



## From the Office of the Superintendent, Lacey Sell

822 N. Marshall – P.O. Box 249 – Chapman, Kansas 67431

Lacey B. Sell  
Superintendent of Schools

Education Center  
(785) 922-6521 Office  
(785) 922-6446 Fax

February 11, 2015

To our entire USD 473 School Community and Irish Family,

There are many questions about Governor Brownback's recent school funding cuts. Confusion seems to be the common theme and I feel the need to explain the details even if they are complicated. However, before doing so I pledge to you that USD 473 will continue to be vigilant in our efforts to offer an excellent education to all. I am confident our entire staff will continue with their unwavering dedication to our students in spite of school finance and budget messages coming from Topeka.

School finance is complicated for good reason:

1. For many if not most school districts, last year's KS Supreme Court ruling and the resulting new law did not increase their revenue—it only reduced their local property taxes.
2. Last year's increases were for "equalization" funding and were ordered by the KS Supreme Court.
3. The Governor's reduction in the Base State Aid per Pupil last week is not equalization funding and will reduce all school district funding by 1.5% regardless of any impact from last year's equalization changes.
4. The Supreme Court (Gannon Case) will rule about "adequacy" separately (probably next year). Adequacy refers to overall funding and reducing the Base State Aid per Pupil reduced adequacy.

“Equalization” refers to local funding of schools based on property taxes. Some districts can raise a lot of money with one mill of property tax (a mill is \$1 of tax for \$1,000 of assessed property value) and some can raise very little. The state is required to offset a disparity by “equalizing” three locally-financed funds; the main locally financed Supplemental General Fund known as the **Local Option Budget (LOB), the General Fund, and the Capitol Outlay Fund**.

Last year, the KS Supreme Court ordered those equalization funds to be reinstated and the legislature passed a law doing so. When that happened, state funding once again replaced local property taxes but school districts did not necessarily receive more money to operate their schools.

\*Originally, the **LOB** was created to supplement state funding for extra programs desired by local school districts. As a result of state cuts to school district’s general funds, the LOB has become a crucial fund for operating schools. The state began reducing equalization for LOB several years ago so school districts had to make up for that with local property taxes. A bill the legislators are working on is Senate Bill 71. This bill would cut approximately \$108,018 from our current LOB.

\*A school district’s **General Fund** is mostly made up of state funding called the Base State Aid Per Pupil (BSAPP). At it’s highest point in 2008, the BSAPP was \$4,400. As you may have heard on Thursday, February 5, 2015, Governor Brownback announced 1.5% school district “allotments”. These are cuts that don’t require legislative approval. These cuts begin March 7 and are put in place for this year’s budget that was written last July and ends this June. In 473 these cuts amount to \$67,376 dollars. This reduction lowered the BSAPP by about \$42 to about \$3,810, which is about the same level as 2000. If the BSAPP had simply kept up with inflation since its creation, it would now be about \$6,059. Since some educational services cost more than others, the General Fund also includes “weightings”, which adds to the amount of funding school districts receive. Those weightings, for example, provide more funding for students who are transported by school bus, qualify for free lunches, and take vocational classes.

\*The **Capital Outlay** fund can be used only to purchase equipment and maintain buildings but the new law also allows districts to pay custodians and maintenance personnel. We have been told it’s possible that Senate Bill 4 would delay a portion of CO payments from the current budget year until June.

Please note that these cuts discussed and coming from Topeka are only temporary fixes to the state’s concerning budget matters. These were brought on by excessive tax cutting measures and school districts are suffering from such poor planning. Cut notifications more than half way through a budget cycle makes it much more difficult. I have done my best to explain this complicated issue and I apologize for any mistakes. I share that your support, encouragement, and trust is crucial to serving you. As always, let me know if I can be of any service and thank you for supporting USD 473 and Kansas public education.

Respectfully,  
*Lacey Sell*