



## **USD 497 NEWS**

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### **School Board Reviews Proposed Budget Reductions, Reallocations**

Awaiting word from the Kansas Legislature regarding funding for the state's block grant school finance program, the Lawrence Board of Education on Tuesday reviewed proposed budget reductions and reallocations totaling \$1.2 million (**See Chart Pages 2-3.**). Developed by district budget managers and reviewed by the board's Finance Advisory Council, a citizens' committee, the proposal avoids employee layoffs and reductions in school budgets.

"We're in a tough position. We've proposed cuts to attempt to make this process as painless as possible, but there is no way to cut \$1.2 million without pain. We have tried to spare student programs and staff, but these cuts will certainly impact the way we do business," said Superintendent Rick Doll.

In March, Governor Sam Brownback signed Senate Bill 7, abolishing the Kansas school finance formula in place since 1993 and replacing it with a so-called block grant system for the next two school years. The block grant is essentially a static system of flat funding for school districts. It provides districts the same amount of state funding for the next two years that they received this year, after reductions in LOB and capital outlay state aid. The Kansas Legislature has not passed a budget bill, however, and the block grant does not include a revenue source.

"Assuming the Legislature funds the block grant, the new system decreases state aid revenue for Lawrence Public Schools. While our district would not lose budget authority for the current school year, we would lose an estimated \$2 million in LOB and capital outlay state aid," said Doll.

Doll told the board in April that if Douglas County does not see higher-than-expected tax collections and the district's cash carryover is insufficient to fund the legal maximum LOB authority for the current school year, the administration recommends the board transfer funds from contingency reserves to offset this year's shortfall.

"Much like a family uses a savings account, as the district uses reserves, we deplete funds that may be needed for emergencies or to bridge future funding gaps," Doll said.

The budget proposal reviewed by the Board on Tuesday includes reductions in elementary and middle school staffing levels, but additional staffing needed at the high schools.

"We have staffed schools in the past based on projections. Tightening the reins on staffing will give us less flexibility. Parents should expect if actual enrollments are higher in some schools and lower elsewhere, teachers may have to be moved to where students show up in the fall," said Doll.

The budget proposal also calls for several district-level positions vacant due to retirements and resignations to remain unfilled, including technology director, English as a Second Language learning coach, two administrative assistants, wellness coordinator and instructional resources technician. Existing staff will take on those responsibilities. A proposed reduction in nursing services due to a staff retirement will be balanced with additional funding for health office attendant staff. Other proposed budget reductions include district-level software, technology, security and vehicle stipends.

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“A flat funding system combined with enrollment growth and rising operational costs prompt grave concerns about the district’s ability to maintain high quality educational programs and services,” said Doll. “If the block grant is not funded by the Legislature, we can expect to make more significant cuts that will negatively affect classrooms.”

The superintendent informed the board at its meeting on April 13, and parents via a subsequent letter, that a local mill levy increase, estimated at a maximum of two mills, would be necessary to prevent \$2 million in budget cuts for the 2015-2016 school year.

“I want to make it clear to the public that our plan to raise the local mill levy is a direct result of the Kansas Legislature cutting aid to schools and shifting the burden from the state level to the local level,” said Shannon Kimball, school board president.

As more information from the Legislature becomes available, the board’s Finance Advisory Council plans to meet again, on June 18, to review budget proposals. Another administrative budget update will be presented during the board’s June 22 meeting. The board will approve the 2015-16 budget for publication on July 27, and conduct its annual public budget hearing prior to final approval of the budget on August 10.

<b>PROPOSED BUDGET REDUCTIONS</b>			
<b>Description</b>	<b>Department</b>	<b>FTE</b>	<b>Amount</b>
Elementary Ratio	District	9	515,520
Middle School Ratio	District	5.5	315,040
Elem. Staff Contingency (from 10 to 8)	District	2	114,560
Secondary Staff Contingency (from 5 to 3)	District	2	114,560
Unencumbered Cash Health Reserves	District		538,244
Tech Director (Vacant) to Supervisor	Educational Programs/Tech		50,000
Office Expenses	Security		775
Software Services	Welcome Center		15,000
Wellness/Teachscape Software	Human Resources		58,457
Wellness Coordinator (Vacant)	Human Resources/Wellness	1	25,533
Vehicle Stipend	F&O		6,300
General Reduction of Expenses (5%)	F&O		100,000
Administrative Assistant (Vacant)	F&O	1	35,316
Instructional Resource Tech (Vacant)	T&L Instructional Resources	1	31,211
Admin. Asst, Curriculum (Vacant)	T&L	1	44,282
ESL Learning Coach (Vacant)	T&L ESL	1	54,314
Nursing Stipends - (First Aid, Unused)	T&L Nursing		750
Nursing Stipends - (Summer, Unused)	T&L Nursing		750
Nursing Position (Vacant, Average cost 1.0 = 55,977)	T&L Nursing	1	55,977
Instructional Materials (Move to Student Materials Fund)	T&L Allocations		11,950
		<b>Reductions</b>	<b>-2,088,539</b>

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<b>PROPOSED BUDGET ADDITIONS</b>			
<b>Description</b>	<b>Department</b>	<b>FTE</b>	<b>Amount</b>
High School Ratio	District	4.1	234,848
Health Benefits Increase	District	1758.967	538,244
Custodian, Sunset Hill	F&O	0.375	12,000
Custodian, Cordley	F&O	0.5	15,000
Head Custodian, College & Career Ctr.	F&O	1	38,000
Increase Health Office Attendants (Average cost 1 hour with benefits, \$15.50)	T&L Nursing	1	23,200
		<b>Additions</b>	<b>861,292</b>
		<b>Net Reductions</b>	<b>-1,227,247</b>

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