



Kentucky Association of School Superintendents

2019-2020 Legislative & Advocacy Priorities

A major pillar in a successful Kentucky is a strong public school system. In addition to preparing our children for post-secondary training and careers, public schools develop children to be healthy, productive, contributing members of society. Because our children represent our future, our economic prosperity depends, in large part, on our investment in our public schools. The Kentucky Association of School Superintendents presents these legislative priorities to help chart a path to a better Kentucky through stronger public schools.

Priority 1a

Educator Development and Support & Building a Strong Pipeline

The fundamental purpose of P-12 education in Kentucky is to prepare students for success in life and upon graduation, ensure their readiness for post-secondary training, careers and beneficial contributions to society. The number one factor influencing student learning achievement and success in our schools is the quality of the professional educators working with and around our students. The research is clear: improving the instructional and leadership capacity of teachers, principals, superintendents and other educational professionals is critically important to our educational progress in Kentucky. Kentucky's educational policies must ensure that we can attract and retain the best and brightest teachers, administrators and staff to serve our schools. Our policies must enable these professionals to receive quality professional development and training over their careers, along with the resources and tools to do their jobs and deliver on achieving our goals.

High quality professionals desire a competitive salary, along with benefits that include a secure retirement and healthcare they can depend on. In addition, engaged and motivated professionals need opportunities to learn and grow, as well as the tools and resources needed for their work with students. With a shrinking pipeline of students entering teacher education programs in Kentucky and across the nation, this is a priority that needs immediate attention. Kentucky needs to invest in public education to ensure that high quality professionals will lead our classrooms, schools, and districts well into the future, and for the well-being of our future!

KEY POINTS:

How does Kentucky address key policy levers to improve Kentucky's ability to attract, retain and develop high quality, well-trained men and women to work with and around our students? We must:

- Ensure that professional educators receive competitive salaries and benefits, including a secure retirement and high-quality health insurance;
- Ensure that their working conditions are safe, clean, and well-maintained, in brief, an environment that is conducive to effective teaching and learning;
- Provide an adequate supply of tools - like instructional materials, technology and other resources – teachers need to do excellent work;
- Enhance the instructional and leadership capacity of professional educators through on-going, personalized professional growth and development opportunities that will improve professional practice and performance efficacy;
- Provide coaching and mentoring, particularly in the early years of professional practice, to support educator growth and development through effective on-boarding and induction programs;
- Provide support for education career pathways to inspire people to become educators. This includes attracting both traditional and non-traditional entrants into the professional education practice; and
- Ensure that professional responsibilities are aligned with professional training and preparation. For example, teachers must be trained to teach, not to act as school counselors, social workers, or behavioral health specialists.

It is imperative we change the narrative and improve the brand for professional education careers in Kentucky. While we must debate policy proposals that impact the profession, we must do so without damaging the profession with negative rhetoric.

Priority 1b

Adequate and Equitable Funding for Public Education

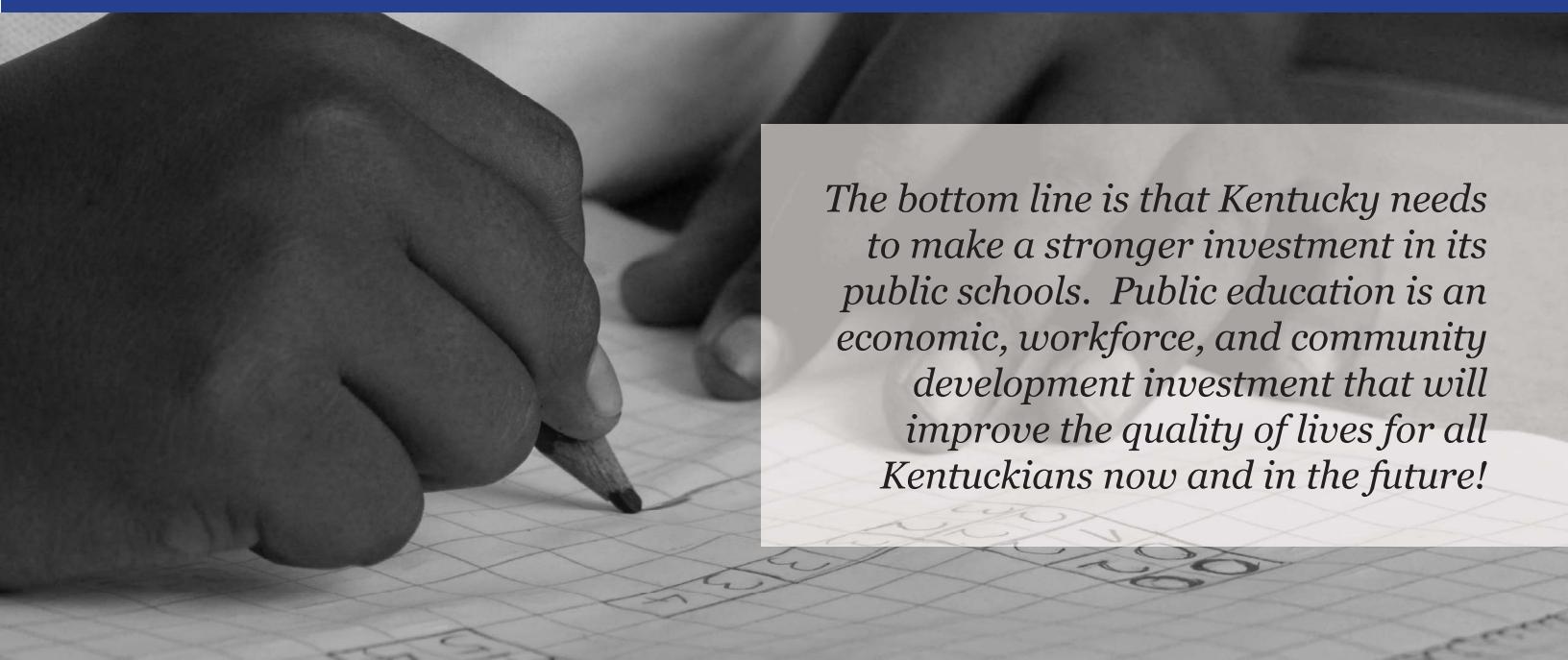
In order to ensure that all students are transition and life-ready, it is necessary to receive adequate and equitable funding from the General Assembly according to their responsibility, based on Section 183 of the Kentucky Constitution. The lack of such funding severely impacts our most vulnerable and at-risk students and is most visibly noted in the areas of pupil transportation, preschool and full-day kindergarten.

The SEEK (Support Education Excellence in Kentucky) formula is not a funding formula as it has been called by some; it is actually a distribution formula designed to provide equitably for school districts in most areas of funding when it is adequate in its base - which is set by the General Assembly. When base funding is inadequate, all areas of funding are exponentially negatively impacted because every other area of funding is a factor of the base. In addition, the lack of adequate funding at the state level has required local taxpayers to bear the burden of higher property taxes since local school districts have limited means of raising revenue locally. The General Assembly should provide local school boards with more flexibility to implement or raise taxes to support their students.

KEY POINTS:

- Over the past two decades, education has lost considerable ground in the state budget: In 1996-97, education made up 52 percent of the total budget, while in 2019-20 it comprises only 43 percent of the total. If education funding today made up 52 percent of the budget, there would be approximately \$1 billion additional dollars available to our schools!
- Since the enactment of KERA in 1990, the total state budget has grown 255 percent, while education has increased only 232 percent. This is further evidence of the declining investment in education.
- While Kentucky's Constitution declares that education is a state responsibility, local communities are increasingly carrying a larger financial burden relative to the state's contribution.
- While some modest increases have been granted for SEEK, other critical grant programs like instructional materials, preschool, safe schools and professional development for new teachers, principals and superintendents, have been cut or eliminated.
- When the SEEK base remains flat - as it has during the current biennium- and the property assessments increase over the same period, the net effect is less funding distributed through SEEK. For example, total state SEEK funding for Fiscal Year = \$2,478,930,994 versus total SEEK Fiscal Year 202 = \$2,368,898,681. This is a net reduction of \$110 million in the SEEK fund for FY2020

<https://education.ky.gov/districts/SEEK/Pages/default.aspx>



The bottom line is that Kentucky needs to make a stronger investment in its public schools. Public education is an economic, workforce, and community development investment that will improve the quality of lives for all Kentuckians now and in the future!

Other Important Priorities

Kentucky Teachers' Retirement System

A sound pension system helps Kentucky recruit and retain quality teachers, making it an important human resources strategy for the state. As noted above, quality teachers and staff are the primary evidence-based factor in improving student achievement. Because Kentucky teachers are in almost all cases prohibited from participating in Social Security, KTRS benefits are their only economic safety net in retirement. KASS implores the General Assembly to continue full funding of the pension systems while maintaining a defined benefit protected by the inviolable contract with educators that includes the state's contribution requirement.

KEY POINTS:

- KTRS is a long-term investor whose long-term outlook is a 30-year compounded gross return of 8.4 percent. As the following chart shows, over the past 10 years, KTRS has performed in the top 1 percent of pension funds nationally, earning a net \$12.4 billion. This is particularly impressive considering that KTRS performed so well despite receiving about half of the state contribution requested, and in spite of the worst recession of our lifetime.
- The slide below shows the performance of KTRS between 1985 and 2018. Over the past 33 years, KTRS has grown by \$18.3 billion, from \$1.8 billion to \$20.1 billion, in spite of persistent underfunding during this time period and the worst recession of our lifetimes thus far.

TRS Now

Schedule of Funds Available for Retirement Benefits



Beginning Balance as of July 1, 1985	\$ 1.8
Member & Other Contributions	7.3
Employer Contributions	13.4
Investment Income	26.5
Benefit Payments & Refunds	(28.7)
Administrative Expenses	(0.2)
Ending Balance as of June 30, 2018	\$20.1

- This past year, the total fund grew over \$350 million dollars when factoring for investment gains of 5.59 percent net of fees and the harvesting of assets purchased low and sold high - a long-term strategy of rebalancing the portfolio.
- In fact, in the two previous points it's quite noteworthy that the fund experienced negative cash flows (contributions minus benefits paid = cash flow), which is normal in mature pension funds (as well as 401K funds). Despite these expected negative cash flows, the bottom line is that the fund grew significantly over the past 33-years as well as the past year, when considering the total financial picture: increases of \$18.3 billion over 33 years and \$350 million last year.

- Shared Responsibility of 2010 (HB540) for the retiree healthcare reduced the unfunded liability of the state by \$5 billion and helped improve the state's bond rating. Prior to 2010, the state voluntarily funded this program. It is working well and is ahead of schedule toward 100 percent funding. It went from a pay-as-you-go fund to a pre-funded benefit program and is already 36.3 percent funded and that percentage is growing annually. The state agreed to pay for retirees under the age of 65 who retired on or after July 1, 2010 less the difference the retirees pay.
- Think of KTRS as an immortal being in terms of its investment strategy - it has an infinite life-span and can always invest for the long-term. The system is designed for a reduced ratio of active employees to retirees because it benefits from the power of compounding over the long-term.
- Policies enacted by KTRS have worked to increase years of service by its members. The mean age of retirement in KTRS is 59, up from 54 in 2004. The mode (the most frequent age of retirement) is 55, up from 52.
- Bottom-line, the state's unfunded liability, which primarily a result of persistent underfunding over many years, has resulted in a debt of \$12 billion, which is constitutionally obligated. After this fiscal year, there are 25 years left on the pay back schedule. Interestingly, the original request by the actuaries was underfunded by one-third (\$1.5 million requested - \$1 million received). The current commitment by the Governor and General Assembly have been important in beginning the process of paying off the state's obligated debt.
- Minus the unfunded liability, the current KTRS plan costs less than Social Security.



Other Important Priorities

Opposition to any privatization of Kentucky Public Funding for Education

While KASS supports the rights of parents to choose the educational option for their child, we strongly oppose efforts to privatize public funds for education. Further, we oppose any diversion of public education funds to private agencies through any mechanism including vouchers, tax credits or any other methods. Because public education is currently underfunded in Kentucky, we oppose funding charter schools until our public schools are adequately funded.

KEY POINTS:

- Tax credits will reduce state funding at a time when public education funding has been reduced relative to the total state budget.
- SB1 of 2019 regarding school safety will require significant resources to meet the intent of the law and move the safety agenda forward in Kentucky schools. Tax credits will reduce state funding that could be used to implement SB1.
- The majority of Kentucky communities do not have certified private schools, which are concentrated in the population centers of the state. Tax credits for private schools will simply shift funds from rural districts to private schools in the larger population centers.
- The Tax Expenditure Task Force comprised of Kentucky legislators, which met in 2018, made its top recommendation the elimination of most current tax credits - not creating new ones.
- Proponents will tout savings to schools because of fewer students. However, those of us who run schools know that many essential services will continue as fixed costs regardless - utilities, transportation, food service, maintenance costs - to name a few.
- In states that have implemented tax credits, there have been numerous instances of abuse and gaming of the system (e.g. scholarship circles, etc.).

Other Important Priorities

Role of School Based Decision Making (SBDM) Councils

KASS values the voice of teachers, support staff, parents, students and community members in the governance and decision-making process for schools and districts. In order to provide improved authority alignment with the responsibility to advance student achievement in Kentucky Public Schools, we support a balance in role of SBDM Councils, school boards and districts within the governance model for public education. Such a change will improve coherence, coordination and collaboration within the school system and give the district and school leaders most accountable for student learning the ability to make research-based school management decisions with the goal of improving student achievement.

KEY POINTS:

- There needs to be a better balance of authority as it relates to curriculum, instruction and assessment, with SBDM Councils retaining a strong teacher/parent voice while creating more coherence across schools in the district.
- We need to ensure every school district in the Commonwealth operates as a School System versus operating as systems of isolated schools.

Principal Hiring

Great schools are led by great principals. Superintendents are responsible for supervising, supporting and developing strong school principals. To bring stronger responsibility and accountability to superintendents for principal success, principal hiring should be made by the superintendent in consultation with the SBDM Council. Principals will benefit knowing the superintendent has a stake in their success. Teachers, board members, and the community can hold superintendents more accountable for school and student success. SBDM Councils would still have a voice in principal hiring much like principals hire teachers in consultation with the SBDM Councils. Consultation should be a minimum standard, with superintendents having the latitude to engage SBDM councils more fully if they choose.

KEY POINTS:

- Superintendents should be afforded the same courtesy in hiring principals as principals have for hiring teachers - in consultation with the SBDM councils.
- Although superintendents cannot hire principals, they are responsible for evaluating, developing, supporting principals and ultimately determining their job status. We know of no other job anywhere in which the CEO is not able to directly hire his or her top administrators.
- Principals will benefit knowing the superintendent hired them and has a stake in their success, which will improve trust and collaboration.
- Boards of Education will have more accountability over their superintendents if the superintendent is responsible for hiring high quality principals. Under the current system, superintendents can always place fault for a poor hiring decision on the school council.
- This proposal retains a strong voice for teachers and parents in the principal selection process.
- Superintendents will continue to have the latitude to fully include the SBDM Council as it is currently the case.



Other Advocacy Issues of Interest:

- Improve the nomination committee process to ensure representative stakeholder participation while preserving the basic structure of the KTRS Board and maintaining its nonpartisan, apolitical focus.
- Enhance Homeschool Provider Qualifications and Eligibility Requirements for Homeschool Students - require a high school diploma or GED to provide homeschooling; Home school students cannot have been habitual truants.
- Revise/Reduce training requirements for school boards regarding Charter Schools.
- Improve Foster Children and Educational Programming coordination between DCBS and schools.

- In addition to fully funding the School Safety and Resiliency Act of 2019 (SB1), we recommend the following:
 - Provide local districts more flexibility in hiring school-based mental health service providers, including licensed professionals who can provide medicare eligible students with appropriate reimbursable services. This change will allow local context to drive the decisions about staffing for school-based mental health professionals such as school counselors, school social workers, school psychologists and other licensed mental and behavioral health professionals.
 - Permit retired law enforcement officers to serve as School Resource Officers (SRO's) without a break in service while retaining all retirement benefits;
 - Clarify that Districts can hire any qualified person as the District Safety Coordinator (current language implies a requirement of administrative certification).

KASS Statement on Effective Advocacy

As the leadership of Kentucky's 173 public school districts, superintendents do not support the use of "Sick Outs" as a tool for legislative advocacy and, with the best interest of our students in mind, we urge teachers not to participate in such events during the school day.

We do however, want to stress that such reactions to proposed legislation would be rendered unnecessary if all those impacted were involved in discussions, drafting and modifications early in the process.

The most effective advocacy occurs at the local level, with elected officials. We encourage all teachers, staff and students to exercise their right to petition government without disrupting the education of our students.

Additionally and through numerous education-based associations, we are active in the legislative process and have a daily presence in Frankfort and our state capitol. This, in our opinion, is how we best participate in and monitor legislative activity during normal school operations versus negatively impacting students and families through "Sick Outs."

KASS supports the development of District Advocacy Teams...

... as another effective strategy for engaging teachers and other school district staff in the advocacy process. Districts are encouraged to develop a professional leave process for sending representatives to Frankfort during legislative sessions to give greater voice to those tasked with serving the educational needs of Kentucky's public school children. If all 172 school systems send representatives to the state capital on any given day, public education will be strongly represented. This is an effective and legal manner in which to advocate for our students, schools and profession while maintaining continuity and academic achievement in the classroom.

Kentucky Association of School Superintendents

Executive Committee

President	Dr. James Neihof, <i>Shelby County Schools</i>
President-Elect	Dr. Casey Allen, <i>Ballard County Schools</i>
Vice President	Dr. Houston Barber, <i>Frankfort Independent Schools</i>
Immediate Past President	Dr. Randy Poe, <i>Boone County Schools</i>
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