

SL - CTE and Skill Center Staffing Technical Corrections

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) in middle and high schools, and for skill center programs. Allocations for other certificated instructional staff should be no less than the same basic education rates outlined in SHB 2776 for all other programs. The current funding rate of “Other CIS” for CTE and skill center students is less than that of a basic education student, and as additional “Other CIS” staff are funded in the prototypical school funding formula the gap between BEA and CTE funded staff will continue to grow, which results in a negative enhancement in this part of the funding formula. Language should be adopted that automatically increases these CIS units at the BEA CIS rate.

Fiscal Detail

Operating Expenditures		FY 2014	FY 2015	Total
General Fund	001-01	\$9,600,000	\$11,200,000	\$20,800,000
Total Cost		\$9,600,000	\$11,200,000	\$20,800,000

Staffing	FY 2014	FY 2015	Annual Avg.
Total FTEs Requested	0	0	0

Package Description (Includes the following sections)

Background

In determining initial year funding for “Other CIS” units for CTE and Skill Centers, 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 transition to the new prototypical funding formula. It was determined through S-275 analysis that after accounting for the number of teachers being hired in CTE and Skill Center programs there wasn’t enough funding remaining to allocate “Other CIS” units at the same level 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. This was intended to be the funding ratios for the implementation year only; the rates were not intended to stay stagnant.

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

Current Situation

CTE and Skill Center students are allocated less “Other CIS” units than a basic education student is allocated, resulting in a negative enhancement. This methodology

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assumes that CTE and Skill Center students need less support from other certificated staff than their peers who are enrolled in general education courses.

In order for the transition to the prototypical school funding formula to be as cost neutral to the state as possible, the basis for the “Other CIS” staffing ratio in CTE and Skill Center programs was a calculated number tied to a funding factor in the prior funding formula. This is how the basic education other CIS units came to be funded at 4.25 per 1,000 and the same staff for CTE and Skill Centers are funded at a lesser ratio. If we continue to base the CTE and Skill Center “Other CIS” allocations on ratios that do not change, the difference between this allocation for basic education and these programs will grow. If funding for “Other CIS” staff in CTE and Skill Center programs remains at the constant level of 2.02 per 1,000 and 2.36 per 1,000 respectively, and basic education “Other CIS” staff is funded at the QEC fully funded values the impact of this discrepancy will increase. Using an enrollment base equal to October 2013 apportionment, the chart below demonstrates the impact of an increasing BEA “Other CIS” funding mechanism and a constant ratio for CTE and Skill Center programs.

	2011-12 School Year		2013-14 School Year		Fully Funded QEC Values	
	Staff Units	% of Enhancement	Staff Units	% of Enhancement	Staff Units	% of Enhancement
Basic Education	231.93	100.00%	241.20	100.0%	401.10	100.00%
CTE	110.23	47.53%	110.23	45.7%	110.23	27.48%
Difference	(121.70)	-52.47%	(130.97)	-54.3%	(290.87)	-72.52%
Enrollment basis of 54,571.11 equals 9-12 CTE enrollment as of October 2013.						
	2011-12 School Year		2013-14 School Year		Fully Funded QEC Values	
	Staff Units	% of Enhancement	Staff Units	% of Enhancement	Staff Units	% of Enhancement
Basic Education	22.37	100.00%	23.27	100.0%	38.69	100.00%
Skills Center	12.42	55.52%	12.42	53.4%	12.42	32.10%
Difference	(9.95)	-44.48%	(10.85)	-46.6%	(26.27)	-67.90%
Enrollment basis of 54,571.11 equals 9-12 CTE enrollment as of October 2013.						

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 4.42 per 1,000. The 4.42 per 1,000 student FTE can be calculated through factors of the existing funding formula as follows:

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

$$(0.523 + 2.009 + 0.096 + 0.015 + 0.007) / 600 = .00442 \text{ or } 4.42 / 1,000$$

This 4.42 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 CTE or skill 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 (360) 725-6301

Narrative Justification and Impact Statement (Includes the following section)

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.

Performance Measure Detail

Describe performance measures that will be tracked to gauge success of the program.

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

This helps achieve full funding of basic education, which is a priority of Superintendent Dorn.

Reason for change:

To align the funding for Other CIS staff in CTE and Skill Center programs to be equivalent to that in general education.

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

Further development of CTE and STEM education programs is supported by this correction.

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

Fully funding education is the paramount duty of the state.

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

Impact on Clients and Services

This error disincentives school districts from expanding CTE and Skill Center programs.

Impact on Other State Programs

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

No alternatives were considered as this proposal aligns to the current funding formula for other CIS staff in general education.

What are the consequences of not funding this package?

The discrepancy between the other CIS staff allocation in general education as compared to CTE and Skill Center programs will continue to grow.

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

No capital needs are generated by this technical correction.

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

This would require a change in the omnibus appropriations act.

Expenditure and revenue calculations and assumptions:

Assumptions and calculations are covered in the chart below.

Revenue Calculations and Assumptions:

This will not create any new revenue for the state.

Expenditure Calculations and Assumptions:

	High School CTE	Middle School CTE	Skill Center
Enrollment (FTE)	55,583.13	5,809.00	5,413.14
Other CIS General Ed Ratio	4.42/1,000	4.17/1,000	4.42/1,000
Other CIS Staff Units	245.68	24.22	23.93
CTE or Skill Center Other CIS Ratio	2.02/1,000	2.02/1,000	2.36/1,000
Other CIS Staff Units	112.28	11.73	12.78
Additional Staff Units Needed	133.40	12.49	11.15
Statewide Salary Allocation	33,504.23	33,504.23	33,504.23
Statewide Staff Mix	1.56925	1.56925	1.56925
Total Salary	\$ 7,013,681.17	\$ 656,646.47	\$ 586,284.29
Health Benefits \$9,216	\$ 1,229,409.90	\$ 115,101.85	\$ 102,768.25
Fringe Benefits 16.34%	\$ 1,146,035.50	\$ 107,296.03	\$ 95,798.85
Total Salary and Benefits	\$ 9,389,126.57	\$ 879,044.35	\$ 784,851.39

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Total Cost	\$ 11,053,022.32		
*Enrollment, statewide staff mix factor, salary and benefit allocations represent August 2013 apportionment.			

Please describe the classification and numbers of staff assumed in the calculations.

Object Detail

		FY 2014	FY 2015	Total
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	\$9,600,000	\$11,200,000	\$20,800,000
	Interagency Reimbursement	\$0	\$0	\$0
	Other	\$0	\$0	\$0
Total Objects		\$9,600,000	\$11,200,000	\$20,800,000

Expenditures & FTEs by Program

Activity Inventory Item	Prog	Staffing			Operating Expenditures		
		FY 2014	FY 2015	Avg	FY 2014	FY 2015	Total
A038 Basic Education	021				\$9,600,000	\$11,200,000	\$20,800,000
					\$0	\$0	\$0
Total Activities					\$9,600,000	\$11,200,000	\$20,800,000

Six-Year Expenditure Estimates

Fund	13-15 Total	15-17 Total	17-19 Total
General Fund	\$20,800,000	\$23,600,000	\$24,200,000
Expenditure Total	\$20,800,000	\$23,600,000	\$24,200,000

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FTEs	0	0	0
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Distinction between one-time and ongoing costs:

These would all be ongoing costs.

Budget impacts in future biennia:

This could be impacted by future increases to the other CIS staff allocations in general education.