

ESTIMATED PER PUPIL LOSSES IN BUYING POWER

House Bill 406, as approved by the House and Senate on April 2, has now been signed into law. Considering the recent high inflation rate and growing enrollments, Kentucky's state school funding will have less buying power to meet each child's needs in the 2007-08 school year than in 2008-09. This analysis shares an estimate of the impact per student.

2008-09 ESTIMATED LOSSES IN BUYING POWER OF STATE FUNDING

For preschool students, schools will have an average of:

- \$547 less for each student with severe disabilities.
- \$403 less for each student with moderate disabilities.
- \$302 less for each student with speech/language challenges.
- \$288 less for each student from a family with a low income.

For each student in primary through grade 12, schools will have an average of:

- \$63 less for basic services through the SEEK Base and Tier 1 programs.
- \$15 less for student transportation.
- \$15 less to strengthen teachers' skills through professional development.
- \$10 less for school safety.

In addition, schools will have an average of:

- \$254 less for each student with severe disabilities.
- \$127 less for each student with moderate disabilities.
- \$121 less for each student who needs tutoring through the extended school services program.
- \$104 less for each student who needs home and hospital services.
- \$16 less for each student with limited English proficiency.
- \$16 less for each student whose family income qualifies for the free school lunch program.
- \$11 less for each student in the early elementary grades that can be used for extra help with learning to read.
- \$3 less for each student identified as gifted and talented.
- \$2 less for student's textbooks in primary through grade 8.

2008-09 ESTIMATED LOSSES IN BUYING POWER OF LOCAL FUNDING

To participate in SEEK, districts must raise a required minimum amount of revenue. Taking into account inflation and rising enrollments, that required local amount will be worth an average of \$5 less per pupil.

Districts are allowed to raise additional revenue for Tier I matching from the state, plus a limited amount the state will not match (called Tier II), but those voluntary additional district dollars will not be enough to make up for the lost local buying power, much less replace the lost state funding.

2009-10 FURTHER LOSSES IN BUYING POWER

Assuming ordinary enrollment growth and inflation, 2009-10 will be even worse, as every student in every program faces a further loss in buying power from state funding.

Local required funding may provide roughly per pupil more in buying power, and the Tier I and Tier II options might add slightly to that. However, any local improvement will restore only a small fraction of the 2009-10 state decline, while doing nothing to restore the losses from 2008-09.

This analysis is a project of the Council for Better Education, a coalition of Kentucky school districts working to strengthen our public schools. Questions? Please contact CBE's president, Roger Marcum, at roger.marcum@marion.kyschools.us.

**ESTIMATED PER PUPIL STATE FUNDING CHANGES
FOR FISCAL YEAR 2008 THROUGH FISCAL YEAR 2010**

	2009 Change From 2008	2010 Change from 2009	2009 Inflation- Adjusted Change from 2008	2010 Inflation- Adjusted Change from 2009
SEEK/Base (State Share)	19.38	(61.32)	(74.74)	(103.13)
SEEK/At-Risk	6.60	6.45	(16.24)	(4.94)
SEEK/Limited English	6.60	6.45	(16.24)	(4.94)
SEEK/Speech Impediment	10.56	10.32	(25.98)	(7.91)
SEEK/Moderate Disability	51.48	50.31	(126.67)	(38.55)
SEEK/Severe Disability	103.40	101.05	(254.42)	(77.42)
SEEK/Home and Hospital	44.00	48.32	(104.33)	(26.04)
SEEK/Tier 1 (State Share)	22.95	(9.18)	11.72	(14.06)
SEEK/Transportation	(1.10)	(1.09)	(14.78)	(7.62)
Preschool/At-Risk	(164.00)	(164.00)	(287.67)	(214.07)
Preschool/ Speech Language	(172.00)	(172.00)	(301.85)	(224.59)
Preschool/Moderate Disabilities	(230.00)	(230.00)	(403.14)	(300.08)
Preschool/Severe Disabilities	(312.00)	(312.00)	(546.97)	(407.11)
Early Reading Grants	(6.21)	(0.41)	(11.34)	(2.86)
Textbooks	(0.16)	(0.16)	(2.20)	(1.13)
Extended School Services	(117.90)	(0.26)	(121.18)	(1.83)
Safe Schools	(9.22)	(0.02)	(9.52)	(0.17)
Professional Development	(14.29)	(0.03)	(14.69)	(0.22)
Gifted & Talented	(0.20)	(0.20)	(2.74)	(1.41)

Caution: Do not add up the numbers above, because no student is served by all the programs shown.

Notes: The 2009 inflation adjustment reflects the actual 2007 change in the Consumer Price Index.
The 2010 inflation adjustment adds the Federal Reserve's inflation estimate for 2008
FY 2008 dollar figures reflect the budget before the cuts ordered by the Governor.

**ESTIMATED PER PUPIL STATE FUNDING
FOR FISCAL YEAR 2008 THROUGH FISCAL YEAR 2010**

	FY 2008	FY 2009	FY 2010
SEEK/Base (State Share)	2,370.17	2,389.55	2,328.23
SEEK/At-Risk	573.30	579.90	586.35
SEEK/Limited English	573.30	579.90	586.35
SEEK/Speech Impediment	917.28	927.84	938.16
SEEK/Moderate Disability	4,471.74	4,523.22	4,573.53
SEEK/Severe Disability	8,981.70	9,085.10	9,186.15
SEEK/Home and Hospital	3,722.00	3,766.00	3,814.31
SEEK/Tier 1 (State Share)	262.18	285.13	275.95
SEEK/Transportation	348.33	347.23	346.14
Preschool/At-Risk	3,304.00	3,140.00	2,976.00
Preschool/ Speech Language	3,469.00	3,297.00	3,125.00
Preschool/Moderate Disabilities	4,626.00	4,396.00	4,166.00
Preschool/Severe Disabilities	6,278.00	5,966.00	5,654.00
Early Reading Grants	136.47	130.26	129.85
Textbooks	51.76	51.60	51.44
Extended School Services	201.16	83.26	83.00
Safe Schools	16.83	7.61	7.59
Professional Development	24.39	10.09	10.06
Gifted & Talented	64.63	64.43	64.22

Note: FY 2008 dollar figures reflect the state budget before the cuts ordered by the Governor.

**ESTIMATED INFLATION-ADJUSTED PER PUPIL STATE FUNDING
FOR FISCAL YEAR 2008 THROUGH FISCAL YEAR 2010**

	FY 2008	FY 2009 Adjusted for 4.1% Inflation	FY 2010 Adjusted for 6.2% Inflation
SEEK/Base (State Share)	2,370.17	2,295.43	2,192.30
SEEK/At-Risk	573.30	557.06	552.12
SEEK/Limited English	573.30	557.06	552.12
SEEK/Speech Impediment	917.28	891.30	883.39
SEEK/Moderate Disability	4,471.74	4,345.07	4,306.53
SEEK/Severe Disability	8,981.70	8,727.28	8,649.86
SEEK/Home and Hospital	3,722.00	3,617.67	3,591.63
SEEK/Tier 1 (State Share)	262.18	273.90	259.84
SEEK/Transportation	348.33	333.56	325.93
Preschool/At-Risk	3,304.00	3,016.33	2,802.26
Preschool/ Speech Language	3,469.00	3,167.15	2,942.56
Preschool/Moderate Disabilities	4,626.00	4,222.86	3,922.79
Preschool/Severe Disabilities	6,278.00	5,731.03	5,323.92
Early Reading Grants	136.47	125.13	122.27
Textbooks	51.76	49.57	48.43
Extended School Services	201.16	79.98	78.15
Safe Schools	16.83	7.31	7.15
Professional Development	24.39	9.70	9.47
Gifted & Talented	64.63	61.89	60.48

Notes: The 4.1% inflation adjustment reflects the actual 2007 change in the Consumer Price Index.
The 6.2% inflation rate reflects the actual 2007 change plus an estimated 2008 change.
FY 2008 dollar figures reflect the budget before the cuts ordered by the Governor.