AN ACT concerning school districts; authorizing the expenditure of
certain unencumbered funds; relating to the local option budget;
amending K.S.A. 2011 Supp. 72-965, 72-3607, 72-3715, 72-6414a, 72-
6414b, 72-6420, 72-6421, 72-6423, 72-6426, 72-6433, 72-6460, 72-
8237, 72-8250, 72-9509 and 72-9609 and repealing the existing
section.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) On June 30, 2013, the clerk or superintendent
of each school district shall certify under oath to the state board a report
showing the unencumbered balance of moneys remaining in each of the
following funds: At-risk education fund, as provided in K.S.A. 76-6414a,
and amendments thereto; bilingual education fund, as provided in K.S.A.-
72-9509, and amendments thereto; contingency reserve fund, as provided
in K.S.A. 72-6426, and amendments thereto; driver training fund, as-
provided in K.S.A. 72-6423, and amendments thereto; parent education-
program fund, as provided in K.S.A. 72-3607, and amendments thereto;
preschool-aged at-risk education fund, as provided in K.S.A. 72-6414b,
and amendments thereto; professional development fund, as provided in
K.S.A. 72-9609, and amendments thereto; summer program fund, as-
provided in K.S.A. 72-8237, and amendments thereto; textbook and
student materials revolving fund, as provided in K.S.A. 72-8250, and
amendments thereto; special education fund, as provided in K.S.A. 72-965
and 72-6420, and amendments thereto; virtual school fund, as provided in
K.S.A. 72-3715, and amendments thereto; and vocational education fund,
as provided in K.S.A. 72-6421, and amendments thereto.—

(b) Upon receipt of such report, the state board shall subtract the
aggregate amount of the unencumbered balance of moneys as certified by
the school district in the report from the amount of unencumbered balance
of moneys such school district was authorized to spend for general-
operating expenses of the school district as determined pursuant to K.S.A.
2011 Supp. 72-6460, and amendments thereto.—

(c) The state board shall notify each school district of the difference
determined under subsection (b), if any. If there is a difference between the
amount of the unencumbered balance of moneys as certified by the school-
district and the amount of unencumbered balance of moneys such school
district was authorized to spend for general operating expenses of the
school district as determined pursuant to K.S.A. 2011 Supp. 72-6460, and
amendments thereto, then an amount equal to such difference shall be
transferred from the unencumbered balance of moneys in those funds set
forth in subsection (a) to the local option budget fund of such school
district, and any levy to be imposed by the school district pursuant to
K.S.A. 72-6435, and amendments thereto, for school year 2013-2014 shall
be reduced accordingly, except as otherwise provided in K.S.A. 72-6433,
and amendments thereto.

New Sec. 2. The provisions of section 1 and K.S.A. 2011 Supp. 72-
6460, and amendments thereto, shall be a part of and supplemental to the
school district finance and quality performance act.

Section 3. 1. K.S.A. 2011 Supp. 72-965 is hereby amended to read as
follows: 72-965. (a) The state board shall be responsible for the
distribution and allocation of state and federal funds for special education.
Such moneys shall be expended only in accordance with and for the
purposes specified in federal or state law. Payments under this act may be
made in installments and in advance or by way of reimbursement, with
necessary adjustments for overpayments or underpayments. Federal funds
for special education shall be deposited in the state treasury.

(b) The state board is hereby authorized to accept from an individual
or individuals, the United States government or any of its agencies or any
other public or private body, grants or contributions of money, funds or
property which the state board may authorize to be used in accordance
with appropriation acts, for or in aid of special education or related
services or any of the purposes authorized by the federal law or this act.

(c) (1) Each board may use up to 15% of the amount it receives each
year under the federal law to develop and implement coordinated, early
intervening services for students in kindergarten through grade 12, with a
particular emphasis on students in kindergarten through grade three, who
have not been identified as needing special education or related services
but who appear to need additional academic and behavioral support to
succeed in a general education environment.

(2) In implementing coordinated, early intervening services under this
subsection, a board may carry out activities that include:

(A) Providing professional development for teachers and other school
staff to enable such personnel to deliver scientifically based academic
instruction and behavioral interventions, including scientifically based
literacy instruction and, where appropriate, instruction on the use of
adaptive and instructional software; and

(B) providing educational and behavioral evaluations, services and
supports, including scientifically based literacy instruction.

(3) Each board that develops and maintains coordinated, early
HB 2773—Am. by HC

intervening services under this subsection shall annually report to the
department:
(A) The number of students served under this subsection; and
(B) the number of students served under this subsection who
subsequently receive special education and related services under this title
during the two-year period preceding each report.
(d) Except for moneys received under K.S.A. 72-978, and
amendments thereto, from cooperative agreements entered into under
K.S.A. 72-968, and amendments thereto, any unencumbered balance of
moneys attributable to appropriations by the legislature for special
education or related services remaining in the special education fund of a
school district on June 30, 2011, or June 30, 2012, may be expended
in school year 2011-2012 the school year that immediately
succeeds such date by the school district for general operating expenses
of the school district as approved by the board of education in an amount
not to exceed 1/3 of the unencumbered balance of the school district's
special education fund.

Sec. 4. 2. K.S.A. 2011 Supp. 72-3607 is hereby amended to read as
follows: 72-3607. (a) There is hereby established in every school district
which has developed and is operating a parent education program for
which grants are awarded under this act a fund which shall be called the
parent education program fund, which fund shall consist of all moneys
deposited therein or transferred thereto according to law. Notwithstanding
any other provision of law, all moneys received by the school district from
whatever source for a parent education program operated under this act
shall be credited to the fund established by this section. Amounts deposited
in the parent education program fund shall be used exclusively for the
payment of expenses directly attributable to the program.
(b) Any unencumbered balance of moneys remaining in the parent
education program fund of a school district on June 30, 2011, or
June 30, 2012, may be expended in school year 2011-2012 the school year that immediately succeeds such date by the school district
for general operating expenses of the school district as approved by the
board of education.

Sec. 5. 3. K.S.A. 2011 Supp. 72-3715 is hereby amended to read as
follows: 72-3715. (a) In order to be included in the full-time equivalent
enrollment of a virtual school, a pupil shall be in attendance at the virtual
school on; (1) A single school day on or before September 19 of each
school year; and (2) on a single school day on or after September 20, but
before October 4 of each school year.
(b) A school district which offers a virtual school shall determine the
full-time equivalent enrollment of each pupil enrolled in the virtual school
on September 20 of each school year as follows:
(1) Determine the number of hours the pupil was in attendance on a single school day on or before September 19 of each school year;
(2) determine the number of hours the pupil was in attendance on a single school day on or after September 20, but before October 4 of each school year;
(3) add the numbers obtained under paragraphs (1) and (2);
(4) divide the sum obtained under paragraph (3) by 12. The quotient is the full-time equivalent enrollment of the pupil.
(c) The school days on which a district determines the full-time equivalent enrollment of a pupil under paragraphs (1) and (2) of subsection (b) shall be the school days on which the pupil has the highest number of hours of attendance at the virtual school. No more than six hours of attendance may be counted in a single school day. Attendance may be shown by a pupil's on-line activity or entries in the pupil's virtual school journal or log of activities.
(d) (1) Subject to the availability of appropriations for virtual school state aid and within the limits of any such appropriations, each school year a school district which offers a virtual school shall be entitled to virtual school state aid.
(2) The state board of education shall determine the amount of virtual school state aid a school district is entitled to receive as follows:
   (A) Multiply the full-time equivalent enrollment of the virtual school by an amount equal to 105% of the amount of base state aid per pupil;
   (B) multiply the full-time equivalent enrollment of nonproficient at-risk pupils enrolled in an approved at-risk program offered by the virtual school, if any, by an amount equal to 25% of the amount of base state aid per pupil;
   (C) add any amount determined under K.S.A. 2011 Supp. 72-3716, and amendments thereto; and
   (D) add the amounts obtained under paragraphs subparagraphs (A) through (C). The sum is the amount of the virtual school state aid to which the school district is entitled.
(3) There is hereby established in every school district a fund which shall be called the virtual school fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Moneys received as virtual school state aid shall be deposited in the general fund of the school district and transferred to the virtual school fund of the district. The expenses of a district directly attributable to virtual schools offered by a school district shall be paid from the virtual school fund. The cost of an advance placement course provided to a pupil described in subsection (d) (2)(D) shall be paid by the virtual school.
Any balance remaining in the virtual school fund at the end of the budget year shall be carried forward into the virtual school fund for
succeeding budget years. Such fund shall not be subject to the provisions
of K.S.A. 79-2925 through 79-2937, and amendments thereto.

Any unencumbered balance of moneys remaining in the virtual school
fund of a school district on June 30, 2011, or June 30, 2012, may be
expended in school year 2011-2012 2012-2013 the school year that
immediately succeeds such date by the school district for general
operating expenses of the school district as approved by the board of
education.

In preparing the budget of such school district, the amounts credited to
and the amount on hand in the virtual school fund, and the amount
expended therefrom shall be included in the annual budget for the
information of the residents of the school district. Interest earned on the
investment of moneys in any such fund shall be credited to that fund.

(e) For the purposes of this section, a pupil enrolled in a virtual
school who is not a resident of the state of Kansas shall not be counted in
the full-time equivalent enrollment of the virtual school.

Sec. 6. K.S.A. 2011 Supp. 72-6414a is hereby amended to read as
follows: 72-6414a. (a) There is hereby established in every district a fund
which shall be called the at-risk education fund, which fund shall consist
of all moneys deposited therein or transferred thereto according to law.
The expenses of a district directly attributable to providing at-risk
assistance or programs, including assistance or programs provided to
nonproficient pupils, shall be paid from the at-risk education fund.

(b) Any balance remaining in the at-risk education fund at the end of
the budget year shall be carried forward into the at-risk education fund for
succeeding budget years. Such fund shall not be subject to the provisions
of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
the budget of such school district, the amounts credited to and the amount
on hand in the at-risk education fund, and the amount expended therefrom
shall be included in the annual budget for the information of the residents
of the school district. Interest earned on the investment of moneys in any
such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the at-risk
education fund of a school district on June 30, 2011, or June 30,
2012, may be expended in school year 2011-2012 2012-2013 the school
year that immediately succeeds such date by the school district for
general operating expenses of the school district as approved by the board
of education.

(c) Each year the board of education of each school district shall
prepare and submit to the state board a report on the at-risk program or
assistance provided by the district. Such report shall include information
specifying the number of at-risk pupils and nonproficient pupils who were
served or provided assistance, the type of service provided, the research
upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

(d) In order to achieve uniform reporting of the number of at-risk pupils and nonproficient pupils provided service or assistance by school districts in at-risk programs, districts shall report the number of at-risk pupils and nonproficient pupils served or assisted in the manner required by the state board.

Sec.-7: 5. K.S.A. 2011 Supp. 72-6414b is hereby amended to read as follows: 72-6414b. (a) There is hereby established in every district a fund which shall be called the preschool-aged at-risk education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing preschool-aged at-risk assistance or programs shall be paid from the preschool-aged at-risk education fund.

(b) A school district may expend amounts received from the preschool-aged at-risk weighting to pay the cost of providing at-risk, bilingual and vocational education programs and services.

(c) Any balance remaining in the preschool-aged at-risk education fund at the end of the budget year shall be carried forward into the preschool-aged at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the preschool-aged at-risk education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the preschool-aged at-risk education fund of a school district on June 30, 2011, or June 30, 2012, may be expended in school year 2011-2012 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

(d) Each year the board of education of each school district shall prepare and submit to the state board a report on the preschool-aged at-risk program or assistance provided by the district. Such report shall include information specifying the number of pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

Sec.-8: 6. K.S.A. 2011 Supp. 72-6420 is hereby amended to read as
follows: 72-6420. (a) There is hereby established in every district a fund which shall be called the special education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the district from whatever source for special education shall be credited to the special education fund established by this section, except that: (1) Amounts of payments received by a district under K.S.A. 72-979, and amendments thereto, and amounts of grants, if any, received by a district under K.S.A. 72-983, and amendments thereto, shall be deposited in the general fund of the district and transferred to the special education fund; and (2) moneys received by a district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special fund established under the agreements.

(b) The expenses of a district directly attributable to special education shall be paid from the special education fund and from special funds established under K.S.A. 72-968, and amendments thereto.

(c) Obligations of a district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be paid from the special education fund established by this section.

(d) Except for moneys received under K.S.A. 72-978, and amendments thereto, from cooperative agreements entered into under K.S.A. 72-968, and amendments thereto, any unencumbered balance of moneys attributable to appropriations by the legislature for special education or related services remaining in the special education fund of a school district on June 30, 2011 or June 30, 2012, may be expended in school year 2011-2012 2012-2013 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed 1/3 of the unencumbered balance of the school district's special education fund.

Sec. 9. K.S.A. 2011 Supp. 72-6421 is hereby amended to read as follows: 72-6421. (a) There is hereby established in every district a fund which shall be called the vocational education fund. All moneys received by a district for any course or program authorized and approved under the provisions of article 44 of chapter 72 of Kansas Statutes Annotated, and amendments thereto, except for courses and programs conducted in an area vocational school, shall be credited to the vocational education fund. All moneys received by the district from tuition, fees or charges or from any other source for vocational education courses or programs, except for courses and programs conducted in an area vocational school, shall be credited to the vocational education fund. The expenses of a district directly attributable to vocational education shall be paid from the vocational education fund.
(b) Obligations of a district pursuant to lawful agreements made under K.S.A. 72-4421, and amendments thereto, shall be paid from the vocational education fund established by this section. If any such agreement expresses an obligation of a district in terms of a mill levy, such obligation shall be construed to mean an amount equal to that which would be produced by the levy.

(c) Any balance remaining in the vocational education fund at the end of the budget year shall be carried forward into the vocational education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the vocational education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys attributable to appropriations by the legislature in the vocational education fund of a school district on June 30, 2011, or June 30, 2012, may be expended in school year 2011-2012 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 10. K.S.A. 2011 Supp. 72-6423 is hereby amended to read as follows: 72-6423. (a) There is hereby established in every district a fund which shall be called the driver training fund which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the district from distributions made from the state safety fund and the motorcycle safety fund and from tuition, fees or charges for driver training courses shall be credited to the driver training fund. The expenses of a district directly attributable to driver training shall be paid from the driver training fund.

(b) Any unencumbered balance of moneys remaining in the driver training fund of a school district on June 30, 2011, or June 30, 2012, may be expended in school year 2011-2012 2012-2013 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 11. K.S.A. 2011 Supp. 72-6426 is hereby amended to read as follows: 72-6426. (a) There is hereby established in every district a fund which shall be called the contingency reserve fund. Such fund shall consist of all moneys deposited therein or transferred thereto according to law. The fund shall be maintained for payment of expenses of a district attributable to financial contingencies as determined by the board.

(b) (1) Except as otherwise provided in subsection (c), at no time in
school year 2008-2009 through school year 2011-2012 shall the amount
maintained in the contingency reserve fund exceed an amount equal to
10% of the general fund budget of the district for the school year.

(2) Except as otherwise provided in subsection (c), at no time in
school year 2012-2013 or any school year thereafter shall the amount
maintained in the contingency reserve fund exceed an amount equal to 6%
of the general fund budget of the district for the school year.

(c) (1) If the amount in the contingency reserve fund of a district is in
excess of the amount authorized under subsection (b), and if such excess
amount is the result of a reduction in the general fund budget of the district
for the school year because of a decrease in enrollment, the district may
maintain the excess amount in the fund until depletion of such excess
amount by expenditure from the fund for the purposes thereof.

(2) The limitation on the amount which may be maintained in the
contingency reserve fund imposed under subsection (b) shall not apply to
any district whose state financial aid is computed under the provisions of
K.S.A. 72-6445a, and amendments thereto. Any such district may maintain
the excess amount in the fund until depletion of such excess amount by
expenditure from the fund for the purposes thereof.

(d) Notwithstanding the provisions of subsection (c), any
unencumbered balance of moneys remaining in the contingency reserve
fund of a school district on June 30, 2011, or June 30, 2012, may be
expended in school year 2011-2012 the school year that
immediately succeeds such date by the school district for general
operating expenses of the school district as approved by the board of
education.

Sec. 12. K.S.A. 2011 Supp. 72-6433 is hereby amended to read as
follows: 72-6433. (a) As used in this section:

(1) "State prescribed percentage" means 31% of state financial aid of
the district in the current school year.

(2) "Authorized to adopt a local option budget" means that a district
has adopted a resolution under this section, has published the same, and
either the resolution was not protested or it was protested and an election
was held by which the adoption of a local option budget was approved.

(b) In each school year, the board of any district may adopt a local
option budget which does not exceed the state prescribed percentage.

(c) Subject to the limitation of subsection (b), in each school year, the
board of any district may adopt, by resolution, a local option budget in an
amount not to exceed:

(1) (A) The amount which the board was authorized to adopt in
accordance with the provisions of this section in effect prior to its
amendment by this act; plus

(B) the amount which the board was authorized to adopt pursuant to
any resolution currently in effect; plus
(C) the amount which the board was authorized to adopt pursuant to
K.S.A. 72-6444, and amendments thereto, if applicable to the district; or
(2) the state-wide average for the preceding school year as
determined by the state board pursuant to subsection (j).

Except as provided by subsection (e), the adoption of a resolution
pursuant to this subsection shall require a majority vote of the members of
the board. Such resolution shall be effective upon adoption and shall
require no other procedure, authorization or approval.
(d) If the board of a district desires to increase its local option budget
authority above the amount authorized under subsection (c) or if the board
was not authorized to adopt a local option budget in 2006-2007, the board
may adopt, by resolution, such budget in an amount not to exceed the state
prescribed percentage. The adoption of a resolution pursuant to this-
subsection shall require a majority vote of the members of the board. The
resolution shall be published at least once in a newspaper having general
 circulation in the district. The resolution shall be published in substantial-
compliance with the following form:

Unified School District No. __________,
____________________County, Kansas.

RESOLUTION

Be It Resolved that:
The board of education of the above-named school district shall be
authorized to adopt a local option budget in each school year in an amount
not to exceed ____% of the amount of state financial aid. The local option
budget authorized by this resolution may be adopted, unless a petition in
opposition to the same, signed by not less than 5% of the qualified electors
of the school district, is filed with the county election officer of the home
county of the school district within 30 days after publication of this
resolution. If a petition is filed, the county election officer shall submit the
question of whether adoption of the local option budget shall be authorized
to the electors of the school district at an election called for the purpose or
at the next general election, as is specified by the board of education of the
school district:

CERTIFICATE

This is to certify that the above resolution was duly adopted by the
board of education of unified School District
No. __________, ____________________________ County,
Kansas, on the ________ day of ____________________
________, __________.
Clerk of the board of education.

All of the blanks in the resolution shall be filled as is appropriate. If a sufficient petition is not filed, the board may adopt a local option budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local option budget shall be authorized. Any such election shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

(e)(1) Any resolution authorizing the adoption of a local option budget in excess of 30% of the state financial aid of the district in the current school year shall not become effective unless such resolution has been submitted to and approved by a majority of the qualified electors of the school district voting at an election called and held thereon. The election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto.

(2) For any school district that is required to make a transfer of moneys to the local option budget fund of such school district pursuant to subsection (c) of section 1, and amendments thereto, any resolution adopted during school year 2013-2014 authorizing the adoption of a local option budget in excess of an amount equal to the local option budget authorized for school year 2012-2013 less any amount transferred to the local option budget fund of the school district pursuant to subsection (c) of section 1, and amendments thereto, shall not become effective unless such resolution has been submitted to and approved by a majority of the qualified electors of the school district voting at an election called and held thereon. The election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto.

(f) Unless specifically stated otherwise in the resolution, the authority to adopt a local option budget shall be continuous and permanent. The board of any district which is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any district whose authority to adopt a local option budget is not continuous and permanent refrains from adopting a local option budget, the authority of such district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget.

(g) The board of any district may initiate procedures to renew or—
increase the authority to adopt a local option budget at any time during a
school year after the tax levied pursuant to K.S.A. 72-6435, and
amendments thereto, is certified to the county clerk under any existing
authorization.

(h) The board of any district that is authorized to adopt a local option
budget prior to the effective date of this act under a resolution which
authorized the adoption of such budget in accordance with the provisions
of this section in effect prior to its amendment by this act may continue to
operate under such resolution for the period of time specified in the
resolution or may abandon the resolution and operate under the provisions
of this section as amended by this act. Any such district shall operate under
the provisions of this section as amended by this act after the period of
time specified in the resolution has expired.

(i) Any resolution adopted pursuant to this section may revoke or
repeal any resolution previously adopted by the board. If the resolution
does not revoke or repeal previously adopted resolutions, all resolutions
which are in effect shall expire on the same date. The maximum amount of
the local option budget of a school district under all resolutions in effect
shall not exceed the state prescribed percentage in any school year.

(j) (1) There is hereby established in every district that adopted a local
option budget a fund which shall be called the supplemental general fund.
The fund shall consist of all amounts deposited therein or credited thereto
according to law.

(2) Subject to the limitation imposed under paragraph (3) and
subsection (c) of K.S.A. 72-6434, and amendments thereto, amounts in the
supplemental general fund may be expended for any purpose for which
expenditures from the general fund are authorized or may be transferred to
any program weighted fund or categorical fund of the district. Amounts in
the supplemental general fund attributable to any percentage over 25% of
state financial aid determined for the current school year may be
transferred to the capital improvements fund of the district and the capital
outlay fund of the district if such transfers are specified in the resolution
authorizing the adoption of a local option budget in excess of 25%.

(3) Amounts in the supplemental general fund may not be expended
for the purpose of making payments under any lease-purchase agreement
involving the acquisition of land or buildings which is entered into
pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

(4) (A) Except as provided in paragraph subparagraph (B), any
unexpended budget remaining in the supplemental general fund of a
district at the conclusion of any school year in which a local option budget
is adopted shall be maintained in such fund.

(B) If the district received supplemental general state aid in the
school year, the state board shall determine the ratio of the amount of-
supplemental general state aid received to the amount of the local option
budget of the district for the school year and multiply the total amount of
the unexpended budget remaining by such ratio. An amount equal to the
amount of the product shall be transferred to the general fund of the-
district or remitted to the state treasurer. Upon receipt of any such-
remittance, the state treasurer shall deposit the same in the state treasury to
the credit of the state school district finance fund.

(k) Each year the state board of education shall determine the-
statewide average percentage of local option budgets legally adopted by-
school districts for the preceding school year.

(l) The provisions of this section shall be subject to the provisions of
K.S.A. 2011 Supp. 72-6433d and section 1, and amendments thereto.
Sec. 13. 10. K.S.A. 2011 Supp. 72-6460 is hereby amended to read as
follows: 72-6460. (a) For school years 2011-2012 and
2012-2013, subject to any limitations as provided in this act, any school
district may expend the unencumbered balance of the moneys held in the
at-risk education fund, as provided in K.S.A. 76-6414a, and amendments
thereto, bilingual education fund, as provided in K.S.A. 72-9509, and
amendments thereto, contingency reserve fund, as provided in K.S.A. 72-
6426, and amendments thereto, driver training fund, as provided in K.S.A.
72-6423, and amendments thereto, parent education program fund, as
provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-
risk education fund, as provided in K.S.A. 72-6414b, and amendments
thereto, professional development fund, as provided in K.S.A. 72-9609,
and amendments thereto, summer program fund, as provided in K.S.A. 72-
8237, and amendments thereto, textbook and student materials revolving
fund, as provided in K.S.A. 72-8250, and amendments thereto, special
education fund, as provided in K.S.A. 72-965 and 72-6420, and
amendments thereto, virtual school fund, as provided in K.S.A. 72-3715,
and amendments thereto, and vocational education fund, as provided in
K.S.A. 72-6421, and amendments thereto, to pay for general operating
expenses of the district out of the general fund as approved by the board of
education of such district. For school year 2011-2012, any
moneys transferred to the general fund of a school district pursuant to this
section shall be expended first to pay for those costs incurred by the
school district due to increases, if any, in the adjusted enrollment of the
district and the at-risk pupil enrollment of the district compared to such
enrollments in school year 2010-2011.

The board of education of a school district shall consider the use of
such funds in the following order of priority:

(1) At-risk education fund, bilingual education fund, contingency
reserve fund, driver training fund, parent education program fund,
preschool-aged at-risk education fund, professional development fund,
summer program fund, virtual school fund and vocational education fund;
(2) textbook and student materials revolving fund; and
(3) special education fund.

The board of education of a school district shall not be limited to the
order of priority as listed in this subsection if the board so chooses. The
board of education of a school district shall not be required to use the total
amount of the unencumbered balance of moneys in a fund before using the
unencumbered balance of moneys in another fund.

(b) The amount of money expended by a school district in school
year 2011-2012 years 2011-2012 and 2012-2013 from the unencumbered
balance of moneys in the funds under subsection (a) of this section shall
not exceed, in the aggregate, an amount determined by the state board of
education. Such amount shall be determined by the state board as follows:
(1) Determine the adjusted enrollment of the district, excluding
special education and related services weighting, for the current school
year 2012-2013;
(2) subtract the amount of base state aid per pupil appropriated to the
department of education for fiscal year 2012 2013 the fiscal year ending
on June 30 of the current school year from $4,012; and
(3) multiply the difference obtained under paragraph (2) by the
number determined under paragraph (1);
(4) determine the adjusted enrollment of the district, excluding
special education and related services weighting, for the immediately
preceding school year 2011-2012;
(5) subtract the number determined under paragraph (4) from the
number determined under paragraph (1);
(6) if the difference determined under paragraph (5) is greater than
zero, then multiply such difference by the amount of base state aid per
pupil appropriated to the department of education for fiscal year 2013 the
fiscal year ending on June 30 of the current school year;
(7) determine the enrollment of the district adjusted only by the at-
risk pupil weighting determined pursuant to K.S.A. 72-6414, and
amendments thereto, the high density at-risk pupil weighting determined
pursuant to K.S.A. 72-6455, and amendments thereto, and the medium
density at-risk pupil weighting determined pursuant to K.S.A. 72-6459,
and amendments thereto, for the immediately preceding school year
2011-2012;
(8) determine the enrollment of the district adjusted only by the at-
risk pupil weighting determined pursuant to K.S.A. 72-6414, and
amendments thereto, the high density at-risk pupil weighting determined
pursuant to K.S.A. 72-6455, and amendments thereto, and the medium
density at-risk pupil weighting determined pursuant to K.S.A. 72-6459,
and amendments thereto, for the current school year 2012-2013;
(9) subtract the number determined under paragraph (7) from the number determined under paragraph (8);
(10) if the difference determined under paragraph (9) is greater than zero, then multiply such difference by the amount of base state aid per pupil appropriated to the department of education for fiscal year 2013 the fiscal year ending on June 30 of the current school year; and
(11) add the products determined under paragraphs (3), (6) and (10). The product sum is the aggregate amount of moneys that may be expended by a school district in the current school year 2011-2012 2012-2013 from the unencumbered balance of moneys in the funds under subsection (a) of this section.

(c) It is the public policy goal of the state of Kansas that at least 65% of the aggregate of all unencumbered balances authorized to be expended for general operating expenses pursuant to subsection (a) shall be expended in the classroom or for instruction, as provided in K.S.A. 2011 Supp. 72-64c01, and amendments thereto.

Sec. 14. K.S.A. 2011 Supp. 72-8237 is hereby amended to read as follows: 72-8237. (a) The board of education of any school district may:
(1) Establish, operate and maintain a summer program for pupils; (2) enter into cooperative or interlocal agreements with one or more other boards of education for the establishment, operation and maintenance of a summer program for pupils; and (3) prescribe and collect fees for providing a summer program for pupils or provide such program without charge.
(b) Fees for providing a summer program for pupils shall be prescribed and collected only to recover the costs incurred as a result of and directly attributable to the establishment, operation and maintenance of the program.
(c) No school district may collect fees for providing a summer program for pupils required to attend such a program in accordance with the provisions of law, rules and regulations of the state board of education, policy of the board of education, or an individualized education plan developed for an exceptional child.
(d) There is hereby established in every district which establishes, operates and maintains a summer program a fund which shall be called the summer program fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by a district from fees collected under this section or from any other source for summer programs shall be credited to the summer program fund. The expenses of a district directly attributable to summer programs shall be paid from the summer program fund.

Any unencumbered balance of moneys remaining in the summer program fund of a school district on June 30, 2011, or June 30, 2012, may be expended in the school year 2011-2012 2012-2013 the school
year that immediately succeeds such date by the school district for
general operating expenses of the school district as approved by the board
of education.
(e) As used in this section, the term "summer program" means a
program which is established by the board of education of a school district
and operated during the summer months for the purpose of giving remedial
instruction to pupils or for the purpose of conducting special projects and
activities designed to enrich and enhance the educational experience of
pupils, or for both such purposes.
Sec. 15. K.S.A. 2011 Supp. 72-8250 is hereby amended to read as
follows: 72-8250. (a) There is hereby established in every school district a
textbook and student materials revolving fund. Moneys in such fund shall
be used to:
(1) Purchase any items designated in K.S.A. 72-5389, and
amendments thereto;
(2) pay the cost of materials or other items used in curricular,
extracurricular or other school-related activities; and
(3) purchase textbooks as authorized by K.S.A. 72-4141, and
amendments thereto.
(b) Any balance remaining in the textbook and student materials
revolving fund at the end of the budget year shall be carried forward into
that fund for succeeding budget years. Such fund shall not be subject to the
provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
In preparing the budget of such school district, the amounts credited to and
the amount on hand in the textbook and student materials revolving fund,
and the amount expended therefrom shall be included in the annual budget
for the information of the residents of the school district. Interest earned on
the investment of moneys in any such fund shall be credited to that fund.
Any unencumbered balance of moneys remaining in the textbook and
student materials revolving fund of a school district on June 30, 2011,
or June 30, 2012, may be expended in school year 2011-2012 2012-
2013 the school year that immediately succeeds such date by the school
district for general operating expenses of the school district as approved by
the board of education in an amount not to exceed 1/3 of the
unencumbered balance of the school district's textbook and student
materials revolving fund.
Sec. 16. K.S.A. 2011 Supp. 72-9509 is hereby amended to read as
follows: 72-9509. (a) There is hereby established in every school district a
fund which shall be called the bilingual education fund, which fund shall
consist of all moneys deposited therein or transferred thereto according to
law. The expenses of a district directly attributable to such bilingual
education programs shall be paid from the bilingual education fund.
(b) Any balance remaining in the bilingual education fund at the end
of the budget year shall be carried forward into the bilingual education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the bilingual education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the bilingual education fund of a school district on June 30, 2011, or June 30, 2012, may be expended in school year 2011-2012 2012-2013 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

(c) Each year the board of education of each school district shall prepare and submit to the state board a report on the bilingual education program and assistance provided by the district. Such report shall include information specifying the number of pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

Sec.47. 14. K.S.A. 2011 Supp. 72-9609 is hereby amended to read as follows: 72-9609. There is hereby established in every school district a fund which shall be called the professional development fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district from whatever source for professional development programs established under this act shall be credited to the fund established by this section. The expenses of a school district directly attributable to professional development programs shall be paid from the professional development fund.

Any unencumbered balance of moneys remaining in the professional development fund of a school district on June 30, 2011, or June 30, 2012, may be expended in school year 2011-2012 2012-2013 the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

Sec.48. 15. K.S.A. 2011 Supp. 72-965, 72-3607, 72-3715, 72-6414a, 72-6414b, 72-6420, 72-6421, 72-6423, 72-6426, 72-6433, 72-6460, 72-8237, 72-8250, 72-9509 and 72-9609 are hereby repealed.

Sec.49. 16. This act shall take effect and be in force from and after its publication in the statute book Kansas register.