School Finance & Budget Review

Board of Education

August 10, 2026

School Finance Terminology

KSDE Budget

- **Fiscal Year**: July 1 – June 30
- **Funds**: separate fiscal accounting records to track revenue and expenditures for a specific purpose. Think buckets.
- **FTE is full time equivalency**: 1.0 for full time student and .5 for half time student ~ versus headcount
- **BASE**: **Base Aid for Student Excellence** state aid amount set by legislature each spring. The increase each year is currently based on the three year average of the consumer price index for the midwest region.
- **Count day** for budget purposes: September 20th

Fund Types

Per KSDE

General Funds

Accounts for all financial resources except those required to be accounted for in another fund.

- General fund
- Supplemental General fund (LOB)

Special Revenue Funds

Accounts for expenditures restricted for specific purposes, such as:

- At-Risk
- Food Service
- Special Ed
- Capital Outlay
- Adult Education
- Virtual Education
- Bilingual Ed

Debt Service Funds

Accounts for the payment of long-term debt

- Bond & Interest Fund

Trust & Agency Funds

Reserves held for a specific purpose or held for others

- Health Care
- Workers Compensation
- Donations
- Activity Accounts

How the Budget is Calculated

General Fund Budget

Based on September 20th student count and weightings which include:

- **Transportation eligibility**
- **At Risk = Free lunch count**
- **Bilingual contact hours**
- **Career Tech contact hours**
- **Special Education funding**

General Fund Budget

Enrollment FTE + Weightings FTE on September 20th

x BASE state aid $5,778 for 2026/27

+ Virtual ed state aid $5,600 per FTE

= General Fund budget

LAWRENCE Public Schools

How the Budget is Calculated

Supplemental General Fund (LOB) Budget

Based on a percentage of General Fund

- **Percentage determined annually by Board of Education**
- **Board has been authorizing the maximum of 33%**
- **Budget not determined by a mill levy**

Supplemental General Fund (LOB) Budget

Enrollment FTE + Weightings FTE on September 20th

x Supplemental General state aid $5,857 for 2026/27

x 33% Board authorized percentage

= Supplemental General Fund (LOB) budget

LAWRENCE Public Schools

Other Mill Levy Funds

Capital Outlay

Assessing maximum of 8 mills

- Higher mill levy does equate to higher budget authority
- LPS does <u>not</u> qualify for state aid

Bond & Interest

Assessing enough to pay our Bond principal and interest

- Higher mill levy does equate to higher budget authority
- LPS does <u>not</u> qualify for state aid

Adult Education

Assessing enough to pay for program

- Authority to assess .5 mills
- Assessing .2 mills

Cost of Living

Additional mill levy that qualifying districts can assess

- Qualification is based on assessed valuation per pupil
- Board decides whether to assess

Assessed valuation per pupil for LPS compared to other Kansas districts determines whether we receive certain state aid.

LAWRENCE Public Schools

Proposed Mill Levies

2026-27

	2023/24	2024/25	2025/26	2026/27
General Fund	20.000	20.000	20.000	20.000
Supplemental General Fund (LOB)	13.790	14.530	14.842	14.588
Adult Education	0.200	0.200	0.200	0.200
Capital Outlay	7.984	8.000	8.000	8.000
Cost of Living	1.221	1.235	1.003	1.116
Bond & Interest	9.015	8.308	8.300	8.300
Total Mill Levy	**52.210**	**52.273**	**52.345**	**52.204**

Requesting authorization to publish at the August 24th board meeting

LAWRENCE Public Schools

UNDERSTANDING REVENUE NEUTRAL RATE

The revenue neutral rate generates the same amount of property tax revenue as the previous year.

REVENUE NEUTRAL

Same Tax Revenue

Same Tax Revenue as Previous Year

VS.

EXCEEDS REVENUE NEUTRAL

More Tax Revenue

Next Steps

2026/27 Budget

✔ **July 20th** - Submitted maximum mill levies to counties for revenue neutral rate notices to taxpayers

- **August 24th board meeting**: Request approval to publish Notice of Budget Hearing and Notice to Exceed the Revenue Neutral Rate for 2026/27
- **September 14th board meeting**
  - 6:00 PM Hearing to exceed the revenue neutral rate
  - 6:05 PM Budget hearing
  - Board approves resolution to exceed the revenue neutral rate
  - Board approves budget
  - Board approves resolution for LOB percentage (Supplemental General Fund)
- **September 20th** budget due to KSDE

LAWRENCE Public Schools