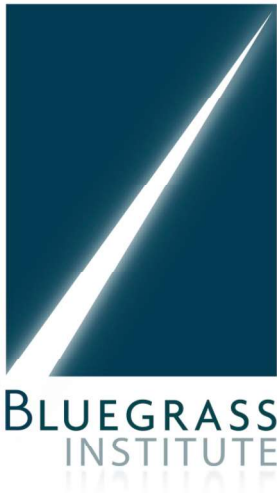


MISCALCULATING ACCOUNTABILITY

KENTUCKY'S SCHOOL FINANCIAL REPORTS JUST DON'T ADD UP



a Bluegrass Institute Policy Point
by Richard Innes
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MISCALCULATING ACCOUNTABILITY

Kentucky's School Financial Reports Just Don't Add Up

A Bluegrass Institute Policy Point by Richard G. Innes • November 2020

The Bluegrass Institute for Public Policy Solutions (BIPPS) frequently receives questions about financial information for Kentucky's public schools. Kentuckians want important information like how much their child's school really gets in per-pupil funding and how much money the state and the school district hold back from the amount actually reaching their child's school.

However, we're hampered in our ability to answer these questions due to important credibility issues we've discovered during past attempts over many years to accurately determine spending data for each school. Simply put, the numbers just don't look right.

We hoped the school-level financial picture was going to improve with passage of the federal Every Student Succeeds Act of 2015 (ESSA). This act included requirements for public reporting of school-level finances, something not previously required by either federal or Kentucky laws. Per ESSA, school-level financial reporting was to start with data from the 2018-19 school year.

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We expected to see the first numbers when the 2018-19 Kentucky School Report Cards came out in October 2019. However, the online report cards were posted with blanks in areas reserved for reporting per-pupil spending information. An Excel spreadsheet for school-level spending wasn't made available at that time, either.

Kentucky's 2018-19 school level financial data finally was made available on May 26, 2020, nearly three months after the COVID-19 pandemic shut down schools for the last part of the 2019-20 school term.¹ In addition to uploading some financial information in each school's individual report card,² an Excel spreadsheet³ with some combined data for all schools also was released at that time by the Kentucky Department of Education (KDE). That Excel spreadsheet offers several financial items for each school as listed in Table 1.

Table 1

Key Data Fields in the Kentucky Department of Education's School Funding Excel Spreadsheet with Abbreviated Field Descriptions Used in This Report's Tables		
Field Description in Excel Spreadsheet	Data Set Label in Excel Spreadsheet	Field Names Used in Tables in This Report
Name of Kentucky school district	DIST_NAME	District
Name of school	SCH_NAME	School
Personnel spending from Federal funds divided by student membership	PERSON_PER_STU_FED	Personnel Spending per Student - Federal Funds
Non-Personnel spending from Federal funds divided by student membership	NONPERSON_PER_STU_FED	Non-Personnel Spending per Student - Federal Funds
Total Federal fund spending divided by student membership	TOTAL_PER_STU_FED	Total Spending per Student - Federal Funds
Personnel spending from State/Local funds divided by student membership	PERSON_PER_STU_STATELOCAL	Personnel Spending per Student - State/Local Funds
Non-Personnel spending from State/Local funds divided by student membership	NONPERSON_PER_STU_STATELOCAL	Non-Personnel Spending per Student - State/Local Funds
Total State/Local fund spending divided by student membership	TOTAL_PER_STU_STATELOCAL	Total Spending per Student - State/Local Funds
Total spending divided by student membership	TOTAL_PER_STU_ALLFUNDS	Total Spending Per Student - All Fund Sources

Notice in Table 1 the funding comes from three main sources: federal, state and local. For reasons unknown, the spreadsheet groups state and local funding amounts together into one number such as “Personnel Spending from State/Local Funds Divided by Student Membership” even though separating state and local dollars would be more useful.

Table 1 contains very limited data by offering only two breakdowns of the spending types: money spent on personnel and that for all other spending listed as “Non-Personnel.”

There are also columns showing purported total spending per pupil from both types of federal spending, personnel and non-personnel, and a separate but similar accounting of total spending of combined state and local money.

Finally, the last data field item shows alleged total overall spending per pupil in each school from all funding sources.

Also note that the field names as shown in the far-right column of Table 1 are used in the following tables in this Policy Point along with the related data set labels.

In examining Table 1, it is obvious there isn't a lot of spending information. By way of comparison, the KDE's district level Revenues and Expenditures reports break spending down in much more detail, including numerous accounts that might be worthwhile using at the school level such as those in Table 2.⁴

Table 2

MUNIS Account Codes Used for District Level Reporting	
1000" "Student Support	3400" "Other Non-Instruction
2100" "Instruction Staff	3900" "Facilities Land/Site Acquisition
2300 "School Admin	4100" "Facilities Land Improvement
2400" "Business	4200" "Facilities Architecture and Engineering
2500" "Plant Operations	4300" "Facilities Education Specification
2600" "Pupil Transportation	4400" "Facilities Building Acquisition & Construction
2700" "Other Support Services	4500" "Facilities Site Improvement
2900 " "Food Service	4600" "Facilities Building Improvement
3100" "Day Care Operations	4700" "Other Facilities Acquisition
3200" "Community Services	

Clearly, the school-level spending breakout is far less detailed.

Even though the school-level data is limited and state and local dollars have been lumped together, the organization of the KDE’s spreadsheet invites several different types of analyses.

- The first and most obvious analysis is to simply rank all schools for their total spending from all sources to see if some schools spend extraordinarily low or high amounts compared to other schools.
- A second analysis is to examine how well reported total federal spending compares with the sum of the reported federal personnel plus non-personnel spending.
- A third analysis, similar to the second, is to look at how well the state/local total spending compares to the sum of the state/local personnel plus non-personnel figures.

Initially, those three examinations were all we intended to perform. However, more analyses were added after the results from the first three proved problematic.

- A fourth evaluation was undertaken to look at how well the sum of the four individual personnel and non-personnel figures compared to the reported overall total spending in each school.
- Two final examinations looked only at the sums of personnel spending from federal and state/local sources and the sums of non-personnel spending from federal and state/local sources.

All results from the analyses were assembled into a BIPPS Excel spreadsheet which is available online.⁵ That spreadsheet reveals some schools have obviously non-credible data.

The BIPPS spreadsheet contains three main sections:

1. A “BIPPS Cover Sheet” page which has a brief explanation of the remaining worksheets. This tab is colored yellow.
 2. The “Cover Sheet” and “DATA” sheet as downloaded from KDE’s school report cards web site, on orange-colored tabs marked “KDE COVER SHEET” and “KDE DATA.” These are as downloaded except that on the “KDE COVER SHEET” the link to the spreadsheet is added as the “Source” item at the very bottom of the worksheet. Also, the notation “KDE” is added to each tab’s title to show the source for that tab.
 3. Other worksheets, found on green-colored tabs, assembled by BIPPS. These include a number of different sorts of the data as described below.
-

“Sort on Total Spending” Excel Tab – How the overall total figures looked

This worksheet is sorted on the last column in the original KDE Excel Spreadsheet, the TOTAL_PER_STU_ALLFUNDS column, which is translated on the KDE Cover Sheet to be the “Total Spending per Student - All Fund Sources.” Table 3 captures the very top and very bottom parts of the “Sort on Total Spending” tab.

It’s easy to see that even the results from this very simple analysis reveal some obviously non-credible data.

As seen in Table 3, the reported top spending school in Kentucky, Paris Middle School, shows a totally non-credible total per-pupil spending amount of \$1,304,139.

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THE REPORTED TOP SPENDING
SCHOOL IN KENTUCKY SHOWS A
TOTALLY NON-CREDIBLE TOTAL
PER-PUPIL SPENDING AMOUNT

OF \$1,304,139.

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Table 3

Kentucky Public Schools with Highest and Lowest Total Per Student Spending from All Fund Sources, Sorted by Amount, from the "Sort on Total Spending" worksheet, 2018-19 School Year		
District	School	Total Spending per Student - All Fund Sources (TOTAL_PER_STU_ALLFUNDS)
Paris Independent	Paris Middle School	\$1,304,139
Hardin County	Creekside Elementary School	\$262,794
Hardin County	Meadow View Elementary School	\$262,321
Hardin County	North Park Elementary School	\$244,914
Hardin County	North Hardin High School	\$149,721
Martin County	Martin County High School	\$41,003
Murray Independent	Murray High School	\$38,885
Hardin County	Central Hardin High School	\$33,081
Hardin County	North Middle School	\$31,877
Jefferson County	Waggener High	\$30,696
Jefferson County	Crums Lane Elementary	\$28,192
▲ Schools with Highest Per Pupil Total Spending Schools with Lowest Per Pupil Total Spending ▼		
Webster County	Dixon Elementary School	\$7,427
Webster County	Webster County High School	\$7,377
Anderson County	Anderson County Middle School	\$7,232
Webster County	Webster County Middle School	\$6,846
Webster County	Sebree Elementary School	\$5,977

Just below Paris Middle, the Creekside Elementary School in Hardin County supposedly spent an almost as outrageous \$262,794 per pupil.

Creekside is directly followed by three more schools, also from the Hardin County school district, all with similarly incredible total spending claims.

But not all Hardin County schools show such outlandish spending figures. Central Hardin High School and Hardin County’s North Middle School reportedly spent far lower amounts per pupil, though the amounts claimed even for these schools appear out of line considering the average per-pupil spending in Kentucky in 2018-19 is reported as \$14,063.⁶

Clearly, something is amiss.

Hardin County isn’t alone, either. The Martin County High School supposedly spent a still rather impressive \$41,003 per student, which also stands out when you consider the average spending per pupil statewide across Kentucky. Did Martin County High School really spend \$41,003 per student in 2018-19 when the statewide average spending per student was just over \$14,000 that year? If so, Martin County should be running away from the rest of Kentucky academically. But in 2019 KPREP testing, this high school’s report card says it scored below state average in both reading and math.

Clearly, more research is needed to see if Martin County High is providing good bang for the buck. But, before getting excited about this, Kentuckians need to be sure that Martin County High's spending information is accurate.

Other schools also spent at least twice the statewide total per pupil average – if the KDE's spreadsheet is to be believed. For example, the Crums Lane Elementary School, also listed in Table 3, supposedly spent \$28,192 per pupil. Now, Crums Lane's school report card shows it is high minority and high poverty. So, this apparently quite high spending figure might be accurate, but the figure still warrants more analysis to insure it is correct.

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IF THIS IS REALLY TRUE,
PARENTS, STUDENTS
AND TEACHERS
SHOULD CONSIDER SUING
FOR A LACK OF EQUITABLE
SUPPORT.

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Things also look somewhat unusual, at best, when we examine the bottom of Table 3.

At the very bottom of the “Sort on Total Spending” worksheet extract is Webster County's Sebree Elementary School, which supposedly only spent \$5,977 per pupil in total in 2018-19. If this is really true, parents, students and teachers should consider suing for a lack of equitable support given that the average per pupil total spending across Kentucky was over \$14,000.

Also, near the bottom of the worksheet, listed just four rows above Sebree, is the Dixon Elementary School, also from Webster County. Dixon supposedly gets \$7,427 per pupil, considerably more than Sebree.

But, consider this: according to data in each of these two schools' listings in the Kentucky School Report Cards for 2018-19, Sebree has 75.4% eligibility for school lunches (a poverty measure) while Dixon's eligibility rate is much lower at 43.5%. Also, other report card data indicate that 23.5% of Sebree's students are students with disabilities while only 15.9% of Dixon's students have similar challenges. Finally, Sebree is heavily populated with minority students as only 48.4% of the enrollment is composed of white students while 96.5% of the students in Dixon are white.

Based on those demographics, we would expect to see more money on a per pupil basis going to Sebree. However, Dixon gets much higher funding, instead. If the financial data in the Kentucky Department of Education's Excel spreadsheet is correct, it could point to significant funding inequity in Webster County. However, before Sebree parents get excited, more research is called for first, because we are not confident that the very low Sebree numbers in the KDE's school spending file are accurate.

One final note: if we accept the KDE's funding information, that would mean Crums Lane Elementary's funding is over 4.7 times higher than Sebree's. That huge difference doesn't seem credible and could point to more equity issues – if the funding data is close to accurate.

We broke the data down in several different ways

We wanted to see if additional interesting things popped out when we looked at subsections of the data. First, we checked if the sums of individual funding source sub-areas, both federal and state/local, made sense. Here is how that turned out.

“Federal Sum Checks” Excel Tab – Does federal personnel spending plus federal non-personnel spending equal total federal spending?

The DATA tab from the KDE spreadsheet reports several different categories of spending in schools along with several supposed “Total” columns. According to the legend on the “KDE COVER SHEET” tab, three columns deal only with federal per-pupil spending in each school. These columns are for:

- “Personnel Spending per Student - Federal Funds,” Labeled “PERSON_PER_STU_FED” on the actual spreadsheet,
- “Non-Personnel Spending per Student - Federal Funds,” Labeled “NONPERSON_PER_STU_FED” and
- “Total Spending per Student - Federal Funds,” Labeled “TOTAL_PER_STU_FED.”

One would assume that the last of these three columns, which is supposed to cover total spending per student from federal funds, would be equal to the sum of the first two columns. That assumption is explored in our Excel spreadsheet’s “Federal Sum Checks” tab. In this worksheet, the Fed Sum Checks column shows the difference between the sum of the “Personnel Spending per Student - Federal Funds” plus “Non-Personnel Spending per Student - Federal Funds” and the “Total Spending per Student - Federal Funds” column. One would expect there to be no difference, and this is the case for many schools. However, there also are a number of schools where the sum does not equal its parts. Those differences are shown in the “Fed Sum Checks” column in the Excel spreadsheet. The largest deviations in the “Federal Sum Checks” are shown in Table 4, and some are considerable.

For example, Williamstown Elementary School reported personnel spending from federal sources of \$14,639 and non-personnel federal spending of \$543, which adds up to \$15,182. However, the total federal fund spending listed for this school in the KDE’s spreadsheet is only \$1,638. Here, the total is \$13,544 less than the sum of the parts shown in the “Fed Sum Checks” column.

Shouldn’t the sum of the parts always equal the whole?

Certainly, some of the differences shown in Table 4 are quite large, raising major concerns about data accuracy and even basic bookkeeping.

Table 4

Kentucky Public Schools with Largest Disagreements For Federal Sub-Area Spending Amounts Compared to the Federal Total Spending, Sorted by Disagreement in Amounts, from the "Federal Sum Checks" worksheet, 2018-19 School Year					
District	School	Personnel Spending per Student - Federal Funds (PERSON_PER_STU_FED)	Non-Personnel Spending per Student - Federal Funds (NONPERSON_PER_STU_FED)	Total Spending per Student - Federal Funds (TOTAL_PER_STU_FED)	Fed Sum Checks
Williamstown Independent	Williamstown Elementary	14639	543	1638	13544
Williamstown Independent	Williamstown Sr. High	12963	414	822	12555
Williamstown Independent	Williamstown Jr. High	12898	582	1222	12258
Hardin County	North Hardin High School	838	4320	596	4562
Hardin County	Meadow View Elementary School	781	3378	587	3572
Hardin County	Sand Gap Elementary School	1787	612	1634	765
Hardin County	Cecilia Valley Elementary School	1171	185	811	545
Jackson County	McKee Elementary School	1313	481	1277	517
▲ Schools with Largest Positive Disagreement in Federal Funding Data		Schools with Largest Negative Disagreement in Federal Funding Data ▼			
Hardin County	Lakewood Elementary School	798	220	2661	-1643
Hardin County	Creekside Elementary School	757	2111	7654	-4786
Middlesboro Independent	Middlesboro Elementary School	2112	833	8858	-5913
Middlesboro Independent	Middlesboro Middle School	1887	416	8403	-6100
Ludlow Independent	Mary A. Goetz Elementary School	1520	6776	14889	-6593
Ludlow Independent	Ludlow High School	981	8679	16659	-6999
Wolfe County	Wolfe County High School	1069	392	8671	-7210
Middlesboro Independent	Middlesboro High School	1697	388	9792	-7707
Wolfe County	Campton Elementary School	983	332	9172	-7857
Wolfe County	Rogers Elementary School	1282	314	9813	-8217
Wolfe County	Wolfe County Middle School	1565	653	10679	-8461
Wolfe County	Red River Valley Elementary School	1712	348	10892	-8832
Estill County	Estill County High School	1130	242	10692	-9320
Cumberland County	Cumberland County Elementary School	2509	951	15168	-11708
Cumberland County	Cumberland County Middle School	2049	816	15254	-12389
Cumberland County	Cumberland County High School	2556	1267	16713	-12890

At the bottom of the worksheet, the Cumberland County High School shows relatively low figures for both the “Personnel Spending per Student - Federal Funds” and “Non-Personnel Spending per Student - Federal Funds” but somehow the officially reported “Total Spending per Student - Federal Funds” winds up to be \$12,890 higher than the sum of those two sub-total figures.

How is this possible? Is something other than personnel and non-personnel funding included in the federal total for Cumberland County High? If so, what is it and why isn't this substantial amount properly accounted for?

Certainly, all the large differences between the sum of the sub-total amounts and the overall reported totals need attention, but several large discrepancies such as in Cumberland High and Williamstown Elementary seem much more problematic. Nevertheless, this clearly dubious data exists in the KDE's school funding data, raising serious concerns about the information's quality.

In addition to the federal personnel and non-personnel funding breakdowns, we ran another, similar breakdown for spending from state and local sources combined. Let's see how that looks.

“State-Local Sum Checks” Excel Tab – Does the state/local personnel spending plus non-personnel spending equal total state/local spending?

This tab performs a similar examination to the one explained above for the Federal Sum Checks, but this time looking at how well the sum of the two components of combined state and local funding, “Personnel Spending per Student - State/Local Funds” plus “Non-Personnel Spending per Student - State/Local Funds” compares to what is presented as the “Total Spending per Student - State/Local Funds.”

Table 5 summarizes the schools with the largest discrepancies on our Excel spreadsheet’s “State-Local Sum Checks” tab.

Table 5

Kentucky Public Schools with Largest Disagreements For State/Local Sub-Area Spending Amounts Compared to the reported Total State/Local Spending, Sorted by Disagreement in Amounts, from the "State-Local Sum Checks" worksheet, 2018-19 School Year					
District	School	Personnel Spending per Student - State/Local Funds (PERSON_PER_STU_STATELOCAL)	Non-Personnel Spending per Student - State/Local Funds (NONPERSON_PER_STU_STATELOCAL)	Total Spending per Student - State/Local Funds (TOTAL_PER_STU_STATELOCAL)	State/Local Sum Checks
Hardin County	North Hardin High School	333624	47887	18766	362745
Hardin County	North Park Elementary School	286642	37787	18300	306129
Hardin County	Creekside Elementary School	255794	28092	6002	277884
Hardin County	Meadow View Elementary School	215384	29245	16032	228597
Hardin County	Central Hardin High School	29297	4572	17906	15963
Rockcastle County	Rockcastle County High School	9880	1262	1092	10050
Rockcastle County	Brodhead Elementary School	10394	1375	1727	10042
↑ Schools with Largest Positive Disagreement in State/Local Funding Data		Schools with Largest Negative Disagreement in State/Local Funding Data ↓			
Owensboro Independent	Owensboro Innovation Middle School	2313	198	13075	-10564
Hancock County	South Hancock Elementary School	9831	2017	22510	-10662
Ludlow Independent	Mary A. Goetz Elementary School	2185	2434	17074	-12455
Estill County	Estill County High School	2911	1372	17953	-13670
Ludlow Independent	Ludlow High School	2585	1820	19245	-14840

Topping the Table 5 list is North Hardin High School, where the sum of the “Personnel Spending per Student - State/Local Funds” and “Non-Personnel Spending per Student - State/Local Funds” columns is FAR above the total shown in the “Total Spending per Student - State/Local Funds” column. The discrepancy, as shown in the “State/Local Sum Checks” column, is an astronomical \$362,745 per pupil!

In North Hardin High School’s case, both the combined state and local personnel and the state/local non-personnel amounts appear to be way out of line, and their sum is FAR higher than what is reported as the total of all state and local spending. In fact, both individual sub-areas of state/local funding are way above the supposed total amount of spending from these sources. This just isn’t credible.

Other large discrepancies amounting to hundreds of thousands of dollars are found at the top of the worksheet for other Hardin County schools. But, curiously, the Central Hardin High School’s discrepancy, while certainly problematic, is far lower than the discrepancies for schools listed

above it, again making it less likely a blanket reporting mistake was made in all Hardin County schools.

The bottom of the Excel spreadsheet's "State-Local Sum Checks" tab is also very problematic, as shown by the bottom half of Table 5.

At the very bottom is Ludlow High School, where the sum of the state/local personnel and non-personnel funding per pupil is off by \$14,840 per pupil compared to the reported total.

Together, the sum of Ludlow High's state-local personnel and non-personnel spending per student is only \$4,405. But, total spending per student in this school from state/local funds is reported to be much higher at \$19,245. Where did the thousands of extra dollars shown in this school's total state/local spending come from if it wasn't from personnel or non-personnel? Where is the explanation for this? How can we use such dubious data intelligently?

All told, as shown in the full Excel worksheet, 62 schools have State/Local sub-amounts that are more than \$1,000 lower than the claimed total per pupil spending from local plus state sources. Where is that extra cash coming from? Does it exist at all?

Deciding to look deeper

Given the problems we identified with our first two checks of sums versus sub-amounts, we decided to dig some more, eventually adding three more tabs to our Excel spreadsheet.

"Sum of Individual Items v Total" Excel Tab – Does the sum equal the whole of the parts?

Things certainly get more interesting when we add the four sub-areas of spending together and compare that to the reported overall spending totals.

We added the "Personnel Spending per Student - Federal Funds" plus "Non-Personnel Spending per Student - Federal Funds" plus "Personnel Spending per Student - State/Local Funds" plus "Non-Personnel Spending per Student - State/Local Funds" columns and then

“ “ compared the result to the amounts shown in the Total Per Student All Funds column. We explore this in greater detail in **Appendix A** but summarize a few key points here.

NO REPUTABLE ACCOUNTANT WOULD ACCEPT SUCH IRRECONCILIABILITY. Topping this worksheet is North Hardin High School, where the sum of the four separate federal and state/local funding elements exceeds the reported overall total by a whopping \$236,948 per pupil.

” ” In fact, there are 71 schools on the full Excel worksheet tab where the sum of the parts exceeds the reported total by at least \$1,000. No reputable accountant would accept such irreconcilability.

At the bottom of this listing, Paris Middle School shows an enormous disparity in the opposite direction, with the supposed total funding amount exceeding the whole of its parts by a truly astonishing \$1,291,277 per pupil, which isn't remotely possible.

Just above Paris, the Martin County High School still shows a really big discrepancy between its reported overall total spending per student and the sum of the various parts that supposedly go into that total figure. The Martin County overall total spending is shown as \$41,003 per pupil – \$28,234 per pupil more than the total of the school’s listed personnel and non-personnel costs. How can that be? Where’s the extra money in the total figure coming from if it isn’t personnel or non-personnel spending, and why isn’t that large figure identified?

"Personnel Only Sums" Excel Tab – How much in total is spent on personnel?

This tab in our Excel worksheet computes the sum of only the federal and the state/local personnel funding amounts for each school. The resulting sum is shown in the " Total Personnel Spending, Local, State and Federal" column. **Appendix B** has greater details on this part of our study, but here are a few findings.

Several Hardin County schools appear at the top of this list, most with numbers that absolutely defy credibility. Can it really be that North Hardin High School spent a whopping \$334,462 per pupil in 2018-19 on personnel? If so, there either is a small army of staff members or those staff members include several multi-millionaires.

“If so, there either is a small army of staff members or those staff members include several multi-millionaires.”

At the other end of the spectrum for total personnel spending is Bedford Elementary School, which reportedly only spent \$421 from federal sources on personnel and just \$597 in additional personnel spending from state/local funding, for total per-student personnel spending of only \$1,018.

Could that make sense?

Consider this: A first grade teacher in Bedford Elementary might have about 16 to 20 students. Even if the number of students is 20, at only \$1,018 per head, that would only generate a total of \$20,360 total to pay this teacher with nothing left to cover the principal, secretary, school lunch personnel and so forth.

In fact, as of 2018-19, the actual average teacher salary in Trimble County, where this elementary school is located, was \$51,220⁷ – more than twice the figure that can be supported with a per student personnel amount of just \$1,018.

Bedford’s total spending amount doesn’t make sense.

Using the same logic, the \$1,686 per-pupil total spending reported for Sutton Elementary School in the Owensboro Independent School District would only generate \$33,720 in a 20-student classroom, not nearly enough to cover the 2018-19 costs when the average teacher’s salary in this district was \$52,957.

Clearly, at least in some cases, the true personnel costs must be very different from what is stated in the School Report Cards data.

"Non-Personnel Only Sums" Excel Tab – How much in total is spent on non-personnel costs?

This final worksheet adds the amount of “Non-Personnel Spending per Student - Federal Funds” plus “Non-Personnel Spending per Student - State/Local Funds” together to compute a "Total Non-Personnel Spending, Local, State and Federal" amount for each school.

Once again, Hardin County has several schools at the top of this worksheet with amounts which are tens of thousands of dollars higher than the next following schools.

The other end of this worksheet includes multiple schools from the Owensboro Independent School District with total non-personnel spending figures that just don't seem credible, either.

For example, the top spender for non-personnel costs in 2018-19 was Hardin High School, which shows a massive \$52,207 spent per student. The lowest spending high school was Owensboro High School, supposedly managing with non-personnel per-pupil spending of just \$312 per student! Neither sum seems likely. Explore more on this in **Appendix C**.

What might explain the fiscal reporting problems?

Financial accounting system complexity – The school-level finance figures in the school report cards are derived from the KDE's MUNIS financial accounting system, which is used in all of the state's school districts. Even a cursory examination of the many publications used to describe this system⁸ reveals its massive complexity, which is expected given the complex nature of school operations in general. Such complexity of course, is difficult to manage.

The Chart of Accounts is supposed to direct the loading of spending information into MUNIS. However, even the “Quick Reference Guide” for the Chart of Accounts for the 2020-2021 school term⁹ has 11 different tabs with as many as 505 different codes included on each tab. And, this is only a quick reference!

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MORE RECENT
EVIDENCE SHOWS THAT
MUNIS TODAY CONTINUES
TO SUFFER FROM DATA
INTEGRITY ISSUES.
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Clearly, even a very diligent attempt to correctly enter spending data into the MUNIS system is no small challenge. And, actual experience shows that MUNIS isn't always properly loaded.

The first major revelation about MUNIS coding problems was made during the development of Legislative Research Report 338 by the Kentucky Legislative Research Commission's Office of Education Accountability (OEA). This report, “Indicators of Efficiency and Effectiveness in Elementary and Secondary Education Spending,” was issued on Dec. 5, 2006 and later revised in 2013.¹⁰

Originally, the OEA was charged to conduct spending efficiency studies, a “bang for the buck” analysis. However, it became apparent to the agency that the data quality in the MUNIS figures was not solid enough to justify doing detailed efficiency work, and instead space was devoted in the report's Appendix E to catalog-specific MUNIS data integrity issues identified by the OEA.

It's worth noting that the 2013 revision to the report still details in Appendix E eight pages' worth of problems with specific MUNIS codes. The same appendix also includes several other tables showing state and federal grant money that was used for "Disallowed Expenditures," indicating possible additional confusion about not only coding of this money but actual authorized uses, as well.

Financial accounting quality control problems continue – Obviously, problems with MUNIS are not exactly news considering they date back to 2006. Still, more recent evidence shows that MUNIS today continues to suffer from data integrity issues. Some of that evidence comes from a series of draft attempts to create financial accounting documents to meet the new ESSA school-level reporting requirements. In the draft school-level expenditures report for Pike County's schools,¹¹ a curious entry surfaced for the school bus garage showing an expenditure for "Instruction" for the garage. But, this is where buses are maintained and not where students are educated.

Table 6

Extract from Pike County Schools' Draft School-Level Expenditures Report for 2017-18
(Item in Red Added)

DISTNUM	DISTNAME	FISCALYEAR	LOCATIONCODE	LOCATIONNAME	INSTRUCTION1000	STUDENTSUPPORT2100	INSTRUCTSTAFF2200	DISTRICTADM2300
491	Pike County	2017 - 2018	0	District Wide	3391436.09	3448845.89	3477254.19	0
491	Pike County	2017 - 2018	1	Central Office	0	0	0	2639067.76
491	Pike County	2017 - 2018	8	Locally Assigned	0	0	0	0
491	Pike County	2017 - 2018	10	Northpoint Academy	275858.32	0	0	0
491	Pike County	2017 - 2018	15	Pike County Day Treatment	615367.91	0	0	0
491	Pike County	2017 - 2018	51	Belfry Elementary	3182617.61	12236.14	69918.37	0
491	Pike County	2017 - 2018	54	East Ridge High School	2723422.73	83899.94	77538.69	0
491	Pike County	2017 - 2018	57	Feds Creek Elementary School	1501707.49	64627	2650.15	0
491	Pike County	2017 - 2018	58	Belfry Middle School	1928146.27	45224.65	56196.53	0
491	Pike County	2017 - 2018	59	Millard School	3980405.24	62614.26	66605.82	0
491	Pike County	2017 - 2018	60	Valley Elementary School	4648488.32	63603.56	90758.79	0
491	Pike County	2017 - 2018	90	Belfry High School	2932532.69	114504.07	64854.8	0
491	Pike County	2017 - 2018	130	Bevins Elementary School	1733072.83	32688.91	62162.97	0
491	Pike County	2017 - 2018	160	Blackberry Elementary School	229456.8	0	100	0
491	Pike County	2017 - 2018	190	Pike County Central High School	3165897.18	99869.36	61252.86	0
491	Pike County	2017 - 2018	200	Shelby Valley Day Treatment	6685	0	0	0
491	Pike County	2017 - 2018	250	Dorton Elementary School	1822953.23	0	68669.02	0
491	Pike County	2017 - 2018	300	Elkhorn City Elementary School	2940313.43	64541.54	67047.18	0
491	Pike County	2017 - 2018	450	Phelps Day Treatment	4530.13	0	0	0
491	Pike County	2017 - 2018	620	Johns Creek Elementary School	4433447.91	55764.08	71988.34	0
491	Pike County	2017 - 2018	650	Kimper Elementary School	1009689.9	32282.01	3232.42	0
491	Pike County	2017 - 2018	901	Bus Garage	33800.59	0	0	0
491	Pike County	2017 - 2018	904	Locally Assigned	18767.61	0	0	0
491	Pike County	2017 - 2018	906	Locally Assigned	160.11	0	0	0

A query to the KDE revealed this district was using the MUNIS code assigned to capture school-bus expenditures for something else entirely.

Clearly, there's inadequate oversight of the use of MUNIS as this error was repeated in the Pike County draft school-level expenditures report for 2018-19, as well.

How many other intentional coding deviations occur across Kentucky? No one knows.

Additionally, we got the impression that the KDE might believe it is limited in its ability to get local districts to follow MUNIS coding accurately. That needs more research.

Complexity in creating the school report card financial information

Even if the MUNIS system were completely accurate, creating the school-level financial information in the school report cards is a daunting challenge for local district finance personnel, several of whom mentioned that the instructions sent by the KDE on how to calculate the various report-card numbers from MUNIS are involved.

Consider this definition example, which was extracted from the 2018-19 Kentucky School Report Cards Glossary provided by staff at the KDE's Division of District Support:

Personnel Spending per Student - State/Local Funds

Total personnel expenditures from state/local funds divided by the student membership. Total personnel expenditures from state/local funds are defined by using: Fund 2x, 51; Functions between 1000 - 3900 and not functions 33xx or 34xx; Expenditure Objects 01xx - 02xx; projects "NOT" starting with 2, 3, 4, 5, 6; plus Fund 1; Functions between 1000 - 3900 and not functions 33xx or 34xx; Expenditure Objects 01xx - 02xx. School-level calculations for this data point are provided by the district, while the district-level calculations for this data point are calculated at KDE from Annual Financial Report data provided and verified by the district.¹²

Got that?

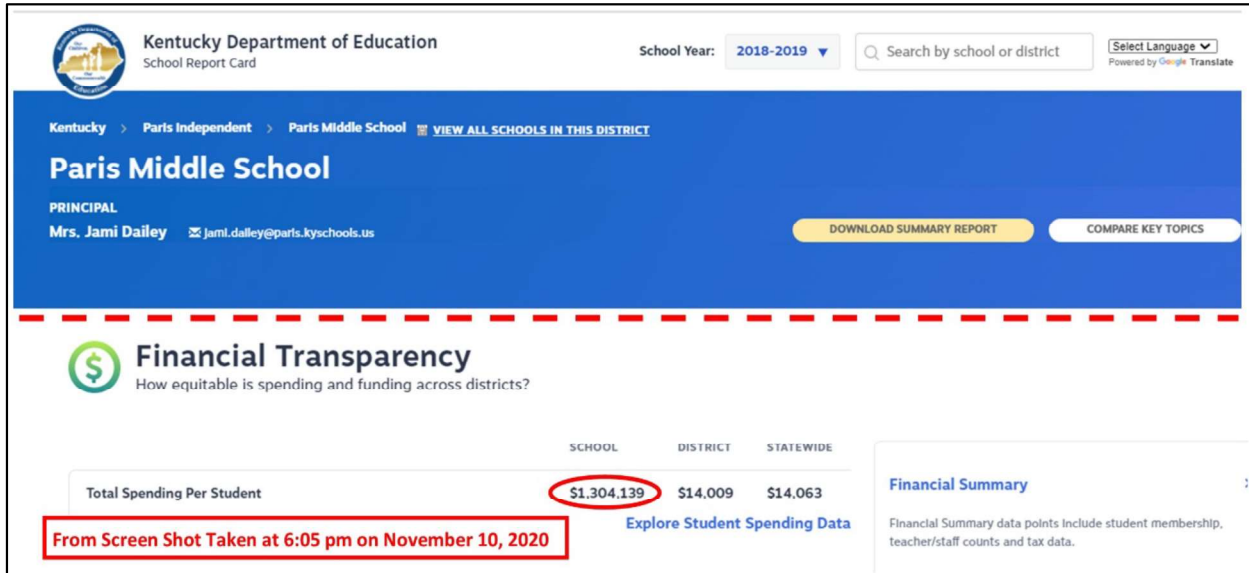
Again, several district finance personnel told us that the detailed directions to assemble this were complex, at best.

In fact, when we contacted the Paris Independent School District to find out what happened with the obviously wrong \$1.3 million spending figure for Paris Middle School, we were told that the person entering the data for this school also included the cents part of the sum. Apparently, the KDE's software wasn't set up to accept that and a true spending amount of \$13,041.39 turned into \$1,304,139 instead.

However, no one caught this obvious error. As shown in the screen-shot extract of the header and Financial Transparency Section of the school's report card, shown in Figure 1, the wrong figure remained online over four months after we brought it to the attention of finance officers at KDE on July 2, 2020. This major error was still being reported as this report was being finalized in mid-November.

Figure 1

Screen Shot of Paris Middle School's Report Card, Financial Transparency Section
(Items in Red Added)



Why wasn't some simple error-catching logic added to the KDE's computer programming to detect such a massive error before it was officially published? And, why is it taking so long to fix this problem? Shouldn't the obviously wrong figure at least be blanked out until the correct one (which already exists) can be added? Why is the public being provided such obvious errors months after they were identified?

By the way, the Paris Middle School's problem due to including the cents with the dollar figure won't explain the Hardin County problems. For example, if Creekside Elementary's reported per pupil spending figure of \$262,794 (also still being reported as of October 21, 2020) had the same sort of error, then Creekside would actually have only spent \$2,627.94 per pupil, a figure way too low to be credible.

So, it looks like a different problem, also uncaught, is involved with the Hardin County errors.

These problems relate to something else we heard from the KDE staff. The KDE has no way to confirm accuracy of the school-level data being loaded into the report-card database by local school districts.

“
THE KDE HAS NO WAY TO CONFIRM
ACCURACY OF THE SCHOOL-LEVEL
DATA BEING LOADED INTO THE
REPORT-CARD DATABASE BY LOCAL
SCHOOL DISTRICTS.
”

It appears that if we had not discovered it, the \$1.3 million mistake for Paris Middle School and the other obviously wrong data in the report cards likely would live on forever. In fact, those errors seem to be living on, anyway, at least so far.

Is there any emphasis on trying to fix the MUNIS problems?

Recent events indicate this important question might not currently have an acceptable answer.

In 2019, the Kentucky Board of Education, which at the time was filled entirely with former Gov. Matt Bevin's appointees, established a Finance Committee to devote the extra time needed to develop more transparent education financial reports.

Unfortunately, just as soon as Kentucky's current governor, Andy Beshear, took over in December 2019, he immediately replaced the entire board with new members.

One of the very first actions taken by that "Beshear Board" was to terminate the Finance Committee, saying at the time that the entire board would consider any finance issues. However, due to the complex nature of the finance situation, the full board would never be able to devote adequate time to fix the problems, which is why the now-displaced board had added a finance committee almost as soon as it was totally composed of Bevin appointees.

This abrupt and ill-advised action by the Beshear Board sent a message that fixing the issues with education-finance reporting would not be a priority. The extra time the board needs to make this happen simply isn't going to be available if the entire board must sit in on every detail.

At the very least, there doesn't seem to be any sense of urgency to fix the kind of problems that resulted in the erroneous data for Paris Middle School, which should have at least been removed from the report cards pending development of the correct figure. Yet, months later, it remains uncorrected and available to mislead any member of the public who accesses the school's report card.

Summing up

Kentuckians obviously can't place much trust in a set of fiscal data that seems to have so many major issues. Some of the data is unquestionably in error. The enormous mistakes for Paris Middle School and some of Hardin County's schools are issues anyone spending any amount of time with this data should have noticed. But, these mistakes were not identified until the Bluegrass Institute examined the data. Even worse, the erroneous spending figures still remained online months after they were identified.

Other data, while not nearly as out of line as that for Paris Middle and some Hardin County schools, still looks dubious. Did Martin County High School really spend nearly three times as much per pupil as the average for all schools in Kentucky?

Also, at the very least unexplained is how the sums of subsets of data don't agree with the reported totals for such subsets. Are there other hidden spending amounts that somehow didn't get included as either "personnel" or "non-personnel" spending? If so, what are those extra spending amounts for? Why are they not in either the "personnel" or "non-personnel" spending pots yet somehow included in the total figure?

Kentuckians deserve much better accounting for their state’s massive education spending where it counts most – at the school level. If we had such data, and hopefully at a more detailed level, we could start to do some meaningful bang-for-the-buck studies that might help us identify educational approaches that work well at reasonable costs. Absent solid financial information, such studies are not possible.

So, it’s clear: the first cut at providing school-level spending data for Kentucky needs a lot more work to make it credible much less useful.

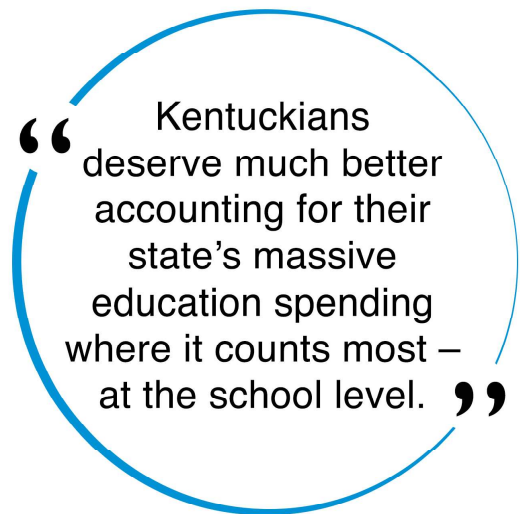
What can be done?

At the very least, the KDE needs to run the sort of reasonableness checks that we conducted for this Policy Point to find and remove gross errors and highlight other figures that at least warrant more checking. Outlier data like that we found for Paris Middle School and several Hardin County schools should never have been released to the public.

Going forward, it would be wise to develop a review process so that whoever computes and posts the school level fiscal data has additional ways to ensure the numbers posted in the report card are correct.

Kentuckians also would be better served by getting more detail than what’s provided in the current school report cards’ Excel file.

Since the Kentucky Board of Education has displayed a general disinterest in doing the important work to provide actionable fiscal data for our state’s schools, legislators should consider creating an independent civilian finance committee to oversee the development and reporting of accurate and useful education finances presented in a way that would facilitate useful research. Such a committee should include finance experts as well as representatives from the education, business and research communities and possibly the state auditor’s office who are capable of evaluating, analyzing and utilizing the data if it were better organized and presented.



Appendix A “ –Sum of Individual Items v Total” Excel Tab

Does the sum equal the whole of the parts?

This spreadsheet compares the difference between the supposed total of all funding found in the “TOTAL_PER_STU_ALLFUNDS” column and the sum of the amounts found in the “Personnel Spending per Student - Federal Funds” plus “Non-Personnel Spending per Student - Federal Funds” plus “Personnel Spending per Student - State/Local Funds” plus “Non-Personnel Spending per Student - State/Local Funds” columns. Discrepancies are highlighted in yellow in the full Excel worksheet, and there are a multitude of them. Table A captures the top and bottom listings from the full Excel worksheet.

Table A

Kentucky Public Schools with Largest Disagreements For the Sum of All Sub-Area Spending Amounts Compared to the Total Spending, Sorted by Disagreement in Amounts, from the "Sum of Individual Items v Total" worksheet, 2018-19 School Year						
District	School	Personnel Spending per Student - Federal Funds (PERSON_PER_STU_FED)	Non-Personnel Spending per Student - Federal Funds (NONPERSON_PER_STU_FED)	Personnel Spending per Student - State/Local Funds (PERSON_PER_STU_STATELOCAL)	Non-Personnel Spending per Student - State/Local Funds (NONPERSON_PER_STU_STATELOCAL)	Sum of Individual Items Minus "Total Per Student AllFunds"
Hardin County	North Hardin High School	838	4320	333624	47887	236948
Hardin County	North Park Elementary School	870	1171	286642	37787	81556
Hardin County	Creekside Elementary School	757	2111	255794	28092	23960
Williamstown Independent	Williamstown Elementary	14639	543	8792	2234	11569
Estill County	Estill Springs Elementary	1530	158	16301	2571	10977
Williamstown Independent	Williamstown Sr. High	12963	414	7784	2684	10882
Williamstown Independent	Williamstown Jr. High	12898	582	7898	2106	10586
Hardin County	West Hardin Middle School	631	278	18010	2977	10420
▲	Schools with Largest Positive Disagreement		Schools with Largest Negative Disagreement	▼		
Hardin County	North Middle School	742	314	18234	2582	-10005
Raceland-Worthington Independent	Raceland-Worthington High School	132	19	8251	1112	-10029
Wolfe County	Red River Valley Elementary School	1712	348	2238	2060	-10188
Hancock County	South Hancock Elementary School	896	116	9831	2017	-10204
Kenton County	Scott High School	229	27	8241	1483	-10566
Owensboro Independent	Owensboro Middle School	746	134	2427	134	-10600
Owensboro Independent	Newton Parrish Elementary School	543	189	1421	189	-10669
Owensboro Independent	Estes Elementary School	921	205	1501	205	-10683
Owensboro Independent	Owensboro High School	452	156	2153	156	-10754
Cumberland County	Cumberland County High School	2556	1267	4400	3823	-10982
Hardin County	New Highland Elementary School	866	249	13035	2046	-11098
Morgan County	Wrigley Elementary School	618	52	8268	2155	-11146
Owensboro Independent	Sutton Elementary School	288	171	1398	171	-11150
Morgan County	Morgan Central Elementary School	906	59	7905	2189	-11190
Morgan County	Morgan County Middle School	854	18	7364	1894	-11235
Morgan County	Morgan County High School	447	118	8018	2525	-11237
Morgan County	Ezel Elementary School	1866	32	9356	2704	-11263
Morgan County	East Valley Elementary School	1177	48	9945	2774	-11340
Owensboro Independent	Cravens Elementary School	1142	278	1462	278	-11407
Bath County	Bath County High School	444	71	9494	2343	-11421
Cumberland County	Cumberland County Middle School	2049	816	3711	2865	-11439
Jefferson County	Crums Lane Elementary	927	672	13768	1296	-11529
Somerset Independent	Somerset High School	388	166	9138	1935	-11558
Owensboro Independent	Foust Elementary School	950	347	1657	347	-11877
Owensboro Independent	Owensboro Innovation Middle School	595	198	2313	198	-12537
Franklin County	Collins Lane	514	94	8046	1401	-12876
Hardin County	Meadow View Elementary School	781	3378	215384	29245	-13533
Jefferson County	Waggener High	939	390	13633	1613	-14121
Murray Independent	Murray High School	587	183	17867	2760	-17488
Martin County	Martin County High School	946	205	8890	2728	-28234
Paris Independent	Paris Middle School	680	479	9291	2412	-1291277

North Hardin High School shows at the top. Its sum of the four separate federal and state/local funding elements exceeds the reported overall total by a whopping \$236,948 per pupil.

North Hardin High isn't unique, either. Overall, there are 71 schools in the full Excel worksheet where the sum of the parts exceeds the reported total by at least \$1,000.

At the bottom of the listing, Paris Middle School shows an enormous disparity in the opposite direction, with the supposed total funding amount exceeding the whole of its parts by a truly astonishing \$1,291,277 per pupil, which simply isn't even remotely possible. Of course, this error seems to be due to an input mistake that no one caught or so far has chosen to fix. But, there are more problems at the bottom of Table A.

For example, just above Paris, the Martin County High School still shows a large discrepancy between its reported overall total spending per student and the sum of the various parts which supposedly go into that total figure. If Martin County really is spending a total of \$41,003 per pupil, where's the extra \$28,234 per pupil coming from if it isn't for personnel or non-personnel costs (which seem to be all-inclusive in the total)?

Appendix B – "Personnel Only Sums" Excel Tab
How much in total is spent on personnel?

This tab in our Excel worksheet computes and ranks the sum of only the federal and the state/local personnel funding amounts for each school, showing the result in the "Total Personnel Spending, Local, State and Federal" column. Table B summarizes the top and bottom entries.

Table B

Kentucky Public Schools with Highest and Lowest Personnel Spending Per Student, Sorted by Amount, from the "Personnel Only Sums" worksheet, 2018-19 School Year				
District	School	Personnel Spending per Student - Federal Funds (PERSON_PER_STU_FED)	Personnel Spending per Student - State/Local Funds (PERSON_PER_STU_STATELOCAL)	Total Personnel Spending, Local, State and Federal
Hardin County	North Hardin High School	838	333624	334462
Hardin County	North Park Elementary School	870	286642	287512
Hardin County	Creekside Elementary School	757	255794	256551
Hardin County	Meadow View Elementary School	781	215384	216165
Hardin County	Central Hardin High School	619	29297	29916
Williamstown Independent	Williamstown Elementary	14639	8792	23431
▲ Schools with Highest Per Pupil Personnel Spending Schools with Lowest Per Pupil Personnel Spending ▼				
Wolfe County	Wolfe County High School	1069	2295	3364
Owensboro Independent	Owensboro Middle School	746	2427	3173
Wolfe County	Campton Elementary School	983	1989	2972
Owensboro Independent	Owensboro Innovation Middle School	595	2313	2908
Owensboro Independent	Foust Elementary School	950	1657	2607
Owensboro Independent	Owensboro High School	452	2153	2605
Owensboro Independent	Cravens Elementary School	1142	1462	2604
Owensboro Independent	Estes Elementary School	921	15C1	2422
Owensboro Independent	Newton Parrish Elementary School	543	1421	1964
Owensboro Independent	Sutton Elementary School	288	1398	1686
Trimble County	Bedford Elementary School	421	597	1018

Again, several Hardin County schools appear at the top of this listing, most with numbers that absolutely defy credibility. Otherwise, there are serious numbers of multi-millionaires working among the personnel in that school system.

At the other end of the spectrum for total personnel spending is Bedford Elementary School, which reportedly only spent \$421 from federal sources on personnel and just \$597 in additional personnel spending from state/local funding, for total per-student personnel spending of only \$1,018.

Let's discuss why the Bedford Elementary School result isn't credible. A first grade teacher in Bedford Elementary might have about 16 to 20 students. Even if the number of students is 20, at only \$1,018 per head, that would only generate a mere total of \$20,360 to pay this teacher, with nothing left to cover the principal, secretary, school lunch personnel and so forth.

In fact, as of 2018-19, actual average teacher salary in Trimble County, where this elementary school is located was \$51,220¹³ – more than twice the figure that can be supported with a per-student personnel amount of just \$1,018.

Using the same logic, the per pupil total spending reported for Sutton Elementary School in the Owensboro Independent School District, \$1,686, would only generate \$33,720 in a 20-student

classroom. That won't work to cover the 2018-19 costs when average teacher salary in this district was \$52,957.

Clearly, at least in some cases, the true personnel costs must be very different from what is stated in the School Report Cards data.

Appendix C – "Non-Personnel Only Sums" Excel Tab
How much in total is spent on non-personnel costs?

This final worksheet, summarized in Table C, adds the amount of “Non-Personnel Spending per Student - Federal Funds” and “Non-Personnel Spending per Student - State/Local Funds” together to compute a "Total Non-Personnel Spending, Local, State and Federal" amount for each school. The table is ranked on the far-right column

Table C

Kentucky Public Schools with Highest and Lowest Non-Personnel Spending Per Student, Sorted by Amount, from the "Non-Personnel Only Sums" worksheet, 2018-19 School Year				
DIST_NAME	SCH_NAME	Non-Personnel Spending per Student - Federal Funds (NONPERSON_PER_STU_FED)	Non-Personnel Spending per Student - State/Local Funds (NONPERSON_PER_STU_STATELOCAL)	Total Non-Personnel Spending, Local, State and Federal
Hardin County	North Hardin High School	4320	47887	52207
Hardin County	North Park Elementary School	1171	37787	38958
Hardin County	Meadow View Elementary School	3378	29245	32623
Hardin County	Creekside Elementary School	2111	28092	30203
Ludlow Independent	Ludlow High School	8679	1820	10499
Ludlow Independent	Mary A. Goetz Elementary School	6776	2434	9210
Mason County	Mason County Middle School	472	6537	7009
Newport Independent	Newport High School	933	5837	6770
Southgate Independent	Southgate Public School	1377	5266	6643
Owsley County	Owsley County High School	2118	4416	6534
Owsley County	Owsley County Elementary School	2083	4345	6428
Mason County	Charles Straub Elementary School	455	5717	6172
Mason County	Mason County High School	542	5611	6153
Livingston County	North Livingston Elementary School	375	5084	5459
Mason County	Mason County Intermediate School	484	4809	5293
Cumberland County	Cumberland County High School	1267	3823	5090
Berea Independent	Berea Community High School	935	4094	5029
Livingston County	Livingston Central High School	623	4395	5018
▲ Schools with Highest Per Pupil Non-Personnel Spending Schools with Lowest Per Pupil Non-Personnel Spending ▼				
Boone County	Conner Middle School	72	922	994
Boone County	Longbranch Elementary School	72	917	989
Anderson County	Anderson County High School	41	897	938
Webster County	Providence Elementary School	267	671	938
Webster County	Clay Elementary School	135	759	894
Webster County	Webster County High School	95	701	796
Anderson County	Saffell Street Elementary School	44	743	787
Owensboro Independent	Foust Elementary School	347	347	694
Anderson County	Emma B. Ward Elementary School	42	645	688
Elizabethtown Independent	Talton K Stone Middle School	20	633	653
Anderson County	Anderson County Middle School	22	611	633
Anderson County	Robert B. Turner Elementary School	34	592	626
Owensboro Independent	Cravens Elementary School	278	278	556
Webster County	Sebree Elementary School	68	479	547
Beechwood Independent	Beechwood High School	121	347	468
Webster County	Webster County Middle School	135	303	438
Owensboro Independent	Estes Elementary School	205	205	410
Webster County	Dixon Elementary School	72	325	397
Owensboro Independent	Owensboro Innovation Middle School	198	198	396
Beechwood Independent	Beechwood Elementary School	130	259	389
Owensboro Independent	Newton Parrish Elementary School	189	189	378
Owensboro Independent	Sutton Elementary School	171	171	342
Owensboro Independent	Owensboro High School	156	155	312
Owensboro Independent	Owensboro Middle School	134	134	268

Even when we look at the total non-personnel funding, Hardin County has several schools at the top of the list with amounts tens of thousands of dollars higher than the next following schools.

At the other end of this worksheet we find multiple schools from the Owensboro Independent School District with total non-personnel spending which just doesn't seem credible, either.

Just above the Owensboro listings is a school from the Beechwood Independent School District. Both are small geographic area districts that might reasonably be expected to have much lower than normal school bus costs. Still, the overall figures look awfully low for Owensboro.

Consider Owensboro Middle School. According to the KDE data above, the school reportedly only spent \$268 per student on non-personnel items in 2018-19. For some perspective, the spending for the median school in our "Non-Personnel Only Sums" Excel spreadsheet tab is Rogers Elementary School in Wolfe County. Rogers spent \$1,909 per student on non-personnel items, over seven times what Owensboro Middle School supposedly was able to make do. Does that seem credible? A significant amount of additional research, which is beyond the scope of this paper, would be needed to determine if it's even possible to operate a school with such low financing.

Of course, if Owensboro is really doing this for such low cost, the rest of the state needs to learn about that right away. But, let's get the finance numbers checked before we start chasing after what looks like a miracle of school management.

ENDNOTES

- ¹ Kentucky Department of Education, “Kentucky School Report Card financial data features new financial narrative,” News Release 20-124, May 26, 2020. Online at: <https://content.govdelivery.com/accounts/KYDE/bulletins/28d7ff0>.
- ² The Kentucky School Report Card for any school can be obtained from this web site: <https://www.kyschoolreportcard.com/home?year=2019>.
- ³ The Excel Spreadsheet with all the schools’ data can be accessed here: https://openhouse.education.ky.gov/Data/Download?file=SPENDING_PER_STUDENT.xlsx&path=SRC%5CDatasets%5C20182019.
- ⁴ These accounting elements are from the Kentucky Department of Education’s 2018-19 Revenue and Expenditures Report’s 1819 AFR Expenditures tab. Report is online here: <https://education.ky.gov/districts/FinRept/Documents/Revenues%20and%20Expenditures%202018-2019%20ADA.xlsx>.
- ⁵ Find the BIPPS spreadsheet at: http://www.bipps.org/wp-content/uploads/SPENDING_PER_STUDENT-w-Added-Sheets.xlsx.
- ⁶ The Statewide spending per student is listed in the Financial Transparency section of the home page of each school’s Kentucky School Report Card. Access from the link in endnote 2.
- ⁷ The Kentucky Department of Education has an Excel spreadsheet that reports the average classroom teacher salaries for each school district in Kentucky. It is online here: [https://education.ky.gov/districts/FinRept/Documents/Average%20Classroom%20Teacher%20Salaries%20\(1989-2020\)%20ADA.xlsx](https://education.ky.gov/districts/FinRept/Documents/Average%20Classroom%20Teacher%20Salaries%20(1989-2020)%20ADA.xlsx).
- ⁸ Material related to MUNIS can be found at this link: <https://education.ky.gov/districts/pages/munis-guides.aspx?View=MUNIS+Guides&Title=Table+Viewer+Webpart>.
- ⁹ The MUNIS Quick Reference Guide for 2020-21 is online here: <https://education.ky.gov/districts/FinRept/Documents/NEW%20KDE%20Chart%20of%20Account%20Segment%20Descriptions%20ADA%20FY2020-2021.pdf>.
- ¹⁰ The original version is: Seiler, Marcia Ford, et al, Kentucky Legislative Research Commission, Indicators of Efficiency and Effectiveness in Elementary and Secondary Education Spending,” Frankfort, Kentucky, December 5, 2006. The 2013 revision is available online here: <https://apps.legislature.ky.gov/lrc/publications/ResearchReports/RR338.pdf>.
- ¹¹ The draft Pike County school-level expenditures report was online for a time at the Kentucky Department of Education’s web site but is no longer available online.
- ¹² This comes from the KDE’s “glossary for the Finance Domain” provided by e-mail on July 2, 2020 by the Kentucky Department of Education’s Office of Finance and Operations. Not believed to be online.
- ¹³ The Kentucky Department of Education has an Excel spreadsheet that reports the average classroom teacher salaries for each school district in Kentucky. It is online here: [https://education.ky.gov/districts/FinRept/Documents/Average%20Classroom%20Teacher%20Salaries%20\(1989-2020\)%20ADA.xlsx](https://education.ky.gov/districts/FinRept/Documents/Average%20Classroom%20Teacher%20Salaries%20(1989-2020)%20ADA.xlsx).

<https://carillon-mustard-cxnt.squarespace.com/s/Kentuckys-School-Financial-Reports-Just-Dont-Add-Up.pdf>

<https://bit.ly/3CtMxYN>