



## Terminology

- Mill = \$1 of taxes per \$1,000 of assessed value.
- LOB = Local Option Budget is a percentage of the general fund raised by a local levy.
- FTE = Full-Time Equivalency is based on time in school versus headcount.
- BSAPP = Base State Aid Per Pupil is an amount set by law that is used to calculate a district's general fund legal maximum budget authority.
- General Fund = Essentially, the district's weighted FTE multiplied by BSAPP.
- General Fund and LOB = provide for day-to-day operations, such as student instruction.
- Capital Fund = A local levy restricted to capital expenditures, such as facilities, furniture and equipment.

## Statewide Levy

Kansas uses a 20-mill, statewide tax levy assessed to property owners to fund a basic K-12 public education. One mill is \$1 of taxes per \$1,000 of assessed value. On real estate tax statements, this state levy is marked "State USD - School General."

## Supplemental Fund

The state allows school boards the authority to use a local property tax levy or Local Option Budget (LOB) to supplement state aid. Lawrence Public Schools use the maximum 31% LOB authority allowed, which means the district raises 31% of its total general fund through a local property tax levy.

## Special Weightings

Districts receive additional state fund "weightings" for special student needs, for transportation and other targeted areas. Weightings are legally restricted for use on those targeted student needs, such as at-risk, vocational and bilingual education.

Weightings provide additional state aid for the smallest and largest school districts, districts with declining enrollment, districts opening new facilities, and for districts where housing costs are significantly higher than the state average.

## State Finance Formula

State aid to school districts is based on a school finance formula that begins with a count of the weighted full-time

equivalency (FTE) of students. FTE is determined by the number of students in attendance on September 20. (A kindergarten student who attends half of the school day is counted as 0.5 FTE.)

Multiply the Weighted FTE by the Base State Aid Per Pupil (BSAPP) to determine a district's general fund.

## General Fund

Basic state aid and the supplemental LOB make up a school district's General Fund. In Lawrence Public Schools, 83% of the General Fund supports teacher/staff salaries and benefits. This is the fund that supports operational costs, including student instruction.



## Capital Outlay Fund

The Capital Outlay Fund is revenue generated by a local property tax levy of up to a maximum eight mills for the acquisition, construction, repair, remodeling, additions to, furnishing and equipping of school facilities. By state law, capital outlay funds may not be used for general fund purposes, such as for teacher/staff salaries or instructional costs.

School boards also may ask district voters to approve bond issue elections for capital outlay needs. School districts may qualify for additional state aid for bond projects.