

K-12 Student Performance and Efficiency Commission

Legislation Recommendations

September 18, 2014

The commission shall submit a report to the legislature before January 9, 2015, with any findings and recommendations which the commission deems necessary, including the recommendation of any legislation. To carry out the recommendations of the commission, if necessary, one bill shall be introduced in the senate and one bill shall be introduced in the house of representatives, which such bills shall contain the exact same provisions, during the 2015 legislative session.

Section 29(g) of Chapter 93 of the 2014 Session Laws of Kansas

The K-12 Student Performance and Efficiency Commission (Commission) makes the following recommendations for legislation. Each recommendation is stated below followed by a description of the information required to render the recommendation into legislation for consideration by the Legislature during the 2015 Session. The recommendations will require decisions on the part of the Commission in varying degrees as to the details of each recommendation in order for legislation to be drafted.

The Commission does not have the authority to sponsor any recommended legislation, but traditionally the chairperson, or a member designated by the chairperson, may seek sponsorship of such legislation by any member of the Legislature holding office on the first day of the 2015 Session, or by any standing committee of the Legislature authorized to sponsor legislation. The Commission is not limited as to the number of pieces of legislation it may recommend. However, any legislation that is recommended by the Commission is to be introduced in both the House of Representatives and the Senate in identical bills. Subject to state constitutional requirements, the Commission may combine one or more of the recommendations into a single piece of legislation.

School District Unencumbered Cash Balances

1. Establish a statutorily-required 2-year school funding cycle.

Legislation would require new law mandating that appropriations for education spending be made on a two-year cycle.

Note: This was recommended by the Governor’s School Efficiency Task Force and USA/Kansas.

2. Place a priority emphasis on the timely transfer of state payments to school districts in June and January.

Legislation would require new law mandating that state aid payments to school districts be paid on time unless such requirement is waived by an act of the Legislature or by action taken by the State Finance Council.

Note: This was recommended by the Governor’s School Efficiency Task Force.

3. Legislatively eliminate, reduce, and consolidate the statutory cash reserve accounts and separate fund accounts that currently exist, thereby ending the “use-it-or-lose-it” policy and allowing the funding contained in each fund category to be more broadly spent across the full variety of educational requirements. Accounts that remain, including the General Fund, should be allowed a modest amount of carryover from year to year.

Note: 2013 HB 2261 authorized school districts to transfer money held in restricted-use funds to the district’s general fund for expenditure for general operating expenses during any school year. There is limit on such transfers based on the adjusted enrollment of the school district, and the type of fund from which money is being transferred.

Legislation would require amending existing statutes governing the various school funds to authorize open use and transfer of money held in such funds.

The Commission would need to determine: (A) what funds will be eliminated or consolidated; and (B) what limitations, if any, would be established on the amount of carryover in each such account from year to year.

Note: This was recommended by the Governor’s School Efficiency Task Force.

School District Capital Expense Funding

- 1. Conduct a study to reevaluate the state’s open-ended obligation to equalization of school construction bond issues to provide the state with better visibility from a budgeting perspective (especially considering multi-year budgeting).**

Legislation would require new law creating a committee that would conduct a study to reevaluate the State’s open-ended obligation to equalize school construction bond issues. Pursuant to the Task Force’s comments, the committee would also examine the possibility of placing a limit legislatively on the annual/biennial amount of equalization funds provided by the State, and the need of implementing a construction project prioritization system and its role in providing equalization state aid.

The Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by the Governor’s School Efficiency Task Force.

- 2. Restructure the operating parameters associated with the Capital Outlay Fund by:**

- a. Creating an annual transfer cap on the amount of money that may be transferred from a district’s General Fund into its Capital Outlay Fund;**
- b. Broadening the definition of allowable Capital Outlay Fund uses to be more consistent with generally accepted financial practices, e.g., include non-routine building maintenance, software procurement, professional services, software customization, etc; and**

Note: 2013 SB 23 amended existing statutes to allow the use of capital outlay funds for property maintenance, computer software acquisition, and

performance uniform acquisition. These amendments became effective June 12, 2014.

- c. **Requiring the each district establish and maintain a 5-year capital plan to include non-routine maintenance, capital equipment replacements, and capital additions.**

Legislation would require amending existing statutes governing capital outlay funding to establish an annual transfer cap, expand the allowable uses of capital outlay funds, and require school districts to maintain 5-year capital spending plans.

The Commission would need to determine: (A) the amount of the annual transfer cap; (B) the additional uses for capital outlay funds; and (C) the items to be included in the 5-year capital spending plan.

Note: This was recommended by the Governor's School Efficiency Task Force.

Student Data Management and Accounting System

1. **Conduct a study on implementing a state data management and accounting system that is integrated with K-12 school systems and post-secondary institutions for streamlined educational reporting of data flow/administrative processes. (This needs to be reducible to the building level and applied to all required reporting processes, where possible, understanding that much reporting is required by USDE. This should address KEEP, licensure, KPERS record management, accounting records, etc.)**

Legislation would require new law creating a committee that would conduct a study on implementing a state data management and accounting system. Pursuant to the Task Force's comments, the committee would examine the standardization of data systems and reporting obligations for school districts.

The Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by the Governor’s School Efficiency Task Force.

Amendments to the Professional Negotiations Act

1. Revise/narrow the Professional Negotiations Act to prevent it from hindering operational flexibility/resource assignment.

- a. Review tenure, as suggested by superintendents in the KASB School District Efficiency Committee’s Report.**

Note: 2014 HB 2506 repealed the statutory administrative due process procedures for K-12 teachers.

- b. Replace the salary schedule with a salary range based upon various criteria (e.g., experience, education, area of expertise, etc.).**

- c. Narrow the number of mandatory negotiable items. These items (e.g., work hours, amount of work, insurance benefits, force reductions, professional evaluation procedures, etc.) should be changed from mandatory to permissible items for negotiation.**

Note: This was also recommended by KASB, however, KASB recommended that such reductions be agreed to by teacher and administrator organizations prior to any statutory changes.

Legislation would require new law creating a committee that would review administrative due process procedures. Legislation would also be necessary to require school districts to utilize salary ranges rather than salary schedules. Finally, the Professional Negotiations Act would need to be amended to remove certain items from the list of items that must be negotiated.

The Commission would need to determine: (A) the composition of the administrative due process review committee; and (B) which items are to be removed from the mandatory negotiable items list, or some method of how such items are to be determined (i.e. by recommendation of a separate committee).

Note: This was recommended by the Governor’s School Efficiency Task Force.

Consolidation/Cooperation Initiatives

- 1. Authorize a study of school district administration personnel structures and positions. Develop a state plan for district-level administrative reorganization and alignment:
 - a. Investigate the regionalization of administration structures; and**
 - b. Realign district geographical boundaries in order to facilitate administrative efficiencies.****

Legislation would require new law creating a committee that would conduct a study on school district administration personnel structures and positions. The study would focus on the subparts set out above.

The Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by the Governor’s School Efficiency Task Force.

- 2. Continue and consider enhancing the incentives for school district cooperation AND consolidation.**

Legislation would require the amendment of existing statutes and possibly new law providing incentives to school districts that enter into cooperative agreements, or that agree to consolidate with other school districts.

The Commission would need to determine: (A) what types of school district action would be eligible for such incentives (i.e. what type of cooperative agreements would qualify for incentives); and (B) the type of and, if necessary, amount of incentives to be provided to school districts taking the necessary action.

Alternatively, the Commission could recommend legislation to create a committee that would study such incentives for cooperative agreements and consolidation and then make recommendations to the Legislature. Under this recommendation, the Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-

large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by KASB.

School District Management Expertise

- 1. Require that a university level finance/accounting/budget management course be included in the district leadership licensing requirements, if not already included.**

Legislation would require new law to require this type of course be completed in order to be licensed as a school district administrator.

Note: This was recommended by the Governor’s School Efficiency Task Force. KASB makes a similar recommendation, but with respect to school board members. KASB’s recommendation is to implement a locally developed program for financial management training for school board members as part of the school accreditation system.

- 2. Encourage local school boards to have training in appropriate financial management, as well as other aspects of their duties.**

Legislation would require new law requiring that local school boards receive financial management training, and any additional management training recommended by the Commission.

The Commission would need to determine: (A) the type of financial management training the law would require; (B) how often such training would need to be provided to the school board members; and (C) what, if any, additional training would also be required by law.

Note: This was recommended by KASB.

Spending on “Instruction”

- 1. Form a task force of education, finance, and legislative members to establish a commonly-accepted definition of “instruction” spending and review the 65% public policy goal figure.**

Legislation would require new law creating a task force that would conduct a study on the commonly-accepted definition of “instruction” for purposes of the 65% public policy goal.

The Commission would need to determine: (A) the number of members on such task force; (B) how the members would be appointed; (C) whether the members would receive compensation for expenses; and (D) how the findings of the task force would be reported.

Alternatively, the Commission could recommend legislation to repeal the current law establishing the 65% public policy goal (K.S.A. 72-64c01) as recommended by KASB.

Note: This was recommended by the Governor’s School Efficiency Task Force.

Special Education Hearing Procedures

- 1. Place a limitation on duration of due process proceedings for special education hearings (i.e. 3 days).**

Legislation would require amending existing statutes governing special education hearing procedures to impose a limit on the duration of such proceedings.

Note: This was recommended by the Governor’s School Efficiency Task Force.

Efficiency Assurance

- 1. Form a task force to establish school district efficiency standards for use by LPA in conducting school district efficiency audits.**

Legislation would require new law creating a task force that would establish school district efficiency standards. The task force would include the Legislative Post Auditor among its members. The Legislation would also require that such standards be reviewed on a regular basis.

The Commission would need to determine: (A) the number of members on such task force; (B) whether the task force would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the

members would receive compensation for expenses; and (E) how the findings of the task force would be reported.

2. Require that a LPA efficiency audit be conducted for each school district at least once every five years.

Legislation would amend existing law governing school district efficiency audits to require that every school district be subject to such an audit at least once every five years.

Note: KASB recommends continuing the LPA efficiency audits.

3. Increase the staffing levels and budget for the LPA school district efficiency audits so that LPA can effectively conduct the audits required under Recommendation 2.

Legislation would authorize the addition of new full-time equivalent positions within LPA and appropriate additional funding for LPA for the increased school district efficiency audits.

The Commission would need to determine the number of new FTE positions within LPA and the amount of additional funds to be appropriated to LPA for school district efficiency audits.

4. Conduct an efficiency study/audit of the Kansas State Department of Education.

Legislation would require new law requiring the Division of Legislative Post Audit to audit the Department of Education. The legislation would specify the focus of the audit, which pursuant to the Task Force's comments would be to attempt to uncover and eliminate any unnecessary limitations on school district operations.

Note: This was recommended by the Governor's School Efficiency Task Force.

Cost/Benefit Analysis

1. Require a cost/benefit analysis before new state school laws or regulations take effect that examines the actual additional costs of new requirements and evidence of actual expected benefits.

Legislation would require new law that would require such analysis be performed for certain legislation. The new law would also establish the parameters of such analysis, what agency would perform such analysis, and how the analytical findings would be reported.

The Commission would need to determine: (A) when such an analysis would be necessary; (B) what agency would perform the analysis; and (C) how the findings of the analysis would be reported.

Note: This was recommended by KASB.

2. Review all K-12 Mandates that may be unproven or disconnected to performance gains.

Legislation would require new law creating a committee that would conduct a study on all legislative mandates imposed on school districts. The legislation would require the study to focus on whether those mandates were connected to student performance.

The Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by AFT-Kansas.

Coalition of Innovative Districts

1. Encourage support for the new Innovative Districts law.

Legislation would require either amendments to existing statutes or possibly new law authorizing the Coalition of Innovative Districts to function as a “think tank” on school innovation. The legislation would also appropriate sufficient funding for the Coalition to enable it to operate as such.

The Commission would need to determine: (A) what additional functions need to be included in existing law to allow the Coalition to operate as a “think tank;” and (B) what amount of funding is sufficient to enable the Coalition to operate as a “think tank.”

Note: This was recommended by KASB.

Transfers Due To School Closure

- 1. Consider providing a “cooling off” period when school districts close a school before families can transfer to other districts or at least receive transportation services.**

Legislation would require amending existing statutes or possibly new law prohibiting the transfer of a student or the provision of transportation services for a student to attend school in a new school district within a certain amount of time after the closure of such student’s school.

The Commission would need to determine: (A) when such “cooling off” period would go into effect; and (B) the duration of such “cooling off” period.

Note: This was recommended by KASB.

Kansas Use Law

- 1. Making the Kansas Use Law permissible rather than mandatory.**

Legislation would require amending existing statute so that school districts would no longer be required to purchase supplies and products under the Kansas Use Law (K.S.A. 75-3321).

Note: This was recommended by USA/KS.

Rose Standards

- 1. Establish measurable standards for determining whether school districts are meeting the legislative goal of providing each and every child with the *Rose* capacities as set forth in K.S.A. 72-1127.**

Legislation would require new law establishing the measurable standards for determining whether school districts were providing each student with the *Rose* capacities. The Commission would need to determine such measurable standards.

Alternatively, the Commission could recommend legislation that establishes a task force to study and develop measurable standards for determining whether school districts are meeting the legislative goal of providing each and every child with the *Rose* capacities as set forth in

K.S.A. 72-1127. The Commission would need to determine: (A) the number of members on such task force; (B) whether the task force would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the task force would be reported.

Note: This was also recommended by KASB.

2. Create incentives for performance, such as the career technical education bonuses paid for students who complete programs in high demand technical fields.

Legislation would require new law providing incentive payments to school districts and postsecondary educational institutions based on the number of students who complete certain academic programs.

The Commission would need to determine: (A) what type of academic programs should be targeted for incentive payments; (B) the amount of incentive payments to be paid; and (C) how such incentive payments are to be calculated.

Alternatively, the Commission could recommend legislation to create a committee that would study such incentives for performance and then make recommendations to the Legislature. Under this recommendation, the Commission would need to determine: (A) the number of members on such committee; (B) whether the committee would consist only of members of the Legislature, or would have members from the public at-large; (C) how the members would be appointed; (D) whether the members would receive compensation for expenses; and (E) how the findings of the committee would be reported.

Note: This was recommended by KASB.