

## CTE - Other CIS Funding Ratio – Technical Correction, AM

**Agency:** 350 Office of Superintendent of Public Instruction  
**Budget Period:** 2013-15

### **Recommendation Summary Text:**

A technical correction is requested for the “Other CIS” funding ratio for career and technical programs (CTE) for middle schools, high schools and skills center programs. CTE staffing allocations should be funded at the same basic education rates outlined in SHB 2776 consistent with all other programs. The current funding rate of “Other CIS” is 2.02 per 1,000 student FTE for CTE vocational programs and 2.36 per 1,000 student FTE for skills center programs, the rate should be 4.25 per 1,000 student FTE as it is for a basic education student.

### **Fiscal Detail**

<b>Operating Expenditures</b>		<b>FY 2014</b>	<b>FY 2015</b>	<b>Total</b>
General Fund – State	001-01	\$8,300,000	\$10,600,000	\$18,900,000
<b>Total Cost</b>		<b>\$8,300,000</b>	<b>\$10,600,000</b>	<b>\$18,900,000</b>

<b>Staffing</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Annual Avg.</b>
<b>Total FTEs Requested</b>	0	0	0

### **Package Description**

#### **Background**

Staffing allocations under the prototypical funding formula were broken out amongst the various positions based on two principles; actual hiring patterns as shown in the S-275 reporting, and maintaining cost neutrality in the initial year of the funding formula. It was determined through S-275 analysis that after accounting for the number of teachers being hired there wasn't enough funding remaining to allocate “Other CIS” units at the same staffing allocations as outlined in SHB 2776. Therefore, a mathematical formula was used to arrive at the per 1,000 student FTE funding ratios of 2.02 and 2.36 – which represent the unallocated portion of the old funding ratios not hired as teachers or administrators.

“Other CIS” staffing allocations are for nurses, librarians, counselors, social workers and psychologists.

#### **Current Situation**

Now that the new funding model is in place, staffing level recommendations of the Quality Education Council as well as other funding enhancements are being considered. This creates a problem with respect to the “Other CIS” funding ratios of 2.02 and 2.36 per 1,000 student FTE- because they were determined by using the ratios of the old funding formula and are not based on variables of the new funding formula. Therefore, as enhancements are made to K-12 funding, these allocations will remain the same. In fact, if we continue to base them on ratios

## **CTE - Other CIS Funding Ratio – Technical Correction, AM**

that no longer exist, they will decrease as funding enhancements are implemented and lag further behind basic education allocation levels.

CTE allocations are currently lumped together with basic education allocations (BEA) in the apportionment reports. In an attempt to discern what part of these amounts were BEA and what part was the CTE enhancement, this technical error was uncovered. This means that each CTE student in a school is driving a reduced staffing allocation for “Other CIS” units, and as CTE enrollment increases, in STEM or other CTE focused schools, the funding gap grows.

### **Proposed Solution**

Each student must be considered a basic education student first and should drive all of the funding formula’s staffing units equally; CTE should not be shorted “Other CIS” units.

In order for the “Other CIS” funding allocation to be enhanced along with other areas of the funding formula, they must have a basis within the existing formula. Therefore, the ratios of 2.02 per 1,000 student FTE and 2.36 per 1,000 student FTE should be increased to 4.25 per 1,000. The 4.25 per 1,000 student FTE can be calculated through factors of the existing funding formula as follows:

$$([High\ School\ Teacher\ Librarians] + [High\ School\ Guidance\ Counselors] + [High\ School\ Nurses] + [High\ School\ Social\ Workers] + [High\ School\ Psychologists]) / Prototypical\ High\ School\ Enrollment$$

$$(0.523 + 1.909 + 0.096 + 0.015 + 0.007) / 600 = .00425 \text{ or } 4.25 / 1,000$$

This 4.25 per 1,000 ratio will be enhanced as the elements within the calculation are enhanced which is not the case today. This will allow a vocational or skills center student to generate the same allocation for “Other CIS” staff as all other basic education students. If we consider that every student is a basic education student first and foremost, then they must generate at least an equal staffing allocation in all areas of the funding formula.

### **Contact person**

T.J. Kelly, Director (Interim), School Apportionment and Financial Services - (360) 725-6181

### **Narrative Justification and Impact Statement**

#### **What specific performance outcomes does the agency expect?**

The funding formula allocation will be correctly allocated to school districts. The legislature’s policy was to provide an enhancement for CTE student, not penalize schools for having CTE students in the category of “Other CIS” staffing allocations that fund nurses, librarians, counselors, social workers and psychologists.

## **CTE - Other CIS Funding Ratio – Technical Correction, AM**

### **Performance Measure Detail**

**Is this decision package essential to implement a strategy identified in the agency's strategic plan?**

This supports the Superintendent's priority of fully funding basic education.

**Does this decision package provide essential support to one of the Governor's priorities?**

This change will increase funding to STEM programs which support the Governor's initiative of improving math and science education while providing students access to hands on learning.

**Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?**

This change provides more funding to help improve the alignment of K-12 education for workforce training.

**What are the other important connections or impacts related to this proposal?**

This proposal implements the new funding formula as it was intended to be implemented.

Increasing funding to skills center and vocational programs will produce more career focused graduates, which will positively affect the workforce and the local businesses in Washington.

**What alternatives were explored by the agency, and why was this alternative chosen?**

OSPI reviewed the BEA funding allocations and funded CTE units at the BEA rate. This proposal funds all students at the BEA rate and enhances CTE class size at the legislatively approved rate.

**What are the consequences of not funding this package?**

Funding allocations adopted by the legislature in SHB 2776 (2010) are not being met. Not funding this package will cause total other certificated instructional staff units funded in CTE and skills center programs to deteriorate as other areas of the funding formula are inflated.

**What is the relationship, if any, to the state's capital budget?**

None.

**What changes would be required to existing statutes, rules, or contracts, in order to implement the change?**

The operating budget language regarding the CTE factor of 2.02 and skills center factor of 2.36 would need to be struck.

## CTE - Other CIS Funding Ratio – Technical Correction, AM

### Expenditure Calculations and Assumptions:

CTE Grades 9-12	
Statewide Enrollment	55,201
Basic Education Other CIS	235
9-12 CTE Other CIS (2.02 per 1000 Student FTE)	112
<b>Additional 9-12 CTE CIS units</b>	<b>123</b>
Salary on Additional CIS Units	6,715,080
Benefits on Additional CIS Units	2,231,046
<b>Total 9-12 CTE Maintenance Level Adjustment</b>	<b>8,946,126</b>
CTE Grades 7-8	
Statewide Enrollment	4163
Basic Education Other CIS	18
7-8 CTE Other CIS (2.02 per 1000 Student FTE)	8
<b>Additional 7-8 CTE CIS units</b>	<b>9</b>
Salary on Additional CIS Units	506,420
Benefits on Additional CIS Units	168,255
<b>Total 7-8 CTE Maintenance Level Adjustment</b>	<b>674,675</b>
Skills Centers	
Statewide Enrollment	5164
Basic Education Other CIS	22
Skills Center Other CIS (2.36 per 1000 Student FTE)	12
<b>Additional Skills Center CIS units</b>	<b>10</b>
Salary on Additional CIS Units	532,412
Benefits on Additional CIS Units	176,891
<b>Total Skills Center Maintenance Level Adjustment</b>	<b>709,302</b>
<b>Total</b>	<b>10,330,103</b>

*School year calculations shown above use maintenance level assumptions for enrollment growth and inflation.*

### **Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?**

All costs are ongoing. The funding in future biennium will fluctuate along with CTE and skills center enrollment, CIS salary allocations, and staff mix factors.

**CTE - Other CIS Funding Ratio – Technical Correction, AM**

**Object Detail**

		<b>FY 2014</b>	<b>FY 2015</b>	<b>Total</b>
A	Salary and Wages	\$0	\$0	\$0
B	Employee Benefits	\$0	\$0	\$0
C	Contracts	\$0	\$0	\$0
E	Goods/Services	\$0	\$0	\$0
G	Travel	\$0	\$0	\$0
J	Equipment	\$0	\$0	\$0
N	Grants	\$8,300,000	\$10,600,000	\$18,900,000
	Interagency Reimbursement	\$0	\$0	\$0
	Other	\$0	\$0	\$0
<b>Total Objects</b>		<b>\$8,300,000</b>	<b>\$10,600,000</b>	<b>\$18,900,000</b>

**Expenditures & FTEs by Program**

<b>Activity Inventory Item</b>	<b>Prog</b>	<b>Staffing</b>			<b>Operating Expenditures</b>		
		<b>FY 2014</b>	<b>FY 2015</b>	<b>Avg</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Total</b>
Basic Education	A038	0	0	0	\$8,300,000	\$10,600,000	\$18,900,000
<b>Total Activities</b>					<b>\$8,300,000</b>	<b>\$10,600,000</b>	<b>\$18,900,000</b>

**Six-Year Expenditure Estimates**

<b>Fund</b>	<b>13-15 Total</b>	<b>15-17 Total</b>	<b>17-19 Total</b>
General Fund – State	\$18,900,000	\$22,116,373	\$23,389,838
<b>Expenditure Total</b>	<b>\$18,900,000</b>	<b>\$22,116,373</b>	<b>\$23,389,838</b>
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>