

School Finance 101

Statewide Levy: Kansas uses a 20-mill, statewide tax levy assessed to property owners to fund basic K-12 public education. One mill is \$1 of taxes per \$1,000 of assessed value. On real estate tax statements, this state levy is marked “State USD-School General”.

Special Weightings: Districts receive additional state fund “weightings” for special student needs, transportation and other targeted areas. Weightings are legally restricted for use on those targeted student needs such as at-risk and vocational education. Weightings also provide additional state aid for the smallest and largest school districts, districts with declining enrollment, districts opening new facilities and districts where housing costs are significantly higher than the state average.

State Finance Formula: State aid to school districts is based on a school finance formula that begins with a count of the weighted full-time equivalency (FTE) of students. FTE is determined by the number of students in attendance on September 20th of each year. (A kindergarten student is counted as .5 FTE regardless of whether he or she is attending a full day or a half day of kindergarten.) The “weighted FTE” is then multiplied by the “base state aid per pupil” (BSAPP) to determine a district’s general fund.

General Fund: Basic state aid makes up the school districts “general fund”. General fund expenses are for: Instruction, Student and instructional support, Administration, Operations & Maintenance, Student Activities and Athletics, and Transfers to other funds. Here in Renwick, 82% of the “general fund” supports teacher and staff salaries and benefits.

Supplemental Fund: The state allows school boards the authority to use a local property tax levy or Local Option Budget (LOB) to supplement state aid. Public schools use the maximum 30% LOB authority allowed, which means the district uses 30% of its total general fund through a combination of local property tax levy and state aid.

Capital Outlay Fund: The “capital outlay fund” is revenue generated by a local property tax levy (up to a maximum of 8 mills) for the acquisition, construction, repair, remodeling, additions to, furnishing and equipping of school facilities. By state law, capital outlay funds may not be used for general fund purposes, such as teacher or staff salaries or instructional costs. School boards also may ask district voters to approve bond issue elections for construction needs. School districts may qualify for additional state aid for bond projects.