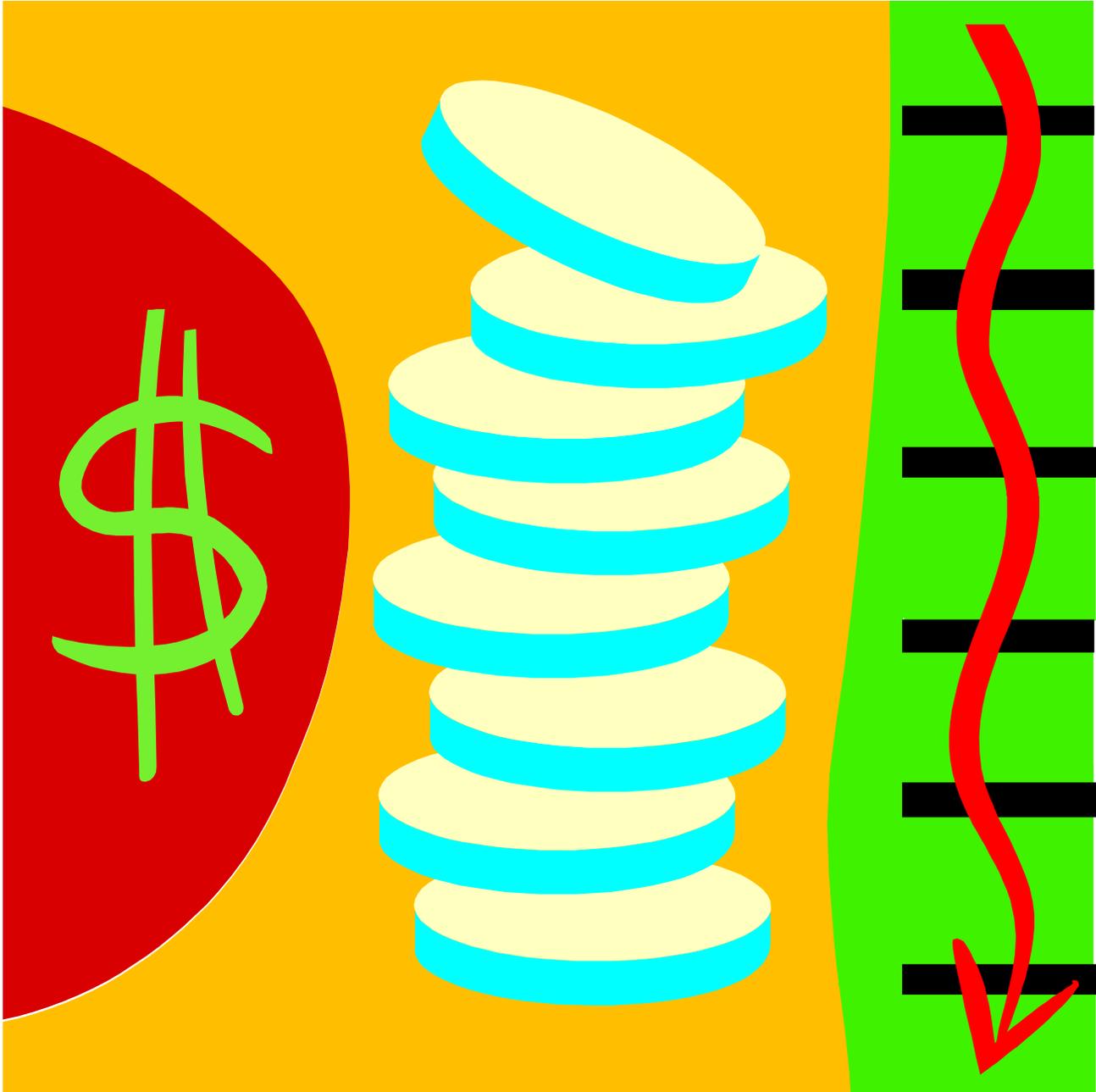


2012-13 Profile Information



USD 244 Burlington Schools

Order of Contents

- Budget General Information (characteristics of district)
- Supplemental Information for Tables in *Summary of Expenditures*
- KSDE Website Information Available
- Summary of Expenditures (Sumexpen.xls)

2010-2011 Budget General Information

USD #: 244

Introduction

DISTRICT OVERVIEW

Burlington Unified School District No. 244 is a public school district serving the students of Coffey County, Kansas. It is the mission of the district to ensure that all educational experiences for students are successful and contribute to their productive life when enter the world of work.

A major highway and access to larger metropolitan areas and recreational areas play a key role in the economic vitality of the communities. The county is also home to Wolf Creek Power Plant. The plant's valuation creates numerous economic opportunities for the county and school district. Highway 75 runs through the middle of the district.

The school district is close in proximity to several key attractions. John Redmond Reservoir and Coffey County Lake are within minutes of the school. These bodies of water create opportunities for the outdoor enthusiast and bird watchers. The city of Burlington is home to a recreation center that houses racket ball courts, basketball court, training equipment, indoor pool and many recreational activities for all ages. The district is only hour or less away from Topeka and Emporia. Allen County Community college works directly with the district to provide numerous educational opportunities for the students and non-traditional students.

HISTORY OF THE KANSAS BUDGET LAW

Public education is the responsibility of the state. The following information will help explain to the reader how the current budget situation in Kansas has developed over the history of the state.

Early History:

The funding of public education in the State of Kansas dates back to 1861 when schools were funded by ad valorem or property taxes. From those early days of education until 1937, local property taxes provided the sole support for public schools. From 1937 to 1963 the primary source of school funding was property tax supplemented with state contributions in the forms of state aid and flat grants. (Flat grants were based upon a specified amount per pupil or school district.)

Equalization – SDEA - 1963:

In 1963, the Kansas Legislature passed the School Unification Act that was followed in 1965 with the School Foundation Finance Act. These statutes not only required consolidation of many small school districts but also revised the funding formula for Kansas schools. A Supplemental Aid Law was passed in 1969 that continued in place until the initial School District Equalization Act (SDEA) was passed in 1973.

The SDEA was a direct result of state and federal litigation regarding school finance that occurred throughout the country during the early 1970's. As noted in *Serrano vs. Priest* (1971), the California Supreme Court found the California School finance law violated the Equal Protection Clause of the State constitution in that it allowed 'rich' school districts to spend more for education than 'poor' school districts were able to spend. Shortly after the *Serrano* lawsuit, the United States Supreme Court, in *San Antonio vs. Rodriguez* (1973), rejected a claim that the

Texas School Finance law violated the Equal Protection clause of the Federal constitution. The result of these suits indicated that although many state school finance formulas discriminated against 'poor' school districts, intervention would have to occur through the state courts as opposed to a federal ruling.

Caldwell vs. State of Kansas (1972) established the unconstitutionality of the Kansas school finance law in force at that time. The SDEA was the result of this litigation and drastically changed the nature of school funding in the state. While the SDEA worked well for a number of years, the intent of the act that was to equalize spending between 'rich' and 'poor' school districts was never realized. While the SDEA was intended to guarantee that all children had the equal educational opportunities afforded them in the state constitution regardless of the wealth of their school district, in many cases the spending patterns between wealthy and poor districts remained disparate.

Even though the spending differences had not been overcome by the SDEA, it remained a popular plan for funding education through the 1988-89 school year. The statewide reappraisal of property was implemented during the 1988-89 fiscal year and significantly changed the distribution of state revenues for education during the 1989-90 fiscal year. Working concurrently with the reappraisal of property was the exclusion of merchants and manufacturers' inventory as well as the exclusion of livestock from the tax base. The value of these items was reflected in changes in not only the statewide tax base but also in the tax bases of many school districts. These changes radically changed the valuation of many school districts.

The Legislature grappled with the problem of equalized funding in light of fluctuating property valuations during the 1989-90, 1990-91 and 1991-92 budget years. 'Hold harmless' provisions designed to mitigate the effect of the reappraised property values were included; however, these provisions exacerbated the disparity in both funding as well as spending between many districts. A number of lawsuits were filed during these years that challenged the legislative tampering with the SDEA. These lawsuits were consolidated and a District Court judge (Terry Bullock) informed the Legislature and Governor in 1991 that the state leadership had the 1992 legislative session to develop a plan for funding schools that would meet the constitutional mandate of providing each child in the state with equal educational opportunity unless they wished the court to impose such a system. The judge further opined in his remarks to the Legislature and Governor that they needed to consider property taxes as state revenue. Even though collected locally, those taxes represented revenue to the state that could be reallocated to all school districts.

The 1992 Law - The First Ten Years:

The 1992 legislative session brought a fundamental change to the method by which schools in Kansas were to be funded. All unexpended balances in the General Fund, Vocational Fund and Transportation Fund at the conclusion of the 1991-92 school year officially became state funds. Those balances were used in their local school districts until such time as they were depleted after which time state aid was distributed to schools to meet budgetary limits established for each school in the state at \$3,600.00 per student. A statewide property tax rate of 32 mills was established for each school district in the state during the initial year of the new finance formula. Taxes were paid to the local school districts to offset the amount of state aid necessary. In some school districts with high valuation (including Burlington), the 32 mill levy exceeded the allowable budget. These districts were required to remit excess funds to the state for redistribution to other school districts. In addition to the state mandated mill levy, additional revenues necessary for funding this formula were generated by an increase in the sales tax. During subsequent years under the new finance formula, the statewide levy increased to 35 mills

and remained there for several years. Continued discussion of the unpopularity of the property tax resulted in a decrease of the rate from 35 mills to 27 mills for 1997-98 and an additional reduction to 20 mills in 1998-99. The 20 mill levy remains unchanged for 2009-10

Under the new finance formula, districts with high wealth no longer enjoyed all the benefits of that high wealth. As might be expected, several of those districts (including Burlington) filed suit against the Legislature challenging the constitutionality of the new finance formula. Recognizing the pending lawsuit, the Legislature declined to adjust the new finance law and in 1993-94 left the funding level at \$3,600 per student that meant the 1993-94 budget was the same per pupil budget as the 1992-93 year. During the 1993-94 year, the court indicated that while the majority of the school finance formula was constitutional, a rational basis needed to be established for the low enrollment weighting factor in the formula that provides a higher per student funding level for smaller districts.

The issue of low enrollment weighting was addressed in the 1995 legislative session. As a result, an additional factor called correlation weighting was added to the finance formula that provided some supplemental funding to larger schools with enrollments in the 1725+ student range. Additionally, the 1995 Legislature increased the base budget per pupil from \$3,600 to \$3,626. In 1996, the Legislature added another \$22 to the formula bringing the budget per pupil to \$3,648 and in 1997 added another \$22 for a total base budget per pupil of \$3,670. Beginning in 1998, the Legislature added an additional \$50 to the base budget per pupil bringing it to \$3,720 in 1998-99, \$3,770 in 1999-2000, \$3,820 in 2000-01 and \$3,870 in 2001-02.

As the Legislature wrestled with the issue of properly funding the public schools of Kansas during the late 1990's the Legislature commissioned a study to determine the costs of a "suitable education" as required by the Kansas Constitution. This study, completed by the firm of Augenblick and Meyers, revealed that Kansas schools were substantially under funded with respect to the expectations required by the Legislature and the Constitution. The Legislature took no action with respect to this study at that time.

The Local Option Budget:

When the finance formula was passed in 1992, each district was allowed an initial opportunity to establish a local option budget (Supplemental General Fund) of up to 25 percent of the General Fund budget. This enabled schools that were spending well above the average in the state to continue to do so after the new finance bill was passed. At the time the local option budget was implemented, many legislators indicated that it would be phased out as school funding increased.

While the intent in 1992 was to phase out the local option budget that has not occurred. Over the period since 1992, most schools in Kansas have adopted a local option budget. Under the initial legislation, the local option budget was subject to a protest petition on a periodic basis; however, given the 'modest' increases in state funding and the increasing reliance of schools on the local option budget, the Legislature changed the provisions that will allowed the local option budget to be made permanent. Our district exercised this option and as a result we have the authority to generate a full local option budget on a permanent basis. Additionally, since many schools reached the maximum local option budget, the Legislature increased it to up to 30 percent in 2006-07. In 2007-08, over 99 percent of Kansas schools had a local option budget with the average amount budgeted being greater than 25 percent of their respective General Fund budget.

9/11 and Its Aftermath:

The September 11, 2001 terrorist attack created additional problems. In 2002-03, the Legislature grappled with a monumental shortfall in state revenues resulting from the economic downturn

immediately following attack on the United States. The Legislature had been balancing the state budget on the expectation of continued economic growth for several years and when the economy did not expand, the state was left with an estimated shortfall in the neighborhood of \$500 million. Given the state's financial crisis, the increase provided for schools for 2002-03 was limited to an additional \$20 to the base budget per pupil that raised the amount to \$3,890; however, that amount was not realized as a midyear cut by then Governor Graves reduced the amount to \$3,863 for 2002-03. For 2003-04, the Legislature and Governor promised to spare schools from further cuts but no funding increase for inflation was recognized. The base budget per pupil for 2003-04 remained flat at \$3,863.00 per pupil. In 2004-05, the Legislature was unable to agree upon a funding plan for schools and as a result, the funding again remained flat at \$3,863.00 per pupil.

The 1992 finance formula passed the court test for constitutionality in 1993-94. At that time, the disparity in spending between schools was not large since relatively few districts were utilizing the local option budget as an additional funding resource. As noted earlier, when the 1992 bill was passed, the Legislature indicated the local option budget would be a 'stop gap' measure that would 'disappear' over time as the state increased the base budget per pupil. That did not happen. As noted earlier in this narrative, in the ten years following the passage of the 1992 bill, the Legislature increased the budget per pupil by \$263 which was an average increase of 6/10 of 1 percent per year from the 1992-93 year through the 2004-05 year.

Another Lawsuit - 1999:

While the 1992 bill passed constitutional muster in its first challenge, a number of schools again challenged the bill in 1999. That challenge was filed with the same judge (Terry Bullock) who decided the 1992 case. In 1999, Judge Bullock dismissed the case noting that the Kansas Supreme court had ruled the law constitutional in the 1993-94 school year. The plaintiffs appealed to the Kansas Supreme Court and the high court remanded the case back to Judge Bullock indicating that enough time had lapsed and changes had occurred for the case to be reviewed again.

The challenge raised by the plaintiffs was based upon the ever growing disparity in funding between schools that have full local option budgets and those that do not. Additionally, these plaintiffs argued that the finance formula was unconstitutional in that it was not sufficient to meet the education requirements established by the Kansas Constitution. Finally, the plaintiffs argued that disparities in district wealth lead to inequities in the ability to generate revenue for the Capital Outlay Fund.

In December 2003, Judge Bullock indicated that he believed the 1992 Finance Law no longer met the test for constitutionality in Kansas. He noted that the Legislature had defined a 'suitable education' through an independent research study (Augenblick and Meyers) and that this study had identified the cost associated with that suitable education. The judge further noted the Legislature had not provided funding for schools necessary for them to meet the constitutional mandates for education in Kansas. Similar to his order in 1992, Judge Bullock gave the Legislature the 2004 session to address the school funding problem.

The 2004 Legislature:

The Legislature knew that education was a major issue to be addressed during the 2004 session. Instead of working together to resolve the concerns identified by Judge Bullock, the Legislature appealed his preliminary order to the Kansas Supreme Court. While several attempts to provide

some additional funding measures for schools were discussed during the session, the Kansas Senate was unable to pass any funding bill. As noted in a preceding paragraph, the result was that the schools of Kansas completed the 2004-05 year with the base budget per pupil at a level less than they started with in 2001-02.

To mention that the inaction of the Legislature raised the ire of Judge Bullock would be an understatement. He provided the Legislature with the entire session to address the funding issues he noted in his preliminary decision. Following the inability of the Legislature to pass any legislation, Judge Bullock entered an order that prohibited any funding for education to take place after July 1. The State of Kansas immediately appealed and the Kansas Supreme Court 'stayed' Judge Bullock's order but agreed to hear the appeal of his preliminary decision in August of 2004.

The Supreme Court and the 2005 Legislature:

On January 3, 2005, the Kansas Supreme Court issued its ruling with respect to the current lawsuit. They found that the finance formula challenged in the lawsuit was unconstitutional in the fact that, "the legislature has failed to meet its burden as imposed by Art. 6, [Section] 6 of the Kansas Constitution to 'make suitable provision for finance' of the public schools.' The Court allowed the Legislature until April 12 to address the flaws in the finance formula. While the Legislature substantially altered the formula by adding \$142 million to it, the Court's review was that the effort did not comply with the mandate of the Court. The court noted that while the plan passed by the Legislature did increase funding, it also increased the inequity in the formula and did not take into account the 'costs of a suitable education'. Instead, the Court noted that the Legislative effort was once again measured by what was politically 'salable' in the Legislature as opposed to addressing the costs associated with the requirements of the Kansas Constitution. The Court ordered that in the absence of data that showed otherwise, the Augenblick and Meyers study commissioned by the Legislature would provide the guidance to determine the funding level for the public schools. The Court ordered that the Legislature increase the funding package already passed by another \$143 million or a total of \$285 million by July 1, 2005. The Court noted that this total represented about 1/3 of the amount indicated by the Augenblick and Meyers study that Kansas schools were under funded.

As a result of the order of the Supreme Court, the Governor called the Legislature back for a special session during the summer of 2005 to address the continuing unconstitutionality of the school finance formula. During this special session the Legislature eventually complied with the mandate of the Court. As a result, the schools of Kansas received additional funding in 2005-06 in a greater amount than had been received in any year in recent history. For 2005-06, the base budget per pupil increased from the \$3,863 it had been 'stuck' at to \$4,257. While this enabled schools to maintain and possibly restore programs cut in the past, it should be noted that when that amount was divided among the four most recent budget years when the state aid did not increase, the amount was not nearly as great as the public may have believed and merely allowed schools to keep pace with inflation and the costs of new mandates that had previously been unfunded but required in this same period of time.

While the Court decision favorably impacted public schools in 2005-06, the court retained jurisdiction over the case and put the Legislature on notice that unless they provide other credible cost information, the Augenblick and Meyers study will be used to measure the standard by which Kansas schools should be funded. The Court further indicated that the Legislature may need to provide an increase in 2006-07 equal to all or part of the remaining amount indicated by the study.

The Legislature responded by creating a post audit committee to identify the cost of an education. This committee report issued in late 2005 created further ‘consternation’ in the Legislature when it determined, similar to the earlier Augenblick and Meyers report, that the costs associated with the educational mandates promulgated by the Kansas Constitution and the Kansas Legislature would require substantially more money than the Legislature had provided the schools. This study became the springboard for discussions concerning school finance for the 2006-07 year.

The 2006-07 Year:

During the 2006-07 year, the Legislature attempted to comply with the Court by establishing funding for 2006-07 by establishing a base budget per pupil of \$4,316. Recognizing that this may not meet with the Court’s approval due to both the Augenblick and Meyers report as well as their own post audit, the Legislature also promised increases in the base budget per pupil in 2007-08 to \$4,374 and in 2008-09 to \$4,433.

Following the 2006 session, the Kansas Supreme Court again heard arguments from both the plaintiffs (selected school districts) and the defendants (the State of Kansas and the Legislature) as to whether or not the Legislature’s efforts in 2006 were enough to meet the court mandate set down in 2005. The decision was announced on Friday July 28, 2006 and the court indicated that the combined efforts of the past two sessions coupled with the promise for future funding necessary to meet the 2005 mandate by the 2008-09 year satisfied the court. As a result, the appeal to the 1999 litigation was dismissed. Under the provisions of the Legislative action that was approved by the Court, the 2006-07 base budget per pupil

While this concluded all current litigation stemming from the 1999 lawsuit, the court did indicate that if the constitutionality of the new law (2006 Senate Bill 549) was to be challenged it needed to be litigated in a new action and not a continuance of the previous lawsuit. It was also noteworthy that the court disagreed with the defendant’s (State of Kansas and Kansas Legislature) attempt to discount its own Legislative Post Audit study and cited that study as evidence that the Legislature had attempted to discern the cost of an education under the Kansas Constitution and state law.

While not impacting this decision, the newest justice (Rosen) concurred with an opinion by three of the other sitting justices that stated education was a “fundamental right” for children in Kansas. This may mean future litigation will be measured against a higher standard for the state to perform its duty under the constitution.

As a result of the Court’s action, the 2006-07 budget was allowed to stand as adopted by the Legislature. This represented the first year of a three year funding plan to meet the Court’s mandate.

The 2007-08 Year:

During the summer/fall of 2006 and the winter of 2006-07, the Kansas economy showed strong growth. As a result, the estimate of revenues provided at the beginning of the legislative session was sufficient to fund the second year of the three year plan without creating the need for a tax increase. The Legislature took action early in the session to create a “lock box” for the funds necessary to comply with their three year plan and those funds were not disturbed during the session. As a result, the base budget per pupil of \$4,374 promised to the Court was left intact.

While the funding promised for 2007-08 remained as previously established, the disparity between schools was again noticeable. In accordance with the tenets of the Court decision, much of the 'new money' for 2007-08 was earmarked for schools with substantial numbers of students in the categories of "at risk", migrant or non-English speaking, special education, and students who did not reach the proficient level on the state assessments. Since much of the funding is targeted to these special areas, the increase in funding varied dramatically from district to district. As a district that has a relatively few number of "at risk" students and does not qualify for the high incidence of migrant, bilingual, special education and non proficient students, Burlington did not 'do as well' as many other schools under the second year of the plan.

That realization is merely stated as fact since the plan targeted higher increases to school districts that had more students in the special 'risk' categories.

The 2008-09 Year:

The 2008-09 year marked the final year of the court imposed sanctions against the Kansas Legislature to fund the state's schools. The base budget per pupil increased to \$4,433. Additionally increases in the "special factors" that benefit schools with large numbers of children who live in poverty, don't perform well on state assessments, and/or are migrant or immigrant, or otherwise at risk of failure. As a strong performing school district with fewer numbers of the 'risk factor' students, our district did not receive as much 'special' funding as other districts. These limitations continued to impact the district's ability to maintain our programs and competitive salaries since other districts have more funding than we are allowed to retain. Late in the spring the economic challenges hit the state and the district's budget was reduced by \$83,384. The district was able to ask absorb the 'hit' by decreasing the number of supplies that normally would have been purchased. They also eliminated summer school. There was also dialogue at the board level about having to reduce the number of staff in the Title I program because this fund was decreased as well in federal funding. At the tail end of the school year, the federal government notified the states in the union that they would receive 'stimulus' monies in the following school year. The state of Kansas decided to 'back fill' the funds that were decreased with these new funds. The funds were called American Recovery and Reinvestment Act or ARRA. Our school district accepted the funds and maintained the two full time Title I teachers.

The 2009-10 Year:

Kansas schools began the month of July '2009 by receiving notification that the base state aid per pupil would be reduced from \$4433 to \$4218. As the months progressed the state's revenues continued to come in short of the projections. In November, the districts were advised that the base state aid per pupil would be reduced again by \$206 per full time equivalent (fte) to \$4,012. Most districts ended the school year with less than their adopted budgets in August of 2009. As a result of these actions, the organization called Schools For Fair Funding (SFFF) began asking school districts to join together to sue the state again. 72 school districts joined the organization. However, they failed to reopen the Montey case, but they may have succeeded in sparking a flame in others to speak out to their legislator (s). State legislatures made public comments that they have heard from more of their patrons than ever before. As a result of the outcry to support the numerous programs, the legislature passed a one cent sales tax increase beginning in July of 2010. It is too early to tell the effects of the change, but the first month's revenues did not match the revenue projection. The state will also be experiencing another change in the fall as it receives a new governor.

Add 10-11 and 11-12

Summary:

In summary, Kansas' schools have benefited from the findings of the Kansas Supreme Court that the funding mechanism for Kansas schools was not adequate. The special session in 2005 coupled with the focus on meeting the court's mandate in 2006 provided schools with two and a half successive years of funding that are much greater than has been received in the last decade. However, the state's revenues began to fall short of the projections in the spring of 2009. As a result Kansas' schools began to reduce and/or eliminate programs and staff to keep their doors open. The Kansas Legislature has chosen to continue to fund the base state aid at the current rate of \$4012 per pupil for the 2010-11 school. They also enacted a one cent sales tax increase starting in July to help generate new monies for all its programs. This new solution did not start off with very good results; the July '2010 revenues came in shorter than expected. The state will also be experiencing new leadership from the governor's office during this school year. In all, the students and patrons of Kansas should have an interesting 2010-11 school year.

Board Members

Jeff Finlayson, President
Seth Bell
George Smith

Doug Jones, Vice-President
Dale Williams
Brian Masters Beth Sloyer

Key Staff

Superintendent:
Business Office Staff:

Cliff Williams
Tracey Splechter, Board Clerk
Cindy Dwight, Accts. Payable Clerk
Lauri Durst, Payroll Clerk
Cliff Williams, Superintendent
Matt Thomsen, Director of Special Education
Doug Vander Linden, Technology Director
Shawn Thomas, High School Principal
Dallas Scothorn, Middle School Principal
Sharon Pruet, Elementary School Principal
Ed Long, Director of Maintenance
Doug Rohrer, Director of Transportation & Grounds
Diana Hess, Food Service Director

Curriculum & Instruction Staff:
Other Key Contacts:

The District's Accomplishments and Challenges

Accomplishments:

The district strives to ensure that all educational experiences for students are successful and contribute to their productive life when leaving the district. Highlights of the most recent two years was continued excellence both educationally coupled with extracurricular endeavors that included state qualifiers and champions in drama, athletics, technology and business education. Information concerning student progress toward meeting the Board of Education "Ends" policies is presented monthly at board meetings. Copies of past reports may be acquired by contacting the Central Office.

The district hosts a state of the art technology program that is networked with the whole county. Students of Burlington schools enter the work force and/or extended learning pathways with a rich background in usage of technology.

Students of Burlington Schools have be prepared to succeed in the college pathway if they so choose. The 2010 ACT test composite score was 24.6 where as the state's average composite was 22.0. Our students outscored the state's average score in ALL the tested areas.

Challenges:

The school district faces the challenges of declining enrollment. The initial enrollment numbers for 2010-11 appear to be steady, but declining enrollment equates to a decreased budget. However, the district has been able to maintain all of the programs offered in 2009-10 through the usage of attrition of staff. USD 244 had 12 staff members retire this past year. Yet, our elementary class size averages only 16 students per teacher.

Supplemental Information for the Following Tables

1. Summary of Total Expenditures by Function (All Funds)
2. Summary of General Fund Expenditures by Function
3. Summary of Supplemental General Fund Expenditures by Function
4. Summary of General and Supplemental General Fund Expenditures by Function
5. Summary of Special Education Fund by Function
6. Instruction Expenditures (1000)
7. Student and Instructional Support Expenditures (2100 & 2200)
8. General Administration Expenditures (2300)
9. School Administration Expenditures (2400)
10. Operations and Maintenance Expenditures (2600)
11. Other Costs (2500 & 2900: Other Supplemental Services) (3000: Non-Instruction Services)
12. Capital Improvements (4000)
13. Debt Services (5000)
14. Miscellaneous Information Unencumbered Cash Balance by Fund
15. Reserve Funds Unencumbered Cash Balance
16. Other Information - FTE
17. Miscellaneous Information Mill Rates by Fund
18. Other Information – Assessed Valuation and Bonded Indebtedness

Note: The FTE (full time equivalency) used in this report to calculate the “Amount Per Pupil” is defined as following: Enrollment (FTE) includes the enrollment of the district used for state aid and budget authority, and all other preschool enrollment and kindergarten students attending full time.

KSDE Website Information Available

K-12 Statistics (Building, District or State Totals)

<http://svapp15586.ksde.org/k12/k12.aspx>

- Attendance / Enrollment Reports
- Staff Reports
- Graduates / Dropouts Reports
- Crime / Violence Reports

School Finance Reports and Publications

<http://www.ksde.org/Default.aspx?tabid=1870>

- Certified Personnel
- Enrollment
- Dropouts
- Graduates
- Salary Reports

Kansas Building Report Card

<http://svapp15586.ksde.org/rcard/>

- Attendance Rate
- Graduation Rate
- Dropout Rate
- School Violence
- Assessments
 - Reading
 - Mathematics
 - Writing
- Graduates Passing Adv. Science Courses
- Graduates Passing Adv. Math Courses