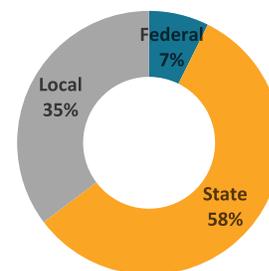


KANSAS

AUTHORIZER TYPE(S)	Local Education Agency
LEGAL STATUS OF CHARTER SCHOOLS	Part of a Local Education Agency
LINKAGE TO A TRADITIONAL DISTRICT	Total Link (LEA Authorizer)
STATE SPECIAL ED FUNDING FORMULA	Percentage Reimbursement—Funding based on a percentage of allowable actual expenditures.
% OF STUDENTS WITH DISABILITIES	13.46% (all public schools) 10.36% (charter schools)

KANSAS Revenue Sources, FY 2014



FY 2014	Spending Per Pupil
KANSAS	\$9,972
US	\$11,009

*Sources on last page; click [here](#) for definitions

Additional Information

In Kansas, a charter school is part of an LEA and receives all funding and services through its authorizing LEA. The state funds LEAs via block grants, which were ruled unconstitutional by the Kansas Supreme Court in February 2016.

Charter School Funding

In Kansas, charter schools are a part of public school district and funding is the same as for other public schools. The funding is provided to the district and the district decides how to allocate it to schools, including charters.

In 2015, the Classroom Learning Assuring Student Success (CLASS) Act repealed the existing school finance formula and created fixed block grants through FY2017. The block grants were ruled unconstitutional by the Kansas Supreme Court in February 2016. The block grants do not apply to categorical special education funding.

Block grants: Block grant amounts are based on FY2015 funding levels, which, prior to the CLASS Act, were calculated by multiplying the base state aid per pupil (\$3,852 in FY2015) by the total weighted full-time equivalent (FTE). Under the new block grants, there are no adjustments for minor fluctuations in enrollment or changes in characteristics of enrolled students. Instead, the CLASS Act established an Extraordinary Needs Fund. Schools can apply to the State Finance Council, composed of 8 legislators and the Governor, to request funding due to an extraordinary need. In FY2016, the Finance Council awarded funding to districts with an enrollment increase of greater than 2% or an assessed valuation loss of more than 5%. The funding for this program came by reducing the general state aid for each school district by 0.4%.

Categorical Aid for Special Education consists of three components.

- Transportation Reimbursement
- Catastrophic Aid
- Special Teacher Reimbursement

These components are also the order of precedence in which state special education funds are distributed, as transportation is reimbursed first, then catastrophic aid is reimbursed out of the remaining categorical aid funds, finally the remaining funds are distributed based on the amount of FTE reported for special teachers.

Categorical aid helps with the excess cost of implementing IEP services over the regular education that all students are entitled to receive. By statute the state funds 92% of the excess cost of special education. Since 2011-12 the legislature has limited the total appropriation to the amount necessary to meet Maintenance of Effort. As a result, state aid has not reached 92% of excess cost and for 2015-16 is estimated to be 80% of excess cost.

(cont. on following page)

Charter School Funding (cont.)

Transportation: Special education transportation, whether involving a special teacher (defined in the KSDE Special Education Reimbursement Guide: State Categorical Aid) or pupil travel, is only reimbursable if it is specified as a related service in the student's IEP. All transportation costs are reimbursed at 80% of the actual travel expenses incurred.

Catastrophic Aid: Students are only eligible for catastrophic aid if the costs of providing services exceed twice the per teacher entitlement for categorical aid from the prior school year after deducting all other state and/or federal aid for the student (KSA 72-983). Reimbursement is 75% of the costs exceeding the amount of twice the prior year's teacher entitlement.

Special Teacher Reimbursement: The Special Teacher portion of categorical aid distribution is based on the number of full-time equivalent special teachers (professionals) and paraeducators (nonprofessionals) submitted by LEAs. Reimbursement is based on the ratio of the LEA's total *special teacher* FTE to the state total *special teacher* FTE. The resulting percentage is applied to the total categorical aid funds available (after transportation, Medicaid, and catastrophic aid costs have been subtracted) to determine the amount of funds available for distribution for each FTE. This amount is estimated at \$27,750 for 2015-16, but the actual number will not be finalized until all teachers and paras are reported in May 2016.

State Special Education Funding

State special education funding flows to LEAs. Charters have a total-link relationship to their district LEA, and the district is responsible for providing special education services.

Categorical Aid for Special Education consists of three components.

- Transportation Reimbursement
- Catastrophic Aid
- Special Teacher Reimbursement

These components are also the order of precedence in which state special education funds are distributed, as transportation is reimbursed first, then catastrophic aid is reimbursed out of the remaining categorical aid funds, finally the remaining funds are distributed based on the amount of full-time equivalent (FTE) reported for special teachers.

Categorical aid helps with the excess cost of implementing IEP services over the regular education that all students are entitled to receive. By statute the state funds 92% of the excess cost of special education. Since 2011-12 the legislature has limited the total appropriation to the amount necessary to meet Maintenance of Effort. As a result, state aid has not reached 92% of excess cost and for 2015-16 is estimated to be 80% of excess cost.

Transportation: Special education transportation, whether involving a special teacher (defined in glossary) or pupil travel, is only reimbursable if it is specified as a related service in the student's IEP. All transportation costs are reimbursed at 80% of the actual travel expenses incurred.

Catastrophic Aid: Students are only eligible for catastrophic aid if the costs of providing services exceed twice the per teacher entitlement for categorical aid from the prior school year after deducting all other state and/or federal aid for the student (KSA 72-983). Reimbursement is 75% of the costs exceeding the amount of twice the prior year's teacher entitlement.

Special Teacher Reimbursement: The Special Teacher portion of categorical aid distribution is based on the number of full-time equivalent special teachers (professionals) and paraeducators (nonprofessionals) submitted by LEAs. Reimbursement is based on the ratio of the LEA's total *special teacher* FTE to the state total *special teacher* FTE. The resulting percentage is applied to the total categorical aid funds available (after transportation, Medicaid, and catastrophic aid costs have been subtracted) to determine the amount of funds available for distribution for each FTE. This amount is estimated at \$27,750 for 2015-16, but the actual number will not be finalized until all teachers and paras are reported in May 2016.

LEAs may join cooperatives and/or enter into interlocal agreements for provision of special education services. These services are eligible for reimbursement under the state's categorical special education grants. Charter school students within a participating LEA would likewise receive special education services from the cooperative or interlocal.

Local Special Education Funding/Services

In addition to Federal Aid and State Categorical Aid, LEAs transfer the additional amount needed to cover the cost of special education from the LEA general fund. Local general funds would likewise cover costs for the district's charter school students with disabilities.

Federal IDEA Part B Funding

Federal IDEA funding flows from the SEA to the LEAs, which provide services to schools.

(A) Base Payments—The State shall first award each local educational agency it would have received for fiscal year 1997 if the State had distributed 75% of its grant for that year.

(B) Allocation of Remaining Funds—The State shall then—(i) allocate 85% of any remaining funds to those local educational agencies on the basis of the relative numbers of children enrolled in public and private elementary schools and secondary schools within the local educational agency's jurisdiction; and (ii) allocate 15% of those remaining funds to those local educational agencies in accordance with their relative numbers of children living in poverty, as determined by the State educational agency.

Kansas has defined "children living in poverty" to be the number of children identified through the Free and Reduced Lunch programs in both public and private elementary and secondary schools.

High-Cost Funds

Catastrophic Aid

1. Students are only eligible for catastrophic aid if the costs of providing services exceed twice the per teacher entitlement for categorical aid from the prior school year after deducting all other state and/or federal aid for the student (KSA 72-983).
2. Reimbursement is 75% of the costs exceeding the amount of twice the prior year's teacher entitlement.

Example:

- After deducting all other state and/or federal aid, a student requires \$50,000 of services
- Prior year's teacher entitlement was \$20,000
- The student is eligible for catastrophic aid because the cost of services (\$50,000) exceeds twice the amount of last year's teacher entitlement (2 times \$20,000 = \$40,000)
- The district can claim catastrophic aid reimbursement on the excess amount (\$50,000-\$40,000 = \$10,000)
- The excess amount (\$10,000) is reimbursed at 75% (\$7,500)

Amounts requested under this Act can be used only to reimburse costs for the excess expenditures associated with providing special education services for students qualifying for catastrophic aid and must be documented in the student's IEP or supporting documentation.

Medicaid

School-based Medicaid

The school agency is reimbursed at the set rate for every service it provides, regardless of its cost to provide the service. A school district can receive reimbursement for every Medicaid eligible service that is documented on the IEP to support the education of a Medicaid eligible student. Reimbursement rates are based on the following: the cost of providing the service, review of reimbursement rates by private payers and a percentage of what Medicare pays for equivalent services.

References / Resources

Reference sites

Kansas State Department of Education

<http://www.ksde.org/>

Funding links

Kansas Supreme Court Rules Block Grant School Funding Unconstitutional

<http://kcur.org/post/kansas-supreme-court-rules-block-grant-school-funding-unconstitutional#stream/0>

Kansas House Substitute for Senate Bill 7

http://www.kslegislature.org/li/b2015_16/measures/sb7/

Kansas Department of Education Special Education Reimbursement Guide: State Categorical Aid for SY2015-16

<http://www.ksde.org/Portals/0/SES/funding/CatAid/ReimbursementguideFY16.pdf>

Kansas Department of Education Categorical Aid Reimbursement

<http://www.ksde.org/Default.aspx?tabid=538>

High-cost links

Kansas Department of Education Special Education Reimbursement Guide: State Categorical Aid for SY2015-16

<http://www.ksde.org/Portals/0/SES/funding/CatAid/ReimbursementguideFY16.pdf>

Medicaid links

School Based Medicaid in Kansas: Fact Sheet

<http://www.ksde.org/Portals/0/ECSETS/FactSheets/FactSheet-Medicaid.pdf>

Departments/Organizations

School Finance, Kansas State Department of Education

Sources for data on first page of report

Percentage of students with disabilities: U.S. Department of Education, Civil Rights Data Collection (CRDC) for the 2013-14 school year. Available at <https://www2.ed.gov/about/offices/list/ocr/docs/crdc-2013-14.html>

Federal, state, and local revenue sources & spending per pupil: United States Census Bureau, Annual Survey of School System Finances. Available at <https://www.census.gov/programs-surveys/school-finances.html>