

# Financial Reporting Guidelines

Unified School Districts



Version 1.1



*Kansas leads the world in the success of each student.*



# KANSAS STATE BOARD OF EDUCATION

## MISSION

To prepare Kansas students for lifelong success through rigorous, quality academic instruction, career training and character development according to each student's gifts and talents.

## VISION

Kansas leads the world in the success of each student.

## MOTTO

Kansans Can

## SUCCESS DEFINED

A successful Kansas high school graduate has the

- Academic preparation,
- Cognitive preparation,
- Technical skills,
- Employability skills and
- Civic engagement

to be successful in postsecondary education, in the attainment of an industry recognized certification or in the workforce, without the need for remediation.

## OUTCOMES

- Social-emotional growth measured locally
- Kindergarten readiness
- Individual Plan of Study focused on career interest
- High school graduation
- Postsecondary success

900 S.W. Jackson Street, Suite 600  
Topeka, Kansas 66612-1212  
(785) 296-3203  
[www.ksde.org](http://www.ksde.org)

**CHAIRMAN**  
DISTRICT 9

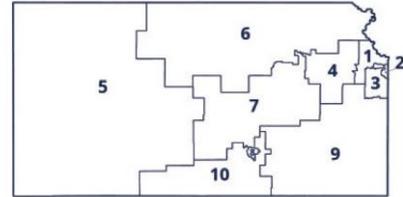


Jim Porter  
[jporter@ksde.org](mailto:jporter@ksde.org)

**VICE CHAIR**  
DISTRICT 1



Janet Waugh  
[jwaugh@ksde.org](mailto:jwaugh@ksde.org)



**DISTRICT 2**



Melanie Haas  
[mhaas@ksde.org](mailto:mhaas@ksde.org)

**DISTRICT 3**



Michelle Dombrosky  
[mdombrosky@ksde.org](mailto:mdombrosky@ksde.org)

**DISTRICT 4**



Ann E. Mah  
[amah@ksde.org](mailto:amah@ksde.org)

**DISTRICT 5**



Jean Clifford  
[jclifford@ksde.org](mailto:jclifford@ksde.org)

**LEGISLATIVE LIAISON**  
DISTRICT 6



Dr. Deena Horst  
[dhorst@ksde.org](mailto:dhorst@ksde.org)

**LEGISLATIVE LIAISON**  
DISTRICT 7



Ben Jones  
[bjones@ksde.org](mailto:bjones@ksde.org)

**DISTRICT 8**



Betty Arnold  
[barnold@ksde.org](mailto:barnold@ksde.org)

**DISTRICT 10**



Jim McNiece  
[jmcniece@ksde.org](mailto:jmcniece@ksde.org)



# KANSAS STATE DEPARTMENT OF EDUCATION

**COMMISSIONER OF EDUCATION**



Dr. Randy Watson

**DEPUTY COMMISSIONER**  
Division of Fiscal and Administrative Services



Dr. S. Craig Neuenswander

**DEPUTY COMMISSIONER**  
Division of Learning Services



Dr. Brad Neuenswander

The Kansas State Board of Education does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs and activities and provides equal access to any group officially affiliated with the Boy Scouts of America and other designated youth groups. The following person has been designated to handle inquiries regarding the nondiscrimination policies: KSDE General Counsel, Office of General Counsel, KSDE, Landon State Office Building, 900 S.W. Jackson, Suite 102, Topeka, KS 66612, (785) 296-3201.

JAN. 2021

# Revision History

Date	Reason of Change	Version
11-1-2018	<p>Effective Dec. 21, 2017: The Kansas Office of Revisor of Statutes recodified statutory sections of Chapter 72 for the purpose of providing clarity and uniformity with subject matter related to elementary and secondary education. In some cases, the subject matter of the section required transfer to another chapter, such as Chapter 13 or Chapter 74. A table of the transferred sections and their newly assigned section numbers can be found at <a href="http://KSRevisor.org">KSRevisor.org</a>.</p> <p><i>Note: All statutes referenced in this guide have been revised to reflect the new section numbers.</i></p>	1.0
3-5-2018	Added Federal Funds, No-Fund Warrants, and Special Assessment Funds	1.1

# Related Documents

Document Title	Document Location	Comments
<a href="#"><u>School Activity Fund Guidelines</u></a>	<a href="#"><u>KSDE School Finance → Guidelines &amp; Manuals</u></a> – within <b>Guidelines</b> section under the “Accounting Handbook”	Student and District Activity Funds; Non-Activity Funds; Petty Cash
School Bond Guide	<a href="#"><u>KSDE School Finance → Guidelines &amp; Manuals</u></a> → <a href="#"><u>School Bond Guide (PDF or Word)</u></a> – within <b>Guidelines</b> section	Procedures to Hold Bond Election, Issuance of School Bonds & Application for Capital Improvement (Bond & Interest) State Aid
<a href="#"><u>LOB Resolution</u></a>	<a href="#"><u>KSDE School Finance → Online Budget Packet</u></a> → <a href="#"><u>LOB Resolutions</u></a>	
<a href="#"><u>Professional Development Plans</u></a>	<a href="#"><u>Teacher Licensure &amp; Accreditation</u></a> – within <b>Professional Learning</b> section	
<a href="#"><u>State of Kansas Municipal Services</u></a>	<a href="#"><u>Department of Administration → Office of Accounts &amp; Reports</u></a>	
<a href="#"><u>Capital Outlay Resolution &amp; Spending Guidelines</u></a>	<a href="#"><u>KSDE School Finance → Online Budget Packet</u></a> - within the <b>Resolutions</b> section	
<a href="#"><u>Career and Technical Education Programs</u></a>	<a href="#"><u>Career Standards &amp; Assessments Services</u></a> → <a href="#"><u>Career &amp; Technical Education</u></a>	
<a href="#"><u>Preschool-Aged At-Risk Program Application</u></a>	<a href="#"><u>Preschool-Aged At-Risk Program Approval Qualtrics Survey</u></a>	Application
	<a href="#"><u>Preschool-Aged At-Risk Program Approval Form for 2021-2022</u></a>	Information and User’s Guide

# Financial Reporting Guidelines

## Table of Contents

<b>Revision History</b> .....	<b>3</b>
<b>Related Documents</b> .....	<b>4</b>
<b>Table of Contents</b> .....	<b>5</b>
<b>Introduction</b> .....	<b>7</b>
<b>Glossary</b> .....	<b>8</b>
<b>Enrollment</b> .....	<b>9</b>
FTE Enrollment .....	10
Adjusted Enrollment.....	12
Weightings.....	12
<b>Base Aid for Student Excellence (BASE)</b> .....	<b>13</b>
<b>General Fund (06)</b> .....	<b>14</b>
<b>Federal Funds (07)</b> .....	<b>17</b>
<b>Supplemental General Fund (08)</b> .....	<b>18</b>
<b>Adult Education Fund (10)</b> .....	<b>21</b>
<b>Preschool-Aged At-Risk Fund (11)</b> .....	<b>24</b>
<b>Adult Supplementary Education Fund (12)</b> .....	<b>26</b>
<b>At-Risk (K-12) Fund (13)</b> .....	<b>27</b>
<b>Bilingual Education Fund (14)</b> .....	<b>29</b>
<b>Virtual Education Fund (15)</b> .....	<b>30</b>
<b>Capital Outlay Fund (16)</b> .....	<b>32</b>
<b>Driver Training Fund (18)</b> .....	<b>34</b>
<b>Extraordinary School Programs Fund (22)</b> .....	<b>35</b>
<b>Food Service Fund (24)</b> .....	<b>37</b>
<b>Professional Development Fund (26)</b> .....	<b>38</b>
<b>Parent Education Program Fund (28)</b> .....	<b>40</b>
<b>Summer School Fund (29)</b> .....	<b>42</b>
<b>Special Education Fund (30)</b> .....	<b>44</b>
<b>Cost of Living Fund (33)</b> .....	<b>45</b>

**Career & Postsecondary Education Fund (34)..... 47**

**Gifts & Grants Fund (35) ..... 48**

**Special Liability Expense Fund (42)..... 49**

**Extraordinary Growth Facilities Fund (45)..... 51**

**Special Reserve Fund (47)..... 53**

**KPERS Special Retirement Contribution Fund (51)..... 53**

**Contingency Reserve Fund (53)..... 54**

**Textbook & Student Materials Revolving Fund (55)..... 54**

**Activity Fund (56)..... 55**

**Special Assessments Fund (67) ..... 56**

**Bond & Interest Funds (62 & 63) ..... 56**

**No Fund Warrants (66) ..... 56**

**Special Education Coop Fund (78)..... 57**

**Misc. Information ..... 61**

    Fixed Asset Accounting (GAAP) Waiver..... 61

    Republishing Funds ..... 61

    Kansas School District Administrative Claiming Program (Medicaid)..... 61

# Financial Reporting Guidelines

## Introduction

Craig Neuenswander

Deputy Commissioner  
Division of Fiscal & Administrative Services  
Kansas State Department of Education  
[craign@ksde.org](mailto:craign@ksde.org)

Dale Brungardt

Director  
School Finance  
Kansas State Department of Education  
[dbrungardt@ksde.org](mailto:dbrungardt@ksde.org)

These guidelines represent the state of Kansas set of standards and guidance for unified school districts' financial accounting and reporting. Its purpose is to help ensure that public elementary and secondary education finance data are reported comprehensively and uniformly. To be accountable for public funds and to assist education decisionmakers, all school financial reports need to contain the same types of financial statements for the same categories and types of funds.

These guidelines will receive updates based on legislative action.

# Glossary

Term	Meaning
District	School district organized under the laws of this state which is maintaining public school for a school term in accordance with the provisions of <a href="#">K.S.A. 72-3115</a> .
Student	Any person who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 maintained by the district or who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 in another district in accordance with an agreement entered into under authority of <a href="#">K.S.A. 72-13,101</a> , and amendments thereto, or who is regularly enrolled in a district and attending special education services provided for preschool-aged exceptional children by the district.

# Enrollment

The higher [FTE enrollment](#) of students regularly enrolled on September 20, excluding Preschool-Aged At-Risk (4 Years Old), of the two preceding school years. If the district qualifies to use the average of the three preceding school years (as described below), then they may use the higher of:

- The higher [FTE enrollment](#) of students regularly enrolled in the district on September 20 of the two preceding school years.
- The average of the three preceding school years.

Once determined what preceding school year or average is highest, add Preschool-Aged At-Risk (4-years old) students regularly enrolled on September 20 of the current school year to get the [Adjusted Enrollment](#).

---

Note: The enrollment in the preceding school years shall exclude students participating in the Tax Credit for Low Income Students Scholarship Program. ([K.S.A. 72-4351](#))

---

## Three-Year Average Qualifications

- District has a military dependent student
- District received Federal Impact Aid<sup>1</sup> the immediately preceding school year
- Enrollment decreased from the second preceding school year (school year prior to the immediately preceding school year) to the first preceding school year (immediately preceding school year)

---

<sup>1</sup> [Federal Impact Aid](#): An amount equal to the federally qualified percentage of the amount of monies a district receives in the current school year under the provisions of Title I of Public Law 874 and congressional appropriations therefore, excluding amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder. ([K.S.A. 72-5132](#))

## FTE Enrollment

Each school year the, state board shall determine the following as outlined below:

1. Determine number of students enrolled on September 20.
2. Determine number of military connected students enrolled on February 20 who were not enrolled on September 20.
  - o If the number obtained under is at least 25.0 FTE, or at least 1% of the number determined under #1, the amount obtained under #2 will be added to the number determined under #1 and is the enrollment for the current school year. ([K.S.A. 72-5139](#))

Except as otherwise stated below, a student enrolled and attending on County Day, September 20 (or February 20 if Military Connected student), for at least 360 minutes shall be counted as 1.0 FTE. If student is absent on Count Day, they may still be counted as follows:

- **September 20 Count Day:** Student must have attended one day before September 20 and one day after September 20, but on order before October 3.
- **February 20 Count Day:** If a Military Connected student, they must have attended one day on or after February 1, but before February 20, and one day after February 20, but on or before March 3.

---

Note: If Count Day falls on a non-school day, the immediate succeeding school day will be used as the official count day for the year.

---

**Part-Time:** A student in attendance part-time shall be counted as that proportion of one student, to the nearest tenth (one decimal), that the student's attendance bears to full-time attendance (i.e. a student that attended 180 minutes on Count Day would be a 0.5 FTE;  $180 \div 360$ ) with the following exceptions:

- **Individual Education Plan (IEP):** A student on an IEP shall be counted as 1.0 FTE, no matter the minutes enrolled, with the following exceptions:
- Preschool-aged students (3 or 4 years-old on August 31) on an IEP will be counted as ½ student.
- IEP students also enrolled in virtual schools may have FTE pro-rated between the school they are physically attending for IEP services and the virtual school.

**Preschool-Aged At-Risk:** A student enrolled and receiving services under an [approved at-risk student assistance plan](#) maintained by the district shall be counted as ½ student (i.e. Brooke, who attended 180 minutes or more on Count Day, would be a 0.5 FTE).

**Concurrent:** A student enrolled and attending an institution of postsecondary education that is authorized under the laws of the state of Kansas to award academic degrees shall be counted as 1.0 FTE if:

- The student's postsecondary education enrollment and attendance together with the student's attendance in grades 11 or 12 is at least  $\frac{5}{6}$  of a full-time student ( $\frac{5}{6} \times 360 = 300$  minutes).

A student enrolled and attending a technical college, a career technical education program of a community college or other [approved career and technical education program](#) shall be counted as 1.0 FTE if:

- The student's career and technical education attendance together with the student's attendance in grades 9, 10, 11 or 12 is at least  $\frac{5}{6}$  of a full-time student ( $\frac{5}{6} \times 360 = 300$  minutes).

If a concurrent student doesn't meet full-time requirements, they shall be counted as a proportion of one student, to the nearest tenth (one decimal), that the total time of the student's concurrent attendance bears to full-time attendance of a concurrent student (i.e. concurrent student attended 250 minutes on Count Day would be a 0.8 FTE;  $250 \div 300$ ).

**Foreign Exchange Students:** shall not be included unless enrolled and attending grades Kindergarten through 12 on Count Day and are also maintained by the district for at least one semester or the equivalent of two quarters.

**Juvenile Detention Facilities (JDC)<sup>2</sup>:** A student confined in and receiving educational services provided for by a district at a JDC.

**Psychiatric Residential Treatment Facilities (PRTF)<sup>3</sup>:** A student enrolled in a district but housed, maintained and receiving educational services at a state institution or PRTF shall not be counted.

**Flint Hills Job Corps:** An individual residing at the Flint Hills job corps center shall not be counted.

---

<sup>2</sup> Juvenile Detention Facility (JDC): Any public or private facility which is used for the lawful custody of accused or adjudicated juvenile offenders and which shall not be a jail. ([K.S.A. 72-1173](#))

<sup>3</sup> Psychiatric Residential Treatment Facility (PRTF): A facility which provides psychiatric services to individuals under the age of 21 and which conforms with the regulations of the Centers for Medicare/Medicaid Services, is licensed by the Kansas Department for Aging and Disability Services. ([K.S.A. 72-1173](#))

# Adjusted Enrollment

The enrollment of a district adjusted by adding the following current school year weightings (if applicable): At-Risk Student, Bilingual, Career & Technical Education, High-Density At-Risk Student, High Enrollment, Low Enrollment, School Facilities, Ancillary School Facilities, Cost of Living, Special Education and Related Services, and Transportation.

*\*Please see **Weightings** section of Enrollment Handbook for more detailed information on weightings.*

## Weightings

**High Enrollment Weighting:** addend component assigned to enrollment of districts pursuant to K.S.A. 72-5149(b), on the basis of costs attributable to maintenance of educational programs by such districts. (K.S.A. 72-5132)

**Low Enrollment Weighting:** addend component assigned to enrollment of districts pursuant to K.S.A. 72-5149(a), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such districts. (K.S.A. 72-5132)

**At-Risk Student Weighting:** addend component assigned to enrollment of districts on the basis of costs attributable the maintenance of At-Risk Educational programs. (K.S.A. 72-5132) The At-Risk Student weighting of each district shall be determined by the state board by multiplying the number of free meal students included in enrollment of the district by 0.484. The product is the At-Risk Student weighting of the district. (K.S.A. 72-5151)

**Bilingual Weighting:** determined by the state board as follows:

- Determine the full-time equivalent enrollment in approved programs of bilingual education and multiply by 0.395
- Determine the number of students enrolled in approved programs of bilingual education and multiply by 0.185
- The bilingual weighting shall be the greater of the amount determined under subsection (1) or (2). (K.S.A. 72-5150)

**High-Density At-Risk Student Weighting:** addend component assigned to enrollment of districts to which the provisions of K.S.A. 72-5149 (b), apply. (K.S.A. 72-5132)

**School Facilities Weighting:** addend component assigned to enrollment of districts on the basis of costs attributable to commencing operation of new school facilities. (K.S.A. 72-5132) School facilities weighting may be assigned to enrollment of a district only if the district adopted a local option budget in an amount equal to at least 25% of the amount of the state financial aid determined for the district in the school year 2014-15, and the contractual bond obligations incurred by the district were approved by the electors in an election on or before July 1, 2015. School facilities weighting may be assigned to enrollment of the district only in the school year in which operation of a new school facility is commenced and in the next succeeding school year. (K.S.A. 72-5156)

**Transportation Weighting:** addend component assigned to enrollment of districts pursuant to [K.S.A. 72-5148](#), on the basis of costs attributable to the provision or furnishing of transportation. ([K.S.A. 72-5132](#))

**Career & Technical Education Weighting:** per [K.S.A. 72-5155](#), determined by the state board by multiplying the FTE enrollment in approved career technical education programs by 0.5. ([K.S.A. 72-5132](#))

**Cost of Living Weighting:** addend component assigned to enrollment of districts pursuant to [K.S.A. 72-5159](#), and amendments thereto, on the basis of costs attributable to the cost of living in the district. ([K.S.A. 72-5132](#))

**Ancillary School Facilities Weighting:** addend component assigned to enrollment of districts pursuant to [K.S.A. 72-5158](#), and amendments thereto, apply on the basis of costs attributable to commencing operation of new school facilities. Ancillary school facilities weighting may be assigned to enrollment of a district only if the district has levied a tax under authority of [K.S.A. 72-5158](#), and amendments thereto, and remitted the proceeds from such tax to the state treasurer. Ancillary school facilities weighting is in addition to assignment of school facilities weighting to enrollment of any district eligible for such weighting. ([K.S.A. 72-5132](#))

**Special Education & Related Services Weighting:** addend component assigned to enrollment of districts pursuant to [K.S.A. 72-5157](#), on the basis of costs attributable to the maintenance of special education and related services for students determined to be exceptional children. ([K.S.A. 72-5132](#))

## Base Aid for Student Excellence (BASE)

The amount appropriated by the legislature for the designated year. This amount is multiplied by the [Enrollment](#) to get the total State Foundation Aid<sup>4</sup> for the year. The amount of BASE aid shall be as follows:

- 2018-2019: \$4,165
- 2019-2020: \$4,436
- 2020-2021: \$4,569
- 2021-2022: \$4,706
- 2022-2023: \$4,846
- 2023-2024 and after: BASE aid shall be the BASE aid amount for the immediately preceding school year plus an amount equal to the average percentage increase in the consumer price index for all urban consumers in the Midwest region as published by the Bureau of Labor Statistics of the U.S. Department of Labor during the three immediately preceding school years rounded to the nearest whole dollar. ([K.S.A. 72-5132](#))

<sup>4</sup> [State Foundation Aid \(General State Aid\)](#): An amount of aid distributed to a district as determined by the state board pursuant to [K.S.A. 72-5134](#), and amendments thereto. ([K.S.A. 72-5132](#))

# General Fund (06)

The fund of a district from which operating expenses are paid and in which all amounts of State Foundation Aid<sup>4</sup> provided under this act, payments under K.S.A. 72-528, and amendments thereto, are deposited as well as payments of federal funds made available under the provisions of Title I of Public Law 874, with exception to amounts received for assistance in cases of major disaster and under the low-rent housing program, and such other monies provided by law. (K.S.A. 72-5132)

## Revenues

The following table shows potential revenue that shall be deposited in the General Fund. When filing reports with the State of Kansas and the State Department of Education, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Tuition	General
	Student Activities (amounts which are reimbursing expenditures made in General fund)	General
	Reimbursements*	General
	User charges (if treated as reimbursements)	General
State	State Foundation Aid <sup>4</sup>	General
	Mineral Production Tax	General
	Special Education Aid	General
Federal <sup>+</sup>	Impact Aid (PL-382) <sup>‡</sup>	General

- \* Includes: revenues which are received for materials and supplies purchased by students and paid out of this fund, reimbursement for items such as insurance premium payments if the cost(s) were paid from that fund, Juvenile Detention/Flint Hills Job Corp payments and State Aid received as a result of adjustments to prior year P.L. 382 deduction. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.
- + Federal funds for a specific purpose, such as Special Education, must be deposited in the specific fund. It is recommended that other federal funds be deposited in a separate federal fund account.
- ‡ 70% of P.L. 382 except for disaster payments, the excess revenue received above a normal student for special education students, excess revenue for Indian students and low-rent housing.

Revenues from fees collected for Preschool Programs shall be deposited in the General Fund of the district and shall be considered reimbursements to the district for the purpose of the Kansas school equity and enhancement act and may be expended whether the same has been budgeted or not and shall not be considered operating expenses. (K.S.A. 72-3215)

<sup>4</sup> State Foundation Aid (General State Aid): An amount of aid distributed to a district as determined by the state board pursuant to K.S.A. 72-5134, and amendments thereto. (K.S.A. 72-5132)

# State Foundation Aid<sup>4</sup>

## Local Foundation Aid (Local Effort)

Local Foundation Aid is used to adjust the amount of State Foundation Aid<sup>4</sup> received ([K.S.A. 72-5134](#)). Local Foundation Aid is calculated by taking the sum of the following:

- **Unencumbered Cash Balance:** An amount equal to any unexpended and unencumbered balance remaining in the General Fund, except amounts authorized to be expended for the purposes specified in [K.S.A. 72-5168](#) (expenditures not considered operating expenditures), and amendments thereto.
- **Pupil Tuition**
  - An amount equal to the amount deposited in the General Fund in the current school year from amounts received in such year under the provisions of subsection (a) of [K.S.A. 72-3123](#) (Nonresident pupils; attendance in school), and amendments thereto.
  - An amount equal to the amount deposited in the General Fund in the current school year from amounts received in such year pursuant to contracts made and entered into under authority of [K.S.A. 72-3125](#) (Pupil attendance at district of non-residence; definitions; contracts authorized; conditions; applicability; alternative provisions), and amendments thereto.
- **Mineral Production Tax:** An amount equal to the amount credited to the General Fund in the current school year from amounts distributed in such year under the provisions of [K.S.A. 79-4216](#).
- **Special Education State Aid**
  - An amount equal to the amount of payments received under the provisions of [K.S.A. 72-3423](#) (Manner of payments determined by state board; disposition; overpayments; underpayments; forms; reports), and amendments thereto.
  - An amount equal to the amount of any grant received by the district under the provisions of [K.S.A. 72-3425](#) (Catastrophic state aid; computation of amounts; apportionment; limitations), and amendments thereto.
- An amount equal to 70% of the Federal Impact Aid<sup>1</sup> of the district. ([K.S.A. 72-5132](#)).

---

<sup>1</sup> **Federal Impact Aid:** An amount equal to the federally qualified percentage of the amount of monies a district receives in the current school year under the provisions of Title I of Public Law 874 and congressional appropriations therefore, excluding amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder. ([K.S.A. 72-5132](#))

<sup>4</sup> **State Foundation Aid (General State Aid):** An amount of aid distributed to a district as determined by the state board pursuant to [K.S.A. 72-5134](#), and amendments thereto. ([K.S.A. 72-5132](#))

## Ad Valorem Tax Levy

The board of each district shall levy an ad valorem tax upon the taxable tangible property of the district in the 2019-2020 & 2020-2021 school years at the rate of 20 mills ([K.S.A. 72-5142](#)):

- Financing that portion of the district's General Fund Budget<sup>5</sup> which is not financed from any other source provided by law.
- Paying a portion of the costs of operating and maintaining public schools in partial fulfillment of the constitutional obligation of the legislature to finance the educational interests of the state.
- With respect to any redevelopment district established prior to July 1, 1997, pursuant to [K.S.A. 12-1771](#), and amendments thereto, paying a portion of the principal and interest on bonds issued by cities under authority of [K.S.A. 12-1774](#), and amendments thereto, for the financing of redevelopment projects upon property located within the district.

The proceeds from the tax levied under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the tax levied for the purpose described in the third bullet above, shall be remitted to the state treasurer in accordance with the provisions of [K.S.A. 75-4215](#), and amendments thereto.

## Distribution and Final Payment

If any amount of State Foundation Aid<sup>4</sup> that is due to be paid during the month of June of a school year is not paid on or before June 30 of such school year, then such payment shall be paid on or after the ensuing July 1 as soon as monies are available. These payments shall be recorded and accounted for as a receipt for the school year ending on the preceding June 30 (school year they are intended for). ([K.S.A. 72-5135](#))

## Special Education State Aid

Special education state aid received by a district must be deposited into the General Fund. That amount then must be transferred to the Special Education fund of the district. ([K.S.A. 72-3423](#))

---

<sup>4</sup> [State Foundation Aid \(General State Aid\)](#): An amount of aid distributed to a district as determined by the state board pursuant to [K.S.A. 72-5134](#), and amendments thereto. ([K.S.A. 72-5132](#))

<sup>5</sup> [General Fund Budget](#): The amount budgeted for operating expenses in the general fund of a district.

## Operating Expenses

Operating Expenses are the total expenditures and lawful transfers from the General Fund of a district during a school year for all purposes, except expenditures for the purposes specified in [K.S.A. 72-5168](#), and amendments thereto. ([K.S.A. 72-5132](#))

## Transfers

Any lawful transfer of monies from the general fund of a district to any other fund shall be an operating expense in the year the transfer is made. The board of any district may transfer monies from the general fund to any categorical fund<sup>6</sup> of the district in any school year.

The school board may transfer monies from the General Fund to the Contingency Reserve Fund of the district in any school year.

## Federal Funds (07)

Any Federal Funds, not otherwise designated specifically such as Career & Technical Education, Special Education, etc., shall be deposited in Federal Funds. ([K.S.A. 12-1663](#)) The majority of Federal Funds include Title I, Title II, and Special Grants.

## Revenues

The following table shows potential revenue that may or shall be deposited in Federal Funds. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Federal	Federal Aid	Federal-Funds

## Expenditures

Such federal aid may be expended without regard to budget limitations and over, above or outside the budget.

<sup>6</sup> Categorical Funds: Includes Adult Education - 10, Adult Supplementary Education - 12, At-Risk (K-12) - 13, Bilingual Education - 14, Career and Postsecondary Education - 34, Driver Training - 18, Extraordinary School Program - 22, Food Service - 24, Parent Education Program - 28, Preschool-Aged At-Risk - 11, Professional Development - 26, Special Education - 30, and Summer School - 29. ([K.S.A. 72-5132](#))

# Supplemental General Fund (08)

## (Local Option Budget - LOB)

### Revenues

The following table shows potential revenue that may or shall be deposited in the Supplemental General Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property Tax	Supplemental General
County	Motor Vehicle Property Tax	Supplemental General
	Motor Vehicle 16/20M Truck Property Tax	Supplemental General
	Recreational Vehicle Tax	Supplemental General
	In Lieu of Tax Payments from Industrial Revenue Bonds	Supplemental General
State	Supplemental General State Aid	Supplemental General

## LOB Percent Authorized

As a general principal, the law provides that in addition to the Total Foundation Aid<sup>7</sup> (General Fund Budget), a school board may approve LOB spending in any amount up to the statewide average (currently 30% and anticipated to increase to 31% for 2021-2022 school year) of its Total Foundation Aid<sup>7</sup>. School boards may increase the LOB up to the 33% state-prescribed percent.

State-prescribed percentage is 33% (maximum) of the Total Foundation Aid<sup>7</sup> of the district in the current school year. Any resolution authorizing the adoption of an LOB in excess of the state-wide average percent of the Total Foundation Aid<sup>7</sup> of the district:

- Must be passed by a majority of the district board members.
- Must be published once in the designated local newspaper.
- Is subject to a protest petition signed by not less than 10% of the qualified electors of the district within 40 days of publication.

Unless specifically stated otherwise in the resolution, the authority to adopt an LOB shall be continuous and permanent. ([K.S.A 72-5143](#))

*\*Please see the [LOB Resolution document](#) within the **Resolutions** section on the [Online Budget Packet page](#) of the [School Finance website](#) for more detailed information.*

Each year the state board of education shall determine the statewide-average percentage of LOBs legally adopted by districts for the preceding school year. ([K.S.A. 72-5143](#))

---

<sup>4</sup> [State Foundation Aid \(General State Aid\)](#): An amount of aid distributed to a district as determined by the state board pursuant to K.S.A. 72-5134, and amendments thereto. (K.S.A. 72-5132)

<sup>7</sup> [Total Foundation Aid](#): The sum of State Foundation Aid<sup>4</sup> and Local Foundation Aid (General Fund Budget).

## Tax Levy

Districts are authorized to levy property taxes to fund their portion of the LOB. State aid is provided for the purpose of equalizing the ability of a district to utilize this provision.

Supplemental General State Aid is based on an equalization feature designed to treat each district as if its assessed valuation per pupil<sup>8</sup> (AVPP) were equal to that of the district at the 81.2 percentile of AVPP<sup>8</sup>. For districts that use all or a portion of its LOB, the State Board divides the district's average AVPP<sup>8</sup> in the three preceding years by the 81.2 percentile AVPP<sup>8</sup> and subtracts the ratio determined from 1.0. If the ratio resulting from this calculation:

- **Equals or exceeds 1.0:** the district is entitled to no Supplemental General State Aid
- **Less than 1.0:** the district's adopted LOB is multiplied by such ratio to determine the district's Supplemental General State Aid entitlement.

A proportional proration provision applies in the event the state appropriations for this aid are not sufficient to fully fund district entitlements.

Districts also receive a share of the motor vehicle tax, motor vehicle 16/20M truck property tax, rental/leased vehicle sales tax, recreational vehicle tax, and industrial revenue bond payments in lieu of taxes as resources to the Supplemental General Fund.

## Cash Balance

Any unexpended and unencumbered cash balance remaining in the Supplemental General Fund at the conclusion of any school year is treated as follows: If the district received Supplemental General State Aid the state board shall determine the ratio of the amount of Supplemental General State Aid received to the amount of the LOB and multiply the total amount of the unexpended budget remaining by such ratio. An amount equal to the amount of the product shall be transferred to the General Fund of the district or remitted to the State Treasurer. Upon receipt of any such remittance, the State Treasurer shall deposit the same in the state treasury to the credit of the State School District Finance Fund.

## Expenditures

With a few exceptions, districts may spend LOB revenues for any purpose for which expenditures from the General Fund are authorized or these revenues may be transferred to any categorical fund<sup>6</sup> of the district. One exception is that school boards are prohibited from making LOB expenditures for a lease-purchase agreement involving the acquisition of land or buildings under [K.S.A. 72-1149](#), as amended. ([K.S.A. 72-5143](#)) In addition, transfers cannot be made to the Capital Outlay Fund or the Contingency Reserve Fund.

---

<sup>6</sup> Categorical Funds: Includes Adult Education - 10, Adult Supplementary Education - 12, At-Risk (K-12) - 13, Bilingual Education - 14, Career and Postsecondary Education - 34, Driver Training - 18, Extraordinary School Program - 22, Food Service - 24, Parent Education Program - 28, Preschool-Aged At-Risk - 11, Professional Development - 26, Special Education - 30, and Summer School - 29. (K.S.A. 72-5132) Categorical Funds: Includes Adult Education - 10, Adult Supplementary Education - 12, At-Risk (K-12) - 13, Bilingual Education - 14, Career and Postsecondary Education - 34, Driver Training - 18, Extraordinary School Program - 22, Food Service - 24, Parent Education Program - 28, Preschool-Aged At-Risk - 11, Professional Development - 26, Special Education - 30, and Summer School - 29. (K.S.A. 72-5132) Assessed Valuation per Pupil (AVPP): Where Kansas Neighborhood Revitalization Act tax increment financing rebates are involved, the county clerk submits to the Commissioner of Education an adjustment (reduction) in the district's assessed valuation, determined by dividing the total of tax increment rebates paid by the district during the preceding 12 months by the total of the ad valorem levy rates of the district in the previous year.

# Adult Education Fund (10)

A program for eligible persons<sup>9</sup> of one or more courses in general education subjects taught at the grade school or high school level under the supervision of a board which is included in the state plan and for which federal funds are received pursuant to federal law. ([K.S.A. 74-32,253](#))

Each board is authorized to establish, conduct, maintain and administer an Adult Basic Education Program (ABEP) and such program shall meet standards and criteria set by the state board. Cooperative agreements among boards may be entered into for providing, in conformity with the purpose of [K.S.A. 74-32, 256](#), such programs, facilities, equipment and services as necessary or desirable. No such cooperative agreement shall be effective until the same has been approved by the state board, which approval shall be granted if such agreement complies with the standards and criteria established by the state board. ([K.S.A. 74-32,256](#))

The state board may enter into agreements with any board for the establishment and operation of ABEPs and any board desiring to secure state and federal funds for the cost of conducting an ABEP shall certify and file an application with the state board for the approval of such ABEP. The application shall be on a form prescribed and furnished by the state board and shall contain such information as the state board requires and shall be filed on or before July 1 of each year. Approval of the application and the program is needed before payment of state and federal funds. ([K.S.A. 74-32,257](#))

---

<sup>9</sup> [Adult Education Eligible Persons](#): Persons who (1) have attained the age of 16, (2) have not graduated from high school, (3) have not been recognized as having achieved an equivalent level of education, and (4) are not currently regularly enrolled in school. ([K.S.A. 74-32,253](#))

## Revenues

The following table shows potential revenue that may or shall be deposited in the Adult Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property Tax	Adult Education
	Transfer from General Fund	Adult Education
	Transfer from Supplemental General Fund	Adult Education
	Transfer from Contingency Reserve Fund	Adult Education
	Adult Education Fees	Adult Education
	Interest on Idle Funds (Permissive)	Adult Education
	Sale & Rental of Textbooks	Adult Education
	Misc. Revenue (Permissive)	Adult Education
	Reimbursements*	Adult Education
County	Motor Vehicle Property Tax <sup>+</sup>	Adult Education
	Motor Vehicle 16/20M Truck Property Tax <sup>+</sup>	Adult Education
	Recreational Vehicle Tax <sup>+</sup>	Adult Education
	In Lieu of Tax Payments from Industrial Revenue Bonds <sup>+</sup>	Adult Education
State	Adult Education State Aid	Adult Education
Federal	Adult Education Federal Aid	Adult Education

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

+ If levy is authorized

## Transfers

All transfers from the General Fund to the Adult Education Fund are considered to be a General Fund expenditure in the year the transfer is made. This transfer should be recorded as revenue in the Adult Education Fund. ([K.S.A. 72-5167](#))

## Tax Levy

The board of any district may make an annual tax levy for a period not to exceed five years<sup>10</sup> upon the assessed taxable tangible property within the district in order to:

- maintain and operate an ABEP at a level approved by the state board
- For the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of [K.S.A. 12-1774](#), and amendments thereto, for the financing of redevelopment projects upon property located within the district.

Proceeds from the tax levy, except for an amount to pay a portion of the principal and interest on bonds issued by cities under authority of [K.S.A. 12-1774](#), and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the Adult Education Fund. Notwithstanding any other provision of law, all monies received from whatever source for ABEPs shall be credited to the Adult Education Fund. The expenses of a district directly attributable to ABEP shall be paid from the Adult Education Fund. ([K.S.A. 74-32,259](#))

No tax levy shall be made under this section until a resolution authorizing the levy is passed by the school board and published once a week for three consecutive weeks in a newspaper having general circulation in the district. The resolution shall specify the mill rate of the tax levy and the period of time for which the tax levy shall be made. After adoption of the resolution the levy may be made unless, within 90 days following the last publication of the resolution, a petition in opposition to the levy signed by not less than 5% of the qualified electors of the district is filed with the county election officer of the home county of the district. In the event a petition is filed, the tax shall not be levied without being approved by a majority of the qualified electors of the district at an election which shall be called for that purpose or at the next general election. ([K.S.A. 74-32,259](#))

The board of any district which has made a tax levy authorized under the provisions of this section may initiate procedures to renew its authority to make such a tax levy at any time after the final levy under a current authorization is certified to the county clerk. ([K.S.A. 74-32,259](#))

---

**Example:** If a levy is passed for five years in March 2016, the first year is 2016-2017 through 2020-2021 (expires June 30, 2021). The district can renew any time after the 2020-2021 budget is certified to the County (after August 25) to be effective for the 2021-2022 school year.

**Note:** This is same concept for Capital Outlay resolution.

---

---

<sup>10</sup> The tax levy limit was repealed in [K.S.A. 79-5040](#).

## Expenditures

All expenditures attributable to approved ABEPs shall be paid from the Adult Education Fund. (K.S.A. 74-32,261) These expenditures include, but are not limited to:

- salaries for principals, supervisors, teachers, secretarial/clerical
- textbooks
- teacher supplies
- salaries for operation of plant
- utilities/heat
- replacement of equipment
- social security
- worker's compensation
- unemployment insurance
- equipment
- tuition

## Preschool-Aged At-Risk Fund (11)

The school board may:

- Offer and teach courses and conduct preschool programs for Preschool-Aged At-Risk Students<sup>11</sup>.
- Enter into cooperative or interlocal agreements with one or more other boards for the establishment, operation and maintenance of such preschool programs.
- Contract with private, nonprofit corporations or associations or with any public or private agency or institution for the establishment, operation and maintenance of such preschool programs.
- Prescribe and collect fees for providing such preschool programs (fees shall be prescribed and collected only to recover costs incurred).

Each year the school board shall prepare and submit a report on the [Preschool-Aged At-Risk program](#) or assistance provided. Such report shall include the following:

- Information specifying the number of students who were served or provided assistance.
- The type of service provided.
- The research upon which the district relied in determining that a need for service or assistance existed.
- The results of providing such service or assistance.
- Any other information required by the state board.

*\*For more information, please visit [KSDE's Early Childhood site](#).*

---

<sup>11</sup> [Preschool-Aged At-Risk Students](#): students that are at least 3-Years-Old, but not eligible for Kindergarten (5-Years-Old on or before August 31), and has been selected by the state board in accordance with guidelines governing the selection of students for participation in head start programs. (K.S.A. 72-5132)

## Revenues

The following table shows potential revenue that may or shall be deposited in the Preschool-Aged At-Risk Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Transfer from General Fund	Preschool-Aged At-Risk
	Transfer from Supplemental General Fund	Preschool-Aged At-Risk
	Transfer from Contingency Reserve Fund	Preschool-Aged At-Risk
	Interest on Idle Funds (Permissive)	Preschool-Aged At-Risk
	Misc. Revenue (Permissive)	Preschool-Aged At-Risk
	Reimbursements*	Preschool-Aged At-Risk
Federal	Federal Preschool Aged At-Risk Aid	Preschool-Aged At-Risk

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Cash Balance

Any balance remaining the in Preschool-Aged At-Risk Fund at the end of the budget year shall be carried forward for succeeding budget years. Such funds shall not be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto. Interest earned on the investment of monies in any such fund shall be credited to that fund.

## Expenditures

Expenses of a district attributable to providing at-risk assistance or programs shall be paid from the Preschool-Aged At-Risk Fund. ([K.S.A. 72-3215](#))

# Adult Supplementary Education Fund (12)

A program of one or more courses in any subject, other than courses in the Adult Basic Education Program (ABEP) or courses approved for state funding purposes, which is conducted under the supervision of a board for persons who have attained the age of 16. (K.S.A. 74-32,253)

Any board may establish and maintain an Adult Supplementary Education Program (ASEP) for the instruction of persons desirous of attending such a program. The cost of instruction for ASEPs shall be born by the district or community college and the board shall obtain and furnish the necessary teaching personnel and supplies. Tuition or fees shall be charged by the board to offset expense of operating an ASEP. (K.S.A. 74-32,261)

## Revenues

The following table shows potential revenue that may or shall be deposited in the Adult Supplementary Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Transfer from General Fund	Adult Supplementary Education
	Transfer from Supplemental General Fund	Adult Supplementary Education
	Transfer from Contingency Reserve Fund	Adult Supplementary Education
	Interest on Idle Funds (Permissive)	Adult Supplementary Education
	Sale & Rental of Textbooks	Adult Supplementary Education
	Misc. Revenue (Permissive)	Adult Supplementary Education
	Reimbursements*	Adult Supplementary Education

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Expenditures

All expenditures attributable to ASEPs shall be paid from the Adult Supplementary Education Fund. ([K.S.A. 74-32,261](#)) These expenditures include, but are not limited to:

- salaries for principals, supervisors, teachers and secretarial/clerical
- textbooks
- teacher supplies
- salaries for operation of plant
- utilities/heat
- replacement of equipment
- social security
- workers' compensation
- unemployment insurance
- equipment
- tuition.

## At-Risk (K-12) Fund (13)

Each year the board of education of each district shall prepare and submit a report on the At-Risk Education Program or assistance provided by the district. Such report shall include:

- The number of At-Risk Students<sup>12</sup> who were served or provided assistance.
- The type of service provided.
- The research upon which the district relied in determining that a need for service or assistance existed.
- The results of providing such service or assistance.
- Any other information required by the state board.

In order to achieve uniform reports of the number of At-Risk Students<sup>12</sup> provided service or assistance by districts in at-risk programs, districts shall report the number of At-Risk Students<sup>12</sup> served or assisted in the manner required by the state board. ([K.S.A. 72-5153](#))

---

<sup>12</sup> At-Risk Students: Students who are eligible for free meals under the national school lunch act and who are enrolled in a district which maintains an approved at-risk student assistance plan. ([K.S.A. 72-5132](#))

## Revenues

The following table shows potential revenue that may or shall be deposited in the At-Risk (K-12) Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Transfer from General Fund	At-Risk (K-12)
	Transfer from Supplemental General Fund	At-Risk (K-12)
	Transfer from Contingency Reserve Fund	At-Risk (K-12)
	Interest on Idle Funds (Permissive)	At-Risk (K-12)
	Misc. Revenue (Permissive)	At-Risk (K-12)
	Reimbursements*	At-Risk (K-12)
Federal	Federal At-Risk Aid	At-Risk (K-12)

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Cash Balance

Any balance remaining the in the At-Risk (K-12) Fund at the end of the budget year shall be carried forward to the following budget years. Such fund shall not be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto. Interest earned on the investment of monies in any such fund shall be credited to that fund. ([K.S.A. 72-5153](#))

## Expenditures

Expenses of a district attributable to providing at-risk assistance or programs shall be paid from the At-Risk (K-12) Fund. ([K.S.A. 72-5153](#))

Commencing in 2018-2019, districts that qualify to receive High-Density At-Risk weighting shall spend any money attributable to that weighting on the at-risk best practices developed by the state board pursuant to [KSA 72-5153\(d\)](#). ([K.S.A. 72-5151](#))

# Bilingual Education Fund (14)

The Bilingual Education Fund shall consist of all monies deposited or transferred according to law.

Each year the school board of each district shall prepare and submit to the state board a report on the Bilingual Education Program and assistance provided by the district. Such report shall include:

- Information specifying the number of students who were served or provided assistance.
- The type of service provided.
- The research upon which the district relied in determining that a need for service or assistance existed.
- The results of providing such service or assistance and any other information required by the state board.

Districts may also join together as a cooperative or through an interlocal agreement to provide bilingual education services on a shared-cost basis. ([K.S.A. 72-3611](#))

## Revenues

The following table shows potential revenue that may or shall be deposited in the Bilingual Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Transfer from General Fund	Bilingual Education
	Transfer from Supplemental General Fund	Bilingual Education
	Transfer from Contingency Reserve Fund	Bilingual Education
	Interest on Idle Funds (Permissive)	Bilingual Education
	Misc. Revenue (Permissive)	Bilingual Education
	Reimbursements*	Bilingual Education
Federal	Federal Bilingual Aid	Bilingual Education

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Cash Balance

Any balance remaining in the Bilingual Education Fund at the end of the budget year shall be carried forward into the Bilingual Education Fund for the succeeding budget years. ([K.S.A. 72-3613](#))

## Expenditures

The expenses of a district attributable to Bilingual Education shall be paid from the Bilingual Education Fund. ([K.S.A. 72-3613](#)) These expenditures include but are not limited to:

- salaries for principals, supervisors, teachers, secretarial/clerical
- textbooks
- teacher supplies
- salaries for operation of plant
- utilities/heat
- replacement of equipment
- social security
- worker's compensation
- unemployment insurance
- equipment
- tuition

## Virtual Education Fund (15)

The Virtual Education Fund consist of all monies deposited therein or transferred thereto according to law. In preparing the budget of such district, the amounts credited to and the amount on hand in the Virtual Education Fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the district.

## Expenditures

The expenses of a district directly attributable to Virtual Schools offered by a district may be paid from the Virtual Education Fund. The cost of an advance placement course provided to a student by a Virtual School shall be paid by the Virtual School. ([K.S.A. 72-3715](#))

## Revenues

Interest earned on the investment of Virtual Education Fund monies shall be credited to the Virtual Education Fund. ([K.S.A. 72-3715](#))

The state board of education shall determine the amount of State Aid for Virtual Students as follows:

- Multiply the total number of full-time students, excluding those over 19 years of age, by \$5,000.
- Multiply the total FTE of part-time students, excluding those over 19 years of age, by \$1,700.
- Multiply the number of one-hour credit courses that students over 19 years of age have passed by \$709, but not to exceed six credit courses per student.
- Add the three amounts calculated above. The result is the amount of Virtual State Aid.

The following table shows potential revenue that may or shall be deposited in the Virtual Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Tuition	Virtual Education
	Transfer from General Funds	Virtual Education
	Transfer from Supplemental General Fund	Virtual Education
	Transfer from Contingency Reserve Fund	Virtual Education
	Interest on Idle Funds (Permissive)	Virtual Education
	Misc. Revenue (Permissive)	Virtual Education

## Cash Balance

Any balance remaining in the Virtual Education Fund at the end of the budget year shall be carried forward into the Virtual Education Fund for succeeding budget years. Such funds shall not be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto. ([K.S.A. 72-3715](#))

# Capital Outlay Fund (16)

The Capital Outlay Fund consist of all monies deposited therein or transferred thereto in accordance with law. The proceeds of any tax levied under [K.S.A. 72-53,113](#), except for an amount to pay a portion of the principal and interest on bonds issued by cities under the authority of [K.S.A. 12-1774](#), and amendments thereto, for financing of redevelopment projects upon property located within the district, shall be deposited in the Capital Outlay Fund. ([K.S.A. 72-53,115](#))

## Revenues

The following table shows potential revenue that may or shall be deposited in the Capital Outlay Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property Tax	Capital Outlay Fund
	Interest on Idle Funds (Permissive)	Capital Outlay Fund
	Transfer from General Fund (no limit)	Capital Outlay Fund
	Misc. Revenue (Permissive)	Capital Outlay Fund
	Reimbursements*	Capital Outlay Fund
County	Motor Vehicle Property Tax <sup>+</sup>	Capital Outlay Fund
	Motor Vehicle 16/20M Truck Property Tax <sup>+</sup>	Capital Outlay Fund
	Recreational Vehicle Tax <sup>+</sup>	Capital Outlay Fund
	In Lieu of Tax Payments from Industrial Revenue Bonds	Capital Outlay Fund
State	Capital Outlay State Aid	Capital Outlay Fund
Federal	Impact Aid - Construction	Capital Outlay Fund

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

+ If levy is made

## Tax Levy

The school board may make an annual tax levy at a mill rate not to exceed the statutorily prescribed mill rate upon the assessed taxable tangible property within the district for the purposes specified in this act. No levy shall be made under this act until a resolution is adopted by the school board. [K.S.A. 72-53,113](#)

*\*Please see [Capital Outlay Resolution & Spending Guidelines](#) within the **Resolutions** section on the [Online Budget Packet](#) page of the [School Finance website](#) for more detailed information.*

## Expenditures

All expenditures attributable to capital outlay shall be paid from the Capital Outlay Fund. Capital outlay expenditures for acquisition of equipment (excluding buses) and repair of school buildings may be expensed from the General Fund.

The following expenditures may be paid from the Capital Outlay Fund ([K.S.A. 72-53,113](#)):

- acquisition, construction, reconstruction, repair, remodeling, and additions to furnishing, maintaining and equipping district property and equipment necessary for district purposes, including:
  - computer software
  - architectural expenses
  - school buses
  - performance uniforms
  - building sites
  - housing and boarding pupils enrolled in an area vocational school operated under the board of education
  - undertaking and maintenance of asbestos control projects
  - other fixed assets, and with respect to any redevelopment district established prior to July 1, 2017 (pursuant to [K.S.A. 12-1774](#), and amendments thereto) for the financing of redevelopment projects upon property located within the district.

# Driver Training Fund (18)

The Driver Training Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-5163](#).

## Revenues

All monies received by the district from distributions made from the State Safety Fund and the Motorcycle Safety Fund as well as from tuition, fees or charges for Driver Training Courses shall be credited to the Driver Training Fund.

The following table shows potential revenue that may or shall be deposited in the Driver Training Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Interest on Idle funds (Permissive)	Driver Training
	Transfer from General Fund	Driver Training
	Transfer from Supplemental General Fund	Driver Training
	Transfer from Contingency Reserve Fund	Driver Training
	Driver Education Student Fees	Driver Training
	Misc. Revenue (Permissive)	Driver Training
	Reimbursements*	Driver Training
State	State Safety Aid (Driver Education)	Driver Training
	State Motorcycle Safety Aid	Driver Training

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

All transfers from the General Fund to the Driver Training Fund are considered to be a General Fund expenditure in the year the transfer is made. This transfer should be recorded as revenue in the Driver Training Fund. ([K.S.A. 72-5167](#))

## Expenditures

The expenses of a district directly attributable to Driver Training shall be paid from the Driver Training Fund. ([K.S.A. 72-5163](#))

The expenditures directly attributable to approved Driver Training programs shall be paid from the Driver Training Fund. ([K.S.A. 72-5163](#)) These expenditures include but are not limited to:

- salaries for principals, teachers, secretarial/clerical,
- textbooks
- teacher supplies
- leased/purchased vehicles
- replacement of equipment
- insurance
- social security
- workers' compensation
- unemployment insurance
- equipment

## Extraordinary School Programs Fund (22)

For a district which establishes, operates and maintains an Extraordinary School Program<sup>13</sup>, the Extraordinary School Programs Fund will be established and consist of all monies deposited therein or transferred thereto according to law. The school board may ([K.S.A. 72-3239](#)):

- Establish, operate and maintain an Extraordinary School Program<sup>13</sup> for students who meet the district's criteria for attendance of such programs.
- Enter into cooperative or interlocal agreements with one or more other school boards for the establishment, operation and maintenance of an Extraordinary School Program<sup>13</sup>.
- Prescribe and collect fees for providing an Extraordinary School Program<sup>13</sup> or provide such program without charge.

---

<sup>13</sup> Extraordinary School Program: A program established by the school board, operated before or after regular school hours during the regular school term and maintained for any or all of the following purposes: (1) Providing students with additional time to achieve learner exit or improvement plan outcomes; (2) Giving students remedial instruction or independent study assistance; (3) Affording students an opportunity to strengthen or attain mastery of basic or higher order thinking skills; (4) Conducting special projects and activities designed to enrich and enhance the educational experience of students.

## Revenues

All monies received by a district from fees collected or from any other source for Extraordinary School Programs<sup>13</sup> shall be credited to the Extraordinary School Program Fund. Fees for providing an Extraordinary School Program<sup>13</sup> for students shall be prescribed and collected only to recover the cost incurred as a result of and directly attributable to the establishment, operation and maintenance of the program. No district may collect fees for providing an Extraordinary School Program<sup>13</sup> for students (K.S.A. 72-3239):

- Who are required to attend the program in accordance with the provisions of K.S.A. 72-3239, rules and regulations of KSDE or policy of the school board
- On an individualized education plan (IEP) developed for an exceptional child
- Who are eligible for free or reduced-price meals under the national school lunch act.

The following table shows potential revenue that may or shall be deposited in the Extraordinary School Program Fund. When filing reports within the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Student Tuition/Class Fees	Extraordinary School Program
	Interest on Idle funds (Permissive)	Extraordinary School Program
	Transfer from General Fund	Extraordinary School Program
	Transfer from Supplemental General Fund	Extraordinary School Program
	Transfer from Contingency Reserve Fund	Extraordinary School Program
	Misc. Revenue (Permissive)	Extraordinary School Program
	Reimbursements*	Extraordinary School Program

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Expenditures

The expenses of a district directly attributable to Extraordinary School Programs<sup>13</sup> shall be paid from the Extraordinary School Program Fund. (K.S.A. 72-3239)

<sup>13</sup> Extraordinary School Program: A program established by the school board, operated before or after regular school hours during the regular school term and maintained for any or all of the following purposes: (1) Providing students with additional time to achieve learner exit or improvement plan outcomes; (2) Giving students remedial instruction or independent study assistance; (3) Affording students an opportunity to strengthen or attain mastery of basic or higher order thinking skills; (4) Conducting special projects and activities designed to enrich and enhance the educational experience of students.

# Food Service Fund (24)

The Food Service Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-5164](#).

## Revenues

All monies received by the district for food service and from charges for food service shall be credited to the Food Service Fund.

The following table shows potential revenue that may or shall be deposited in the Food Service Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Interest on Idle Funds (Permissive)	Food Service
	Transfer from General Fund	Food Service
	Transfer from Supplemental General Fund	Food Service
	Transfer from Contingency Reserve Fund	Food Service
	School Food Service Receipts from Students	Food Service
	School Food Service Receipts from Adults	Food Service
	Misc. Revenue (Permissive)	Food Service
	Reimbursements*	Food Service
State	Food Service State Aid	Food Service
Federal	Food Service Federal Aid	Food Service

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

All transfers from the General Fund to the Food Service Fund are considered to be a General Fund expenditure in the year the transfer is made. This transfer should be recorded as revenue in the Food Service Fund. ([K.S.A. 72-5167](#))

## Expenditures

The expenses of a district attributable to food service shall be paid from the Food Service Fund. ([K.S.A. 72-5164](#))

The expenditures attributable to approved food service shall be paid from the Food Service Fund. ([K.S.A. 72-5164](#)) These expenditures include, but are not limited to:

- salaries for supervisors, secretarial/clerical
- operation of plant
- contractual services
- utilities/heat
- replacement of equipment
- social security
- worker's compensation
- unemployment insurance
- salaries for food service
- food
- transportation

## Professional Development Fund (26)

The Professional Development Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-2552](#).

Each school board shall establish and maintain a Professional Development Program<sup>14</sup> for certified personnel of the district. Professional Development Programs<sup>14</sup> shall meet standards and criteria set by the state board. Each school board, in compliance with the standards and criteria set by the state board, may ([K.S.A. 72-2547](#)):

- Develop policies and plans for the provision of Professional Development Programs<sup>14</sup> based on identified needs at the individual, building and district levels.
- Provide for Professional Development Programs<sup>14</sup> at any time during the school year.
- Contact with area professional development centers and authorized educational agencies in providing for Professional Development Programs<sup>14</sup>.
- Enter into cooperative or interlocal agreements with one or more other districts in providing for Professional Development Programs<sup>14</sup>.

Each school year the school board, if established and is maintaining an approved Professional Development Program<sup>14</sup>, and desires to secure State Aid for part of the cost of maintaining the program shall certify and file an application with the state board for approval of the program. ([K.S.A. 72-2548](#))

*\*More information on [Professional Development Plans](#) are found on the [Teacher Licensure & Accreditation](#) website under the **Professional Learning** section.*

---

<sup>14</sup> **Professional Development Program:** any planned learning opportunities provided to certificated personnel employed by a district or other authorized educational agency for purposes of improving the performance of such personnel in already held or assigned positions. ([K.S.A. 72-2545](#))

## Revenues

All monies received by the district from whatever source for Professional Development Programs<sup>14</sup> established under [K.S.A. 72-2552](#) shall be credited to the Professional Development Fund.

The following table shows potential revenue that may or shall be deposited in the Professional Development Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Interest on Idle Funds (Permissive)	Professional Development
	Transfer from General Funds	Professional Development
	Transfer from Supplemental General Fund	Professional Development
	Transfer from Contingency Reserve Fund	Professional Development
	Misc. Revenue (Permissive)	Professional Development
	Reimbursements*	Professional Development
State	State Professional Development Aid	Professional Development
Federal	Federal Professional Development Aid	Professional Development

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

The board of any district may transfer monies from its General Fund to its Professional Development Fund. ([K.S.A. 72-5167](#))

## Expenditures

The expenses of a district directly attributable to Professional Development Programs<sup>14</sup> shall be paid from the Professional Development Fund. ([K.S.A. 72-2552](#))

<sup>14</sup> [Professional Development Program](#): any planned learning opportunities provided to certificated personnel employed by a district or other authorized educational agency for purposes of improving the performance of such personnel in already held or assigned positions. (K.S.A. 72-2545)

# Parent Education Program Fund (28)

For a district that has developed and is operating a Parent Education Program for which grants are awarded under [K.S.A. 72-4165](#), must establish the Parent Education Program Fund. This fund consists of all monies deposited therein or transferred thereto according to [K.S.A. 72-4165](#).

A program developed and operated by a school board for the purpose of providing expectant parents and parents of infants or toddlers<sup>15</sup>, or both, with information, advice, assistance, resource materials, guidance and learning experiences regarding such measures as ([K.S.A. 72-4161](#)):

- Parenting skills and the various styles of parenting.
- The processes and principles of growth and development of children.
- Home learning activities designed for infants and toddlers<sup>15</sup>.
- Techniques emphasizing a positive approach to discipline.
- Effective methods of communicating and interacting with children so as to foster the development of self-esteem.
- Strategies for structuring behavioral limits and increasing mutual positive regard.
- Other elements of effective parenting that are conducive to the structuring of a home environment in which children are encouraged to be successful and productive learners.

The school board of every district may:

- Develop and operate a parent education program
- Enter into cooperative or interlocal agreements with one or more other boards for the development and operation of a parent education program
- Contract with private, non-profit corporations or associations or with any public or private agency or institution whether located within or outside the state for the provision of services which are appropriate to a parent education program
- Apply for a grant of state monies to supplement amounts expended by the district for development and operation of a parent education program. Approval by the state board of the program and the application is prerequisite to the award of a grant. ([K.S.A. 72-4162](#))

Amounts deposited in the Parent Education Program Fund shall be used exclusively for the payment of expenses directly attributable to the program.

---

<sup>15</sup> [Infant & Toddler](#): any child under the age of eligibility for school attendance (Age 4 or under on August 31).

## Revenues

Notwithstanding any other provision of law, all monies received by a district from whatever source for a Parent Education Program operated under [K.S.A. 72-4165](#) shall be credited to the Parent Education Program Fund.

The following table shows potential revenue that may or shall be deposited in the Parent Education Program Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Payments from other School Districts	Parent Education Program
	Interest on Idle Funds (Permissive)	Parent Education Program
	Transfer from Supplemental General Fund	Parent Education Program
	Transfer from Contingency Reserve Fund	Parent Education Program
	Transfer from General Funds	Parent Education Program
	Misc. Revenue (Permissive)	Parent Education Program
	Reimbursements*	Parent Education Program
State	Parent Education Aid	Parent Education Program
Federal	Parent Education Aid	Parent Education Program

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

The board of any district may transfer monies from its General Fund to its Parent Education Program Fund. Expenditures for parent education programs shall not be made from the General Fund of a district. ([K.S.A. 72-5167](#))

# Summer School Fund (29)

The Summer School Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-3238](#).

The school board any district may ([K.S.A. 72-3238](#)):

- Establish, operate and maintain a Summer School Program<sup>16</sup> for students
- Enter into cooperative or interlocal agreements with one or more other school boards for the establishment, operation and maintenance of a Summer School Program<sup>16</sup> for students
- Prescribe and collect fees for providing a Summer School Program<sup>16</sup> for students or provide such program without charge.
  - Fees for providing a Summer School Program<sup>16</sup> for students shall be prescribed and collected only to recover the costs incurred as a result of and directly attributable to the establishment, operation and maintenance of the program. ([K.S.A. 72-3238](#))
  - No district may collect fees for providing a Summer School Program<sup>16</sup> for students required to attend such a program in accordance with ([K.S.A. 72-3238](#)):
    - the provisions of law
    - rules and regulations of KSDE
    - policy of the school board
    - An individualized education plan (IEP) developed for an exceptional child.

---

<sup>16</sup> [Summer School Programs](#): established by the school board and operated during the summer months for the purpose of giving remedial instruction to students or for the purpose of conducting special projects and activities designed to enrich and enhance the educational experience of students, or for both such purposes. ([K.S.A. 72-3238](#))

## Revenues

All monies received by a district from fees collected under [K.S.A. 72-3238](#) or from any other source for Summer School Programs<sup>16</sup> shall be credited to the Summer School Fund.

The following table shows potential revenue that may or shall be deposited in the Summer School Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Student Tuition	Summer School
	Interest on Idle Funds (Permissive)	Summer School
	Transfer from General Funds	Summer School
	Transfer from Supplemental General Fund	Summer School
	Transfer from Contingency Reserve Fund	Summer School
	Misc. Revenue (Permissive)	Summer School
	Reimbursements*	Summer School

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Expenditures

The expenses of a district directly attributable to Summer School Programs<sup>16</sup> shall be paid from the Summer School Fund. ([K.S.A. 72-3238](#))

<sup>16</sup> [Summer School Programs](#): established by the school board and operated during the summer months for the purpose of giving remedial instruction to students or for the purpose of conducting special projects and activities designed to enrich and enhance the educational experience of students, or for both such purposes. (K.S.A. 72-3238)

# Special Education Fund (30)

The Special Education Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-3422](#).

## Revenues

Notwithstanding any other provision of law, all monies received by the district from whatever source for Special Education shall be credited to the Special Education Fund except ([K.S.A. 72-3422](#)):

- Payments received by a district under [K.S.A. 72-3423](#), and amendments thereto.
- Grants, if any, received under [K.S.A. 72-3425](#), and amendments thereto, shall be deposited in the General Fund of the district and transferred to the Special Education Fund
- Monies received by a district pursuant to lawful agreements made under [K.S.A. 72-3412](#), and amendments thereto, which shall be credited to the Special Fund established under the agreements.

The following table shows potential revenue that may or shall be deposited in the Special Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Interest on Idle Funds (Permissive)	Special Education
	Transfer from General Funds	Special Education
	Transfer from Supplemental General Fund	Special Education
	Transfer from Contingency Reserve Fund	Special Education
	Misc. Revenue (Permissive)	Special Education
	Reimbursements*	Special Education
State	State Payment for Special Education	Special Education
	Deaf/Blind Grants	Special Education
Federal	Federal Aid for Special Education	Special Education
	P.L. 382 Revenue for Special Education (excess revenue only)	Special Education
	Medicaid	Special Education

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

All transfers from the General Fund to the Special Education Fund are considered to be a General Fund expenditure in the year the transfer is made. This transfer should be recorded as revenue in the Special Education Fund. ([K.S.A. 72-5167](#))

## Expenditures

All expenditures attributable to approved Special Education Programs shall be paid from the Special Education Fund. These expenditures include but are not limited to ([K.S.A. 72-3422](#)):

- salaries for supervisors, teachers, secretarial/clerical
- textbooks
- teaching supplies
- transportation salaries
- transportation
- salaries for operation of plant
- utilities/heat
- replacement of equipment
- social security
- workers' compensation
- unemployment insurance
- equipment
- tuition

## Cost of Living Fund (33)

The Cost of Living Fund consist of all monies deposited therein or transferred thereto in accordance with law [K.S.A. 72-5159](#).

All monies derived from a tax imposed pursuant to this section shall be credited to the Cost-of-Living Fund. The proceeds from the tax levied by a district credited to the Cost-of-Living Fund shall be remitted to the state treasurer in accordance with the provisions of [K.S.A. 75-4215](#). ([K.S.A. 72-5159](#))

## Revenues

The following table shows potential revenue that may or shall be deposited in the Cost of Living Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property Tax	Cost of Living
County	Motor Vehicle Property Tax	Cost of Living
	Motor Vehicle 16/20M Truck Property Tax	Cost of Living
	Recreational Vehicle Tax	Cost of Living
	In Lieu of Tax Payments from Industrial Revenue Bonds	Cost of Living

## Tax Levy

If the following apply, the school board may levy an ad valorem tax on the taxable tangible property of the district for the purpose of financing the costs incurred by the state that are directly attributable to being assigned the Cost of Living weighting. ([K.S.A. 72-5159](#))

1. Determine the statewide average appraised value of single-family residences for the calendar year preceding the current school year.
2. Multiply amount from #1 by 1.25.
3. Determine the average appraised value of single-family residences in the district for the calendar year preceding the current school year.
4. Subtract the amount determined under #2 from the amount determined under #3.
  - o If the amount in #4 is a positive number and the local school board has adopted an LOB in an amount equal to at least 31% of the Total Foundation Aid<sup>7</sup> for the district, the school qualifies for cost of living weighting. ([K.S.A. 72-5159](#))

No tax may be levied under this section unless the school board adopts a resolution authorizing the tax levy and publishes the resolution at least once in a newspaper having general circulation in the district. The resolution shall take effect unless a protest petition signed by not less than 5% of the qualified electors of the district is filed with the county election officer within 30 days after the publication of the resolution. ([K.S.A. 72-5159](#))

<sup>4</sup> State Foundation Aid (General State Aid): An amount of aid distributed to a district as determined by the state board pursuant to K.S.A. 72-5134, and amendments thereto. (K.S.A. 72-5132)

<sup>7</sup> Total Foundation Aid: The sum of State Foundation Aid<sup>4</sup> and Local Foundation Aid (General Fund Budget).

# Career & Postsecondary Education Fund (34)

The Career and Postsecondary Education Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-5162](#).

## Revenues

All monies received by the district from tuition, fees or charges or from any course or program authorized and approved under the provisions of [K.S.A. 72-5162](#), except for courses and programs conducted in an area vocational school, shall be credited to the Career & Postsecondary Education fund.

The following table shows potential revenue that may or shall be deposited in the Career and Postsecondary Education Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Transfer from General Fund	Career & Postsecondary Education
	Transfer from Supplemental General Fund	Career & Postsecondary Education
	Transfer from Contingency Reserve Fund	Career & Postsecondary Education
	Tuition	Career & Postsecondary Education
	Interest on Idle Funds (Permissive)	Career & Postsecondary Education
	Student Activities	Career & Postsecondary Education
	Misc. Revenue (Permissive)	Career & Postsecondary Education
	Reimbursements*	Career & Postsecondary Education
Federal	Federal Vocational Aid	Career & Postsecondary Education

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

All transfers from the General Fund to the Career and Postsecondary Education Fund are considered to be a General Fund expenditure in the year the transfer is made. This transfer should be recorded as revenue in the Career and Postsecondary Education Fund.

([K.S.A. 72-5167](#))

## Cash Balance

Any balance remaining in the Career and Postsecondary Education Fund at the end of the budget year shall be carried forward into the Career and Postsecondary Education Fund for succeeding years. ([K.S.A. 72-5162](#))

## Expenditures

The expenses of the district directly attributable to Career & Technical and Postsecondary Education shall be paid from the Career and Postsecondary Education Fund. ([K.S.A. 72-5162](#))

All expenditures attributable to approved Career & Postsecondary Education programs shall be paid from the Career and Postsecondary Education Fund. The programs which receive approval for the [Career & Technical Education Weighting](#) as well as all Carl Perkins grants would be paid from the Career and Postsecondary Education Fund. These expenditures include but are not limited to ([K.S.A. 72-5162](#)):

- salaries for principals, supervisors, teachers, secretarial/clerical
- textbooks
- teacher supplies
- salaries for operation of plant
- utilities/heat
- replacement of equipment
- social security
- worker's compensation
- unemployment insurance
- equipment
- tuition

## Gifts & Grants Fund (35)

Any bequest, legacy, trust or donation may be placed in the Gifts & Grants Fund and shall be exempt from budget law requirements and be in compliance with the wishes of the donor.

([K.S.A. 72-1142](#))

---

Note: The board of education must be willing to accept the gift and follow the wishes of the donor.

---

# Special Liability Expense Fund (42)

The Special Liability Expense Fund monies shall be used to ([K.S.A. 72-1179](#)):

- Pay the cost of providing for its defense and the defense of employees pursuant to the Kansas tort claims act and for the payment of claims and other direct and indirect costs resulting from the implementation of such act
- Pay judgments rendered against the district

In making the budget of the district, the amounts credited to and the amount on-hand in such special fund, and the amount expended therefrom, shall be included in the annual budget for the information of the residents of the district.

## Revenues

The district shall credit to the Special Liability Expense Fund any monies received by the district from any source which may be lawfully utilized for the purposes specified by [K.S.A. 72-1179](#) including the proceeds of tax levies hereinafter authorized and provided.

The following table shows potential revenue that may or shall be deposited in the Special Liability Expense Fund. When filing reports within the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property Tax	Special Liability Expense
	Misc. Revenue	Special Liability Expense
County	Motor Vehicle Property Tax	Special Liability Expense
	Motor Vehicle 16/20M Truck Property Tax	Special Liability Expense
	Recreational Vehicle Tax	Special Liability Expense
	In Lieu of Tax Payments from Industrial Revenue Bonds	Special Liability Expense

## Cash Balance

Any balance remaining in the Special Liability Expense Fund at the end of the budget year shall be carried forward into that fund for succeeding budget years. Such funds shall be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto. Interest earned on the investment of Special Liability Expense monies shall be credited to the Special Liability Expense Fund. ([K.S.A. 72-1179](#))

## Tax Levy

Whenever the governing body of any district determines that monies from other sources will be insufficient to pay such costs, the governing body is hereby authorized to levy an annual tax upon all taxable tangible property within the district in an amount determined by the governing body to be necessary for such purpose and to pay a portion of the principal and interest on bonds issued by cities under the authority of [K.S.A. 12-1774](#), and amendments thereto, for the financing of redevelopment projects upon property located in such district. Revenue from such levy shall be deposited in the Special Liability Expense Fund of the district. ([K.S.A. 72-1179](#))

# Extraordinary Growth Facilities Fund (45)

## Revenues

### Tax Levy

If the following apply, the school board may levy an ad valorem tax on the taxable tangible property of the district each year for two years in an amount authorized by the state board of tax appeals for the purpose of financing the costs incurred by the state that are directly attributable to the assignment of [Ancillary School Facilities Weighting](#). (K.S.A. 72-5158)

- Commenced operation of one or more new school facilities in the school year preceding the current school year or has commenced or will commence operation of one or more new school facilities in the current school year.
- Adopted a local option budget.
- Is experiencing extraordinary enrollment growth as determined by the state board of education.

---

Note: If the district does not levy taxes, they are not eligible for the Ancillary School Facilities Weighting.

---

The state board of tax appeals shall (K.S.A. 72-5158):

- certify to the state board of education the amount authorized to be produced by the levy of a tax under subsection.
- May adopt rules and regulations necessary to effectuate the provisions of this subsection including rules and regulations relating to the evidence required in support of a district's claim that the costs attributable to commencing operation of one or more new school facilities are in excess of the amount that is financed from any other source provided by law for such purpose.

A school board that has levied an ad valorem tax on the taxable tangible property of the district each year, for a period of two years, under authority of [K.S.A. 72-5158](#), may continue to levy such tax each year, under authority of [K.S.A. 72-5158](#), for an additional period of time, not to exceed six years, in an amount not to exceed the amount computed by the state board of education as stated below:

1. Determine the amount produced by the tax levied by the district in the second year for which tax was levied and add the amount of State Foundation Aid<sup>4</sup> directly attributable to [Ancillary School Facilities Weighting](#) that was received by the district in the same year.
2. Compute 90% of the amount from #1.
  - This is the amount the district may levy in the first year of the six-year period for which the district may levy taxes.
3. Compute 75% of the amount from #1.
  - This is the amount the district may levy in the second year of the six-year period for which the district may levy taxes.
4. Compute 60% of the amount from #1.
  - This is the amount the district may levy in the third year of the six-year period for which the district may levy taxes.
5. Compute 45% of the amount from #1.
  - This is the amount the district may levy in the fourth year of the six-year period for which the district may levy taxes.
6. Compute 30% of the amount from #1.
  - This is the amount the district may levy in the fifth year of the six-year period for which the district may levy taxes.
7. Compute 15% of the amount from #1.
  - This is the amount the district may levy in the sixth year of the six-year period for which the district may levy taxes.

The following table shows potential revenue that may or shall be deposited in the Extraordinary Growth Facilities Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Ad Valorem Property	Extraordinary Growth Facilities
State	Motor Vehicle Property Tax	Extraordinary Growth Facilities
	Motor Vehicle 16/20M Truck Property Tax	Extraordinary Growth Facilities
	Recreational Vehicle Tax	Extraordinary Growth Facilities
	In Lieu of Tax Payments from Industrial Revenue Bonds	Extraordinary Growth Facilities

<sup>4</sup> [State Foundation Aid \(General State Aid\)](#): An amount of aid distributed to a district as determined by the state board pursuant to K.S.A. 72-5134, and amendments thereto. (K.S.A. 72-5132)

## Special Reserve Fund (47)

Special Reserve Fund monies shall be used to:

- Pay claims, judgments, expenses and other purposes relating to health care services, disability income benefits and group life insurance benefits as authorized by [K.S.A. 72-1893](#), and amendments thereto
- Pay costs relating to uninsured losses
- Pay the cost of workers' compensation insurance and workers' compensation claims, awards, expenses and other purposes authorized by the workers' compensation act.

In preparing the budget of such district, the amount credited to and the amount on hand in the Special Reserve Fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the district.

## Revenues

Interest earned on the investment of Special Reserve Fund monies shall be credited to the Special Reserve Fund. ([K.S.A. 72-1180](#))

## Cash Balance

Any balance remaining in the Special Reserve Fund at the end of the budget year shall be carried forward into that reserve fund for succeeding budget years. Such funds shall not be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto.

## KPERS Special Retirement Contribution Fund (51)

The Legislature established the KPERS Special Retirement Contribution Fund, which is a flow-through fund and unencumbered cash balance is not allowed.

Through the 2005 omnibus appropriations bill, the Legislature amended the procedures for the state paying the districts' employer's share of KPERS. Participating employers shall certify to the state board, before September 15 of each year, the anticipated total compensation to be paid to employees who are members, or are to become members, during the next fiscal year.

KPERS is to certify to KSDE the employer's share of KPERS on a quarterly basis. KSDE will send the money to the districts which in turn will immediately return the money to KPERS. Estimated quarterly transaction dates ([K.S.A. 74-4939a](#)):

- July 15
- October 15
- January 15
- April 15

# Contingency Reserve Fund (53)

The Contingency Reserve Fund consist of all monies deposited therein or transferred thereto according to [K.S.A. 72-5165](#).

## Revenues

The only source of revenue for the Contingency Reserve Fund is a transfer from General Fund.

## Expenditures

The fund shall be maintained for expenses attributable to financial contingencies as determined by the school board. ([K.S.A. 72-5165](#))

# Textbook & Student Materials Revolving Fund (55)

The Textbook and Student Materials Revolving Fund shall be used to ([K.S.A. 72-3355](#)):

- Purchase any items designated in [K.S.A. 72-3352](#), and amendments thereto.
- Pay the cost of materials or other items used in curricular, extracurricular or other school-related activities.
- Purchase textbooks as authorized by [K.S.A. 72-3346](#), and amendments thereto.

In preparing the budget of such district, the amounts credited to and the amount on hand in the Textbook and Student Materials Revolving Fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the district. ([K.S.A. 72-3355](#))

The school board may purchase, for the use of the students of the district, any of the following ([K.S.A. 72-3352](#)):

- Workbooks and materials, which are supplemental to textbooks, used in specific sources
- Specialized clothing and towels for use in physical education, shop and science courses
- Musical instruments for use in band or orchestra
- Instructional materials for the use of technology in specific courses
- Materials or supplies which are consumed in specific courses, or projects, or in which the student may retain ownership upon completion of such courses or projects.

## Revenues

The board of education may prescribe, assess and collect fees and supplemental charges for:

- The use, rental or purchase by students of any of the items designated in [K.S.A. 72-3352](#), and amendments thereto, to offset, in part or in total, the expense of purchasing such items
- Participation in activities, or the use of facilities, materials and equipment, which participation or use is not mandatory, but optional to students whether incidental to curricular, extracurricular or other school-related activities.

## Cash Balance

Any balance remaining at the end of the budget year shall be carried forward into that fund for the succeeding years. Such funds shall not be subject to the provisions of [K.S.A. 79-2925](#) through [79-2937](#), and amendments thereto.

Monies received by a board of education under this section shall be deposited in the Textbook and Student Materials Revolving Fund. ([K.S.A. 72-3353](#))

## Activity Fund (56)

The school board may authorize, by separate resolutions, the establishment of School Activity Funds from which to make needed expenditures for the payment of expenses attributable to student activities<sup>17</sup> in which pupils of the district may participate directly or indirectly. Every such resolution shall specify the general purpose for which the fund is to be established and shall authorize an employee of the district to administer the fund. ([K.S.A. 72-1178](#))

Each school year, the district shall prepare a report showing all receipts, expenditures and balance of the fund and submit to the school board.

## Revenues

All monies received from the sale of admissions to student activities<sup>17</sup> which the district sponsors shall be credited to Activity Fund in accordance with policies and procedures adopted by the school board. Such monies shall not be considered to be monies of the district for the purposes of [K.S.A. 72-1136](#), and amendments thereto.

The provisions of [KSA 12-105b](#), and amendments thereto, shall not apply to claims against any Activity Fund established by any resolution.

---

<sup>17</sup> [Student Activities](#): activities, events, and competitions in such fields as athletics, music, forensics, and dramatics, and other interschool or intra-school extracurricular activities in which pupils may participate directly or indirectly.

## Special Assessments Fund (67)

The special assessments fund authorizes cities or counties to assess districts for the cost of new improvements for such things as roads, water, sewers, gutters, etc.

The district is authorized to make a special mill levy to pay this special assessment. In most cases, repayment is a maximum of ten years. ([K.S.A. 12-6a10](#))

## Bond & Interest Funds (62 & 63)

### (Capital Improvement Fund)

Each district which is obligated to make payments from its Bond & Interest Fund shall be entitled to receive Capital Improvement State Aid in an amount determined by the State Board of Education per [K.S.A. 72-5462](#). Payments will be distributed to districts as requested via LEA Forms web application in early July so districts can make scheduled payments pursuant to contractual bond obligations. This applies only to general obligation bonds issued upon approval of a majority of the qualified electors of the district voting at an election upon the question of the issuance of such bonds. ([K.S.A. 72-5462](#))

*For more information, please see the [School Bond Guide](#) (PDF or Word) in the [Guidelines](#) section of the [Guidelines and Manuals](#) page of the [School Finance Website](#).*

## No Fund Warrants (66)

Any municipality, which includes districts, that has an unforeseen occurrence and has no financial means of paying the cost of this unforeseen occurrence, may appeal to the State Board of Tax Appeals to borrow money and make a special levy to repay such funds. ([K.S.A. 79-2939](#) and [79-2940](#))

---

Note: This fund is seldom used.

---

# Special Education Coop Fund (78)

## (sponsoring district only)

Special education and related services which are provided for exceptional children shall meet standards and criteria set by the state board and shall be subject to approval by the state board.

Any contract entered into by a board under the provisions of [K.S.A. 72-3411](#) shall be subject to change or termination by the legislature.

Each board, in order to comply with the requirements of [K.S.A. 72-3411](#) shall have the authority to:

- Provide appropriate special education and related services for exceptional children within its schools.
- Provide appropriate special education and related services in the home, hospital or other facilities.
- Contract with another district for special education and related services.
  - Any such contract may provide for the payment of tuition and other costs by the contracting district in which the child is enrolled.
- Enter into cooperative agreements with one or more other districts for special education and related services.
- Contract with any private, non-profit corporation or any public or private institution within or outside the state which has proper special education or related services for exceptional children.
  - Whenever an exceptional child is educated by a private, non-profit corporation or a public or private institution, as stated here, such child shall be considered a student of the contracting district to the same extent as other students of the district for the purpose of determining entitlements and participation in all state, federal and other financial assistance or payments.
- Furnish transportation for exceptional children, whether such children are residents or non-residents of such district, for the provision of special education or related services.
  - In lieu of paying for transportation, the school board of the district in which the exceptional child resides may pay all or part of the cost of room and board for such exceptional child at the place where the special education or related services are provided.

The school boards of any two or more districts within or outside the state may make and enter into agreements providing for cooperative operation and administration in providing special education and related services for exceptional children on a shared-cost basis, subject to the following:

- An agreement shall be effective only after approval by the state board which shall be granted if the special education services provided for in such agreement meet standards and criteria set by the state board.
- An agreement shall designate the sponsoring district and shall provide for a separate fund thereof, to which each contracting district shall pay the monies due from it under the agreement. Any district which is a party to an agreement may be designated the sponsoring district.
- Within the limitations provided by [K.S.A. 72-3411](#), an agreement may be changed or modified by mutual consent of the contracting districts.
- An agreement shall be subject to change or termination by the legislature.
- The duration of an agreement shall be perpetual, but the agreement may be partially or completely terminated as follows:
  - Partial termination of an agreement made and entered into by the boards of three-or-more districts may be accomplished only upon:
    - petition for withdrawal from the agreement made by a contracting district to the other contracting districts.
    - approval by the state board of written consent to the petition by such other districts or upon order of the state board after appeal to it by a district from denial of consent to a petition for withdrawal and hearing thereon conducted by the state board.

The state board shall consider all the testimony and evidence brought forth at the hearing and issue an order approving or disapproving withdrawal by the district from the agreement.

- Complete termination of an agreement made and entered into by the boards of two districts may be accomplished upon:
  - approval by the state board of a joint petition to the state board for termination of the agreement by both of the contracting districts after adoption of a resolution to that effect by each of the contracting districts.
  - OR petition for withdrawal from the agreement made by one contracting district to the other  
AND approval by the state board of written consent to the petition by other district
  - OR upon the order of the state board after appeal to it by a district from denial of consent to a petition for withdrawal and hearing thereon conducted by the state board.

The state board shall consider all the testimony and evidence brought forth at the hearing and issue an order approving or disapproving withdrawal by the

- district from the agreement.
- o Complete termination of an agreement made and entered into by the schools boards of three-or-more districts may be accomplished only upon:
  - approval by the state board of a joint petition made to the state board for termination of the agreement by not less than 2/3 of the contracting districts after adoption of a resolution to that effect by each of the contracting districts seeking termination of the agreement.

The state board shall consider the petition and approve or disapprove termination of the agreement.

The state board shall take such action in approving or disapproving the complete or partial termination of an agreement as the state board deems to be in the best interests of the involved districts and of the state as a whole in the provision of special education services for exceptional children. Whenever the state board has disapproved the complete or partial termination of an agreement, no further action with respect to such agreement shall be considered or taken by the state board for a period of not less than three years.

An agreement shall specify the method or methods to be employed for disposing of property upon partial or complete termination.

## Revenues

The following table shows potential revenue that may or shall be deposited in the Special Education Cooperative Fund. When filing reports with the State of Kansas and KSDE, all revenue should be identified in the following categories.

Potential Source of Revenue		Legal Fund to Deposit Revenue
Local	Home District Contribution (Sponsoring district) - Transfer from Special Education Fund	Special Education Cooperative
	Other District Contribution	Special Education Cooperative
	Interest on Idle Funds (Permissive)	Special Education Cooperative
	Misc. Revenue (Permissive)	Special Education Cooperative
	Reimbursements*	Special Education Cooperative
State	State Payment for Special Education	Special Education Cooperative
	Deaf/Blind Grants	Special Education Cooperative

Potential Source of Revenue		Legal Fund to Deposit Revenue
Federal	Federal Aid for Special Education	Special Education Cooperative
	Medicaid	Special Education Cooperative
	Other	Special Education Cooperative

\* Includes revenues which are received for materials and supplies purchased by students that are paid out of this fund and reimbursement for items such as insurance premium payments if the cost(s) were paid from this fund. If monies are received after the close of a fiscal year for an expense that was paid in a previous year, then the money is considered miscellaneous revenue under K.S.A. 72-5166 and is placed in one of the special funds authorized by that law.

## Transfers

Districts who contribute to the Special Education Cooperative Fund shall not transfer monies from the General Fund directly to the Special Education Cooperative Fund. They must be transferred from the General Fund to the Special Education Fund and then to the Special Education Cooperative Fund.

## Expenditures

All expenditures attributable to approved Special Education Cooperative Programs shall be paid from the Special Education Cooperative Fund. These expenditures include, but are not limited to:

- salaries for principals, supervisors, teachers, secretarial/clerical
- textbooks
- teacher supplies
- salaries for transportation and operation of plant
- utilities/heat
- replacement of equipment
- social security
- workers' compensation
- unemployment insurance
- equipment

# Misc. Information

## Fixed Asset Accounting (GAAP) Waiver

Municipalities, including USDs, are authorized by [K.S.A. 75-1120a](#) to request a waiver from the Generally Accepted Accounting Principles (including fixed asset accounting). The governing body must pass a resolution annually. Waiver procedures and a sample resolution are available on the [Municipal Services website](#).

## Republishing Funds

Districts are authorized to amend their current budgets by complying with the same publication notice and public hearing requirements as is required for the adoption of the original budget. Any proposed increase in expenditures shall be balanced by previously unbudgeted increases in revenue other than ad valorem property taxes. ([K.S.A. 79-2929](#) and [79-2929a](#))

## Kansas School District Administrative Claiming Program (Medicaid)

A number of districts have completed all the paperwork to participate in the Kansas School District Administrative Claiming Program. Monies received from this program are federal dollars and are considered as a reimbursement to the General Fund. In other words, monies under this program would be deposited in the General Fund, but can be spent above the Legal Maximum General Fund Budget<sup>5</sup> if funds are received during the same year. If funds are received from a previous year, they are treated as miscellaneous revenue and deposited in a special fund authorized by [K.S.A. 72-5166](#).

---

<sup>5</sup> General Fund Budget: The amount budgeted for operating expenses in the general fund of a district.

For more information, contact:

School Finance  
(785) 296-3872



Kansas State Department of Education  
900 S.W. Jackson Street, Suite 356  
Topeka, Kansas 66612-1212  
[www.ksde.org](http://www.ksde.org)