D0468 Healy Public Schools	89	21	15	40.45%
D0290 Ottawa	2,539	825	202	40.45%
D0287 West Franklin	764	212	97	40.45%
D0227 Jetmore	288	75	41	40.28%
D0417 Morris County	827	214	117	40.02%
D0245 LeRoy-Gridley	273	81	28	39.93%
D0328 Lorraine	494	135	62	39.88%
D0288 Central Heights	592	168	68	39.86%
D0211 Norton Community Schools	695	171	104	39.57%
D0248 Girard	1,045	317	96	39.52%
D0242 Weskan	114	24	21	39.47%
D0326 Logan	190	41	34	39.47%
D0274 Oakley	467	124	60	39.40%
D0420 Osage City	696	178	96	39.37%
D0386 Madison-Virgil	245	51	45	39.18%

D0255	South Barber	230	69	21	39.13%
D0271	Stockton	329	75	53	38.91%
D0331	Kingman - Norwich	1,124	284	148	38.43%
D0408	Marion-Florence	616	139	97	38.31%
D0325	Phillipsburg	655	166	84	38.17%
D0397	Centre	259	72	26	37.84%
D0471	Dexter	193	48	25	37.82%
D0219	Minneola	286	53	55	37.76%
D0252	Southern Lyon County	572	137	78	37.59%
D0382	Pratt	1,161	284	152	37.55%
D0261	Haysville	4,801	1,286	514	37.49%
D0108	Washington Co. Schools	434	100	62	37.33%
D0312	Haven Public Schools	1,037	226	160	37.22%
D0218	Elkhart	722	197	70	36.98%
D0492	Flinthills	284	68	37	36.97%
D0377	Atchison Co Comm Schools	723	162	105	36.93%
D0243	Lebo-Waverly	577	148	63	36.57%
D0393	Solomon	422	96	58	36.49%
D0337	Royal Valley	987	281	79	36.47%
D0436	Caney Valley	840	215	91	36.43%
D0239	North Ottawa County	610	137	85	36.39%
D0403	Otis-Bison	193	50	20	36.27%
D0281	Hill City	406	70	77	36.21%
D0358	Oxford	387	93	47	36.18%
D0226	Meade	506	125	57	35.97%
D0419	Canton-Galva	415	84	65	35.90%
D0434	Santa Fe Trail	1,170	275	144	35.81%
D0357	Belle Plaine	769	225	50	35.76%
D0284	Chase County	456	112	50	35.53%
D0454	Burlingame Public School	335	81	38	35.52%
D0223	Barnes	443	73	84	35.44%
D0204	Bonner Springs	2,473	646	229	35.38%
D0107	Rock Hills	278	69	29	35.25%
D0102	Cimarron-Ensign	694	189	55	35.16%
D0279	Jewell	120	25	17	35.00%
D0371	Montezuma	270	56	38	34.81%
D0444	Little River	316	72	38	34.81%
D0270	Plainville	394	73	64	34.77%
D0435	Abilene	1,687	332	253	34.68%
D0249	Frontenac Public Schools	834	199	90	34.65%
D0244	Burlington	870	206	93	34.37%
D0380	Vermillion	545	110	76	34.13%
D0251	North Lyon County	565	116	76	33.98%
D0315	Colby Public Schools	1,001	218	119	33.67%
D0489	Hays	3,026	693	314	33.28%
D0488	Axtell	346	69	46	33.24%
D0224	Clifton-Clyde	325	55	53	33.23%
D0473	Chapman	973	196	127	33.20%
D0260	Derby	6,444	1,509	630	33.19%
D0433	Midway Schools	188	41	21	32.98%
D0402	Augusta	2,347	552	221	32.94%
D0329	Mill Creek Valley	517	97	73	32.88%

D0273	Beloit	769	135	117	32.77%
D0208	Wakeeney	416	85	51	32.69%
D0379	Clay Center	1,411	289	171	32.60%
D0438	Skyline Schools	385	86	39	32.47%
D0364	Marysville	797	185	72	32.25%
D0338	Valley Falls	434	64	74	31.80%
D0254	Barber County North	555	114	62	31.71%
D0327	Ellsworth	600	114	75	31.50%
D0313	Buhler	2,312	469	257	31.40%
D0321	Kaw Valley	1,173	279	82	30.78%
D0463	Udall	418	73	55	30.62%
D0240	Twin Valley	671	126	79	30.55%
D0330	Mission Valley	513	106	50	30.41%
D0335	North Jackson	413	76	49	30.27%
D0425	Highland	242	52	21	30.17%
D0384	Blue Valley	209	39	24	30.14%
D0228	Hanston	77	18	5	29.87%
D0497	Lawrence	10,833	2,356	868	29.76%
D0314	Brewster	98	22	7	29.59%
D0354	Clafin	257	32	44	29.57%
D0429	Troy Public Schools	376	75	36	29.52%
D0292	Wheatland	136	27	13	29.41%
D0205	Bluestem	651	137	54	29.34%
D0441	Sabetha	972	189	96	29.32%
D0342	McLouth	570	114	53	29.30%
D0359	Argonia Public Schools	199	46	12	29.15%
D0410	Durham-Hillsboro-Lehigh	659	121	70	28.98%
D0383	Manhattan-Ogden	5,764	1,088	578	28.90%
D0307	Ell-Saline	474	69	68	28.90%
D0311	Pretty Prairie	291	57	26	28.52%
D0339	Jefferson County North	500	97	43	28.00%
D0396	Douglass Public Schools	826	136	95	27.97%
D0406	Wathena	422	82	36	27.96%
D0378	Riley County	675	97	91	27.85%
D0293	Quinter Public Schools	311	46	40	27.65%
D0418	McPherson	2,466	470	211	27.62%
D0323	Rock Creek	856	145	91	27.57%
D0439	Sedgwick Public Schools	550	103	48	27.45%
D0320	Wamego	1,359	218	153	27.30%
D0440	Halstead	788	133	80	27.03%
D0368	Paola	2,184	422	166	26.92%
D0336	Holton	1,137	203	102	26.82%
D0262	Valley Center Pub Sch	2,644	501	197	26.40%
D0206	Remington-Whitewater	557	90	56	26.21%
D0421	Lyndon	467	78	44	26.12%
D0450	Shawnee Heights	3,556	642	284	26.04%
D0423	Moundridge	466	82	38	25.75%
D0375	Circle	1,659	250	177	25.74%
D0491	Eudora	1,434	264	103	25.59%
D0400	Smoky Valley	1,092	182	97	25.55%
D0343	Perry Public Schools	982	175	70	24.95%
D0345	Seaman	3,581	593	297	24.85%

D0412	Hoxie Community Schools	308	44	31	24.35%
D0231	Gardner Edgerton	4,381	682	337	23.26%
D0263	Mulvane	1,911	280	163	23.18%
D0356	Conway Springs	665	103	51	23.16%
D0437	Auburn Washburn	5,589	867	410	22.85%
D0449	Easton	678	96	54	22.12%
D0289	Wellsville	869	127	65	22.09%
D0340	Jefferson West	953	117	93	22.04%
D0464	Tonganoxie	1,803	241	153	21.85%
D0460	Hesston	839	109	74	21.81%
D0512	Shawnee Mission Pub Sch	28,160	4,356	1,766	21.74%
D0448	Inman	439	60	33	21.18%
D0303	Ness City	293	39	21	20.48%
D0306	Southeast Of Saline	710	69	74	20.14%
D0451	B & B	203	27	13	19.70%
D0388	Ellis	377	48	26	19.63%
D0291	Grinnell Public Schools	98	7	12	19.39%
D0442	Nemaha Valley Schools	511	57	42	19.37%
D0230	Spring Hill	1,865	194	156	18.77%
D0394	Rose Hill Public Schools	1,777	246	85	18.63%
D0381	Spearville	364	37	30	18.41%
D0411	Goessel	263	31	16	17.87%
D0233	Olathe	25,994	3,282	1,190	17.20%
D0264	Clearwater	1,344	149	81	17.11%
D0265	Goddard	4,960	510	320	16.73%
D0268	Cheney	818	77	57	16.38%
D0348	Baldwin City	1,410	143	84	16.10%
D0372	Silver Lake	737	88	26	15.47%
D0267	Renwick	2,022	126	167	14.49%
D0416	Louisburg	1,688	154	74	13.51%
D0469	Lansing	2,379	211	93	12.78%
D0432	Victoria	268	18	14	11.94%
D0232	De Soto	6,023	493	225	11.92%
D0266	Maize	6,423	467	220	10.70%
D0385	Andover	4,465	263	183	9.99%
D0207	Ft Leavenworth	1,703	67	101	9.86%
D0458	Basehor-Linwood	2,181	155	59	9.81%
D0203	Piper-Kansas City	1,583	83	58	8.91%
D0229	Blue Valley	20,718	499	275	3.74%
		471,564	140,791	46,848	39.79%

Date: February 12, 2008
To: House Education Committee
From: Terry Collins, Director DCEC # 616

Mr. Chairman and House Education Committee members,

I would like to take this opportunity to thank you for allowing me to testify at this Hearing on HB 2753.

As I understand it, the purpose of this bill is to change the process of distribution of state funding for excess costs. Currently, the state is committed to funding 92 percent of excess costs on a statewide basis with most aid distributed based on teaching positions. This allows districts to provide services to the students who have the most severe needs. HB 2753 would freeze funding for districts receiving more than 92 percent and direct increases in funding to those receiving less than 92 percent. I am opposed to this bill for the following reasons:

- It is difficult to put a dollar figure on the complexities of those with disabilities.
- This bill may impede a district's ability to intensify early intervention services.
- A quick legislative fix may do more damage than good at this time.
- School districts and cooperatives with higher salaries and lower pupil-teacher ratios would receive aid currently given to districts and cooperatives with lower teacher salaries and higher pupil-teacher ratios.
- It does not seem equitable to take money away from those who spend less and give it to those who spend more.
- Not only will this bill punish those districts and cooperatives who keep expenditures low but it will act as an incentive for them to spend more in order to make the same.

Thank you for your time and consideration of my comments.

House Education Committee
Date: 2-12-08
Attachment # 20

From: "David Sheppard" <dsheppard@usd495.net>
To: "Janet Henning" <janeth@house.state.ks.us>
Date: 2/11/2008 1:21 PM
Subject: Opposition to Bill 2753 and 2790

To whom it may concern:

I am writing this message to oppose the initiation of Bill 2753, and (if rewritten with the same principles/objectives from Bill 2753) its replacement 2790 also. It is my understanding that the purpose of this new legislation is to change the funding for special education from the categorical aid formula we use now to another method of distributing state aid for special education. It has already been documented why our current method works better than other choices, for example, citing a funding mechanism like "census-based" funding, which produces inherent challenges for unethical practices such as over-identification of students with disabilities.

Thank you.

David D. Sheppard, Ed.D
Director, TriCounty Special Services
1022 Kansas
Larned, Ks. 67550
620-285-3119 ph.
620-285-2521 fax

House Education Committee
Date: 2-12-08
Attachment # 21