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*INTEREST RATE ON INVESTMENT
Effective 7/06/2026 through 7/12/2026*

Date: July 6, 2026

To: Chief School Administrators

From: Frank Harwood
Deputy Commissioner
Dale Brungardt
Director of School Finance

TERM	CURRENT	PREVIOUS
1 to 89 Days	3.63%	3.63%
3 Months	3.79%	3.72%
6 Months	3.94%	3.89%
1 Year	4.09%	4.06%
18 Months	4.13%	4.14%
2 Years	4.12%	4.15%

[Minimum investment rates](#) banks must offer to secure public funds as prescribed by [K.S.A. 75-4210](#).
Maximum length of investment term is two years.

Payments

July 17SNP, FFVP, CACFP & SFSP

July 24 FY26 KPP-TANF 4th Quarter Reimbursement, SNP, FFVP, CACFP & SFSP

Payment amounts for each district/LEA will be posted near the date of deposit:

[Payment Information](#).

State Aid Payments: [Rose Ireland](#) (785) 296-4973

Federal Aid Payments/Form 240: [Amanda Williams](#) (785) 296-2020

Refer to Form 240 (Federal Aid Payment request form) for a list of federal program funds. To request an August payment, Form 240 will be open from July 1st through the 15th. The Federal Cash Management Act requires that federal funds must be spent by the end of the month they are received. LEAs cannot carry over federal funds to the following month.

Child Nutrition Program (CNP) Payments: [Dessa Gifford](#) (785) 296-4965

- SNP = School Nutrition Programs
- FFVP = Fresh Fruit & Vegetable Program
- CACFP = Child & Adult Care Food Program
- SFSP = Summer Food Service Program

Child Nutrition & Wellness (CNW) Financial Management Reminders

- Claims will tentatively be processed on Tuesday, July 14 and July 21 this month. Site and Sponsor Claims submitted and in "Approved" status by 8 a.m. each applicable Tuesday morning will get batched and processed for direct deposit payment that corresponding Friday.
- Enter the End-Of-Year Balance of Uncollected Charges on the Annual Financial Report (AFR) in KN-CLAIM by **August 15**.

Kansas leads the world in the success of each student.

For important details surrounding the Child Nutrition Programs (CNP), please be sure to check out the Monthly Updates provided from Child Nutrition & Wellness (CNW) leadership each month and posted to the CNW website at <https://cnw.ksde.gov/> for each of the following under their respective menu: SNP - SNP Monthly Updates; CACFP - CACFP Monthly Updates; or SFSP - SFSP Monthly Updates.

Report Due Dates

July 10.....Directory Updates - annual review/update for KS Educational Directory (open July 10-Aug 25) [Marcia Ricklefs](#) (785) 296-4209

July 14-18 ...Request for State Foundation Aid for August (all USDs - open July 14-18) [Rose Ireland](#) (785) 296-4973

July 14.....Kansas Pre-Kindergarten Pilot (KPP-TANF) 4th Quarter Expense Reimbursement Payment Request [Amanda Williams](#) (785) 296-2020

July 15.....Request August Federal Funds (Form 240) *if funds are available* (open July 1-15) [Amanda Williams](#) (785) 296-2020

July 15.....LCP (Local Consolidated Plan) Annual Report (tentative due date July 15, 2026) [Nicole Clark](#) (785) 296-4925

July 24.....Kansas Parents as Teachers - Affiliate Performance Report FY26 [Lisa Williams](#) (785) 296-4964

July 25.....KIDS Collection **TEST** - Assessment Testing (all USDs - (open October 1, 2025 - July 24, 2026) [KSDE Helpdesk](#) (785) 296-7935

July 31.....State Deaf-Blind Funds (KSA 72-3481) Application for 2025-2026 funds (open April 17 – July 31, 2026) [Lisa Karney](#) (785) 296-1222

USD Budget Program Released

The 2026-2027 USD Budget Program was released June 30, 2026. Special budget instructions were sent to sups/bdclerks listservs (from Dale.Brungardt@ksde.gov) Subj: 2026-2027 BUDGET SOFTWARE IS AVAILABLE.

Follow this link to download the budget software program:

<https://www.ksde.gov/policy-and-funding/funding/school-finance/budget-information>

You will find the Budget Software, Instruction Manual, USD Budget Software Enhancements, review Help with Spreadsheets, or the Issues Report under the **Budget Software** heading.

Once you download the budget document, please frequently check the "Issues Report" for 2026-2027 Budget for updates to your budget software. Most updates are easily corrected without needing to download the program again. **There are no Budget Issues currently.**

FY2027 State Mileage Rate increases to 72.5 cents

Effective July 1, 2026: As authorized by K.S.A. 75-3203a, the Secretary of Administration has fixed the privately-owned vehicle maximum mileage reimbursement state rate for FY2027 at 72.5 cents per mile.

Source: [FY 2027 | Informational Messages and Circulars | Kansas Department of Administration \(ks.gov\)](#)

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Is a district required to pay the state's mileage reimbursement rate for privately-owned vehicles?

Answer: No, a local board of education can decide to reimburse teachers/parents at a rate other than the state rate. If the mileage rate your district reimburses exceeds the federal mileage rate, there are tax consequences.

Effective January 1, 2026: The federal privately-owned vehicle mileage reimbursement rate increased to 72.5 cents per mile. Source: [IRS increases the standard mileage rate for business use in 2026; key rate increases 2.5 cents to 72.5 cents per mile | Internal Revenue Service](#)

Mileage reimbursement rates are posted on the School Finance homepage under [Guidelines and Manuals](#).

Revenue Neutral Publication Requirements – Important Update

Districts are reminded that the board of education should be informed of the mill rates reported to the county clerk by July 20th, (remember the 20th is a Sunday), however the **Resolution to Exceed the Revenue Neutral Rate (RNR) is not adopted until the RNR Hearing** that occurs between August 20th and September 20th.

You may access a RNR guidance document on <https://www.ksde.gov/policy-and-funding/funding/school-finance/budget-information>

If you have further questions, please contact School Finance (785)-296-3872.

Additional Revenue Neutral and Budget Hearing Reminders

As you begin to work on your 2026-2027 Budget, the School Finance team wishes to remind you of what we consider “best practices”:

1. Your RNR and Budget **publication notices** should include the **correct time, date, and location** of your hearings. Both the RNR and Budget should be prior to your Board of Education meeting.
2. **Publish the Notice of the RNR Hearing at least 10 days prior to Hearing:**
 - a. Publish on the **district's website** the Notice of its proposed intent to exceed the Revenue Neutral Rate, which includes the proposed tax rate, the revenue neutral rate, and the date, time, and location of the public hearing.
 - b. Publish in a **weekly or daily newspaper** of the county having a general circulation the Notice of its proposed intent to exceed the Revenue Neutral rate to also include all mentioned in 2(a) above.
 - c. Remember to publish your budget hearing information as well. It is good practice to publish it on your website, but it isn't required.
3. Double Check your budget document and publications for accuracy.

If applicable, the **Revenue Neutral Rate (RNR) Hearing** should be held **prior** to your Budget Hearing (may be held the same day) and may be held adjacent to the Budget Hearing. The RNR Hearing must be not sooner than August 20 and not later than September 20.

During the RNR Public Hearing:

1. Adopt the Revenue Neutral Rate by **resolution**. ([RNR Resolution](#))
 - i. The governing body shall adopt a resolution to approve exceeding the revenue neutral rate by **roll call vote**.

The **Budget Hearing** should be conducted prior the normal business meeting of the board and after the RNR Hearing if applicable. No motions should be considered during the Budget Hearing.

During the Board Meeting:

1. Official motion/resolution to **adopt the 2026-2027 Budget**. The motion and minutes should include that the building needs assessment and state assessment reviews were provided to the board and the board considered this information during the budgeting process.
2. Local Option Budget adoption by resolution ([LOB Resolution](#)) certifying the LOB amount/percentage being adopted this year.

Submit District Calendar to KSDE

The KSDE Fiscal Auditing office is collecting each district's one-page 2026-27 academic year calendar. Action: Email a PDF attachment of your district calendar to auditing@ksde.gov

Please enter your district number in the subject line of the email. If your district operates on a four-day week schedule, please make note in the subject line. i.e. D0XXX Calendar 26-27 four-day week.

The Fiscal Auditing team uses the calendars to prepare for scheduling the annual KSDE USD audits.

Questions? Contact Peggy Hill, Fiscal Auditing, at 785-296-4976 or email auditing@ksde.gov

Schedule USD Budget Reviews (In Person-Virtual-Conference Call)

Before publishing the Notice of Hearing, superintendents and business officials may request someone in the School Finance office double-check their budget document. Please call to schedule a one-hour appointment with Frank Harwood, Dale Brungardt, Craig Neuenswander, or Dale Dennis.

Call School Finance at (785) 296-3872 or (785) 296-3871 to schedule a time.

Due to the volume of reviews, it is important to call our office if you need to **cancel** or **change** a scheduled budget review to open that time slot.

Staff will meet **in person** (face-to-face), **virtual** (Teams, Zoom, etc.), or **conference call**.

Read these instructions before your budget review provided in the June 22 interest letter. Click here: [June 22, 2026](#) (where to park, reminders, how to set up a virtual meeting, etc.)

The following information will be needed for an "in person" budget review:

1. Revenue Neutral Rates (RNR) from the county clerk
2. Estimated 2026 assessed valuation information
3. Your laptop computer with the budget program. This will allow you to enter revisions to your budget during the review.
4. A printed copy of the budget document (codes and forms being used) to take notes

Setoff Program (State Debt Recovery System for USDs)

The [Kansas Setoff Program](#) collects monies by withholding money from State payments that are issued to individuals or businesses that owe a state agency, district court, municipality, or a foreign state agency. The largest source of monies collected for municipalities comes from Kansas individual and joint Income tax refunds. Other payment sources include Homestead tax refunds, unclaimed property held by the Kansas State Treasurer, Lottery winnings, other state miscellaneous payments, and State payroll payments.

A setoff occurs when the payee's name and Tax Identification Number (TIN) match the debtor's name and TIN. The TIN can be an individual's Social Security Number (SSN) or a business's Federal Employer Identification Number (FEIN).

To participate in the Setoff Program, the municipality must enter into an [agreement](#) with the State. The Municipal Agreement and additional information about the Setoff Program are available on the Setoff Program's website at

<https://admin.ks.gov/offices/oar/setoff-program>. Debts submitted to the Setoff Program must be \$25 or more and the municipality must have made at least three collection attempts prior to submitting the debt to the Setoff Program. The Setoff Program may be contacted by phone at (785) 296-4628 or by email at KSSetoff@ks.gov.

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