

Institutional Ed Funding Formula

2017-19 Biennium Budget Decision Package

Agency: 350 Office of Superintendent of Public Instruction

Decision Package Code/Title: AE/Institutional Ed Funding Formula

Budget Period: 2017-19

Budget Level: PL

Agency Recommendation Summary Text:

Washington state provides K-12 basic education services to incarcerated and previously incarcerated juveniles. As the legislature works towards fully-funding basic education, it is critical that funding levels for institutional education, a basic education program, be addressed. The current funding formula for these programs is provided for in state operating budget language, and is indexed against staffing levels from over ten years ago. This decision package proposes a new funding model, based on prototypical school principals and staffing levels currently deployed within the programs. Total cost of this request is \$23.5 million for the 2017-19 biennium.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-01	\$10,300,000	\$13,150,000	\$13,500,000	\$13,800,000
Total Cost	\$10,300,000	\$13,150,000	\$13,500,000	\$13,800,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-01	0	0	0	0
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
Obj. A	\$0	\$0	\$0	\$0
Obj. B	\$0	\$0	\$0	\$0
Obj. C	\$0	\$0	\$0	\$0
Obj. E	\$0	\$0	\$0	\$0
Obj. G	\$0	\$0	\$0	\$0
Obj. J	\$0	\$0	\$0	\$0
Obj. N	\$10,300,000	\$13,150,000	\$13,500,000	\$13,800,000

Package Description

Background:

There are six types of institutional education programs within which the state is responsible for providing enrolled students with a fully-funded basic education. Each of the six are described briefly below:

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1. Residential habilitation centers (RHC) provide 24-hour-a-day care of children with disabilities. The disabilities range from profoundly intellectually delayed, physically impaired, and/or severe behavior disorders.
2. Long term juvenile justice institutions (LTJI) provide 24-hour-a-day diagnosis, confinement, and rehabilitation of juveniles committed by the courts, operated by Juvenile Rehabilitation.
3. Community facilities (CF), previously referred to as group homes are facilities operated by Juvenile Rehabilitation, which provide 24-hour-a-day services for adjudicated youth.
4. County juvenile detention centers (CDC) provide 24-hour-a-day treatment and care for juveniles who have been placed under protective custody or have committed a criminal offense. This includes day reporting students who are court ordered to receive educational services at the county detention centers during the day, even though they reside at their home.
5. State corrections facilities (DOC) provide 24-hour-a-day incarceration of adults and juveniles committed as adults. Institutional education funding is provided for the education of juveniles under the age of 18.
6. County and city jails (AJL) provide 24-hour-a-day holding, detention, or incarceration of adults and juveniles committed as adults. Institutional education funding is provided for the education of juveniles under the age of 18.

Over the past twenty years, the Legislature has continued to reform the juvenile justice system focusing on rehabilitation, not incarceration. These reforms have created a need for increased services for the high-needs students in these facilities to provide an opportunity to develop the knowledge and skills necessary to meet the state-established high school graduation requirements.

The majority of the institutional education programs generate state basic education funding through five factors which are student enrollment counted as an annual average full-time equivalent (AAFTE), certificated instructional staff (CIS) staff mix factor, staffing ratios inclusive of minimum funding factors, a 220-day school year factor, and materials, supplies, and operating costs (MSOC).

Current Situation:

The current funding formula for these programs is provided for in state operating budget language, and is indexed against staffing levels from either the 1995-97 biennium or the 1997-99 biennium depending on the program. In addition, the funding model for these programs is not transparent, and the model has not been adjusted in response to recent changes in juvenile justice policies or in light of best practices in juvenile justice/basic education for high needs students. This request for funding attempts to address the need for increased transparency and student needs for the students who remain in the juvenile justice programs.

Proposed Solution:

The Superintendent is proposing a new funding model, based on prototypical school principals and staffing levels that are currently deployed within the programs. This model focuses on school based staff only, and does not include staff currently not employed by the programs such as teacher librarians, nurses, social workers, custodians, student and staff safety, and parent involvement coordinators.

In addition, the proposed funding model will provide more funding to help with challenges that are unique to the institutional education programs. The three main challenges are that these programs are statutorily prohibited in RCW 28A.190.030(6) from utilizing local levy funds to help pay for services for these students, the administrative workload due to the high rate of re-enrollment due to recidivism, and the challenges related to the educational needs of the students these programs serve.

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The proposed new allocation model by program type is provided in the charts below for each of the institutional programs:

Staff Type	Residential Habilitation Centers	Long-Term Juvenile Institution	Community Facilities	County Detention Centers
Prototypical Program Size (Number of students)	8.00	125.00	7.00	25.00
Class Size (Students per teacher)	8.00	9.00	7.00	10.00
Teachers (based on the class size above)	1.20	13.89	1.20	3.00
Principals	0.00	1.59	0.10	0.50
Counselors	0.00	1.00	0.00	1.00
Psychologists	0.25	1.00	0.00	0.01
Teaching Assistance	1.00	6.76	0.00	3.00
Office Support	0.00	2.50	0.20	1.00

Staff Type	Department of Corrections	Adult Jails	Mentally Ill Offenders Units
Prototypical Program Size	25.00	25.00	125.00
Class Size	10.00	10.00	7.50
Teachers	3.00	3.00	20.00
Principals	0.50	0.50	1.59
Counselors	1.00	1.00	1.00
Psychologists	0.01	0.01	1.00
Teaching Assistance	3.00	3.00	6.76
Office Support	1.00	1.00	2.50

In addition to the request for staff allocated through the prototypical school funding formula as proposed, an additional 16 school security officers are being requested to ensure the safety of both staff and students in residential mental health units or maximum security unit classrooms.

There are no proposed changes to current law regarding the allocation for Materials, Supplies, and Operating Costs.

What specific performance outcomes does the agency expect?

Providing the funding requested for institutional education programs will allow these programs to provide a basic education experience that is similar, to the extent practicable, to the program of instruction offered to non-incarcerated students, while spending money only appropriated by the legislature. In addition, the funding model will be more transparent, and will allow the programs to meet the unique needs of their students. These outcomes follow the guidance of the US Department of Justice and US Department of Education regarding providing high-quality education in Juvenile Justice secure care settings which came out in December, 2014.

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Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

This request is an expansion of the existing program. The maintenance level funding provides the current staffing levels for each of the institutional education programs:

Institution Type	2015-16 AAFTE (Student Enrollment)	Certificated Instructional Staff (CIS)	Certificated Administrative Staff (CAS)	Classified Staff (CLS)
Residential Habilitation Centers (RHC)	66.25	1 : 7.8	1 : 69.9	1 : 6
Long-Term Juvenile Institutions (LTJI)	381.84	1 : 9.3	1 : 78.7	1 : 64.5
Community Facilities (CF)	53.05	1 per facility	Not Allocated	Not Allocated
County Detention Centers (CDC)	551.72	1 : 10	Not Allocated	Not Allocated
Dept. of Corrections (DOC)	0.18	1 : 9.3	1 : 78.7	1 : 64.5
Adult Jails (AJL)	12.58	1 : 9.3	1 : 78.7	1 : 64.5

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

The estimated increased/decreased expenditures related to this proposal shown in the chart at the bottom of this section are based on institutional education enrollments as of July 2016, and maintenance level salary and benefit values for the 2017-18 school year.

In addition to the request for staff allocated through the prototypical school funding formula as proposed, additional school security officers are being requested to ensure the safety of both staff and students in residential mental health units or maximum security unit classrooms. Students in these environments demonstrate a continued inability to stabilize or regulate their own behavior, and do not respond well to traditional behavioral interventions. In some cases, these students engage in extensive property damage, or exhibit a willingness to physically harm themselves in the classroom environment. The proposal is for \$730,000 per school year to provide fifteen school security officers, and one school security officer supervisor to preserve the safety and well-being of the students and staff in these classrooms.

Program Type	Total Cost for School Year 2017-18
Residential Habilitation Centers	(\$142,751)
Long-Term Juvenile Intuitions	\$1,028,460
Community Facilities	\$243,513
County Detention Centers	\$9,527,532
Department of Corrections	(\$16,144)
Adult Jails	\$71,691
Mentally Ill Offender Units / Residential Mental Health Units	\$1,449,630
School Security Officers (MIOU/RHMU)	\$727,813
Grand Total	\$12,889,744

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The increased allocation is generated exclusively through salary and benefits, and therefore the projected cost for the school years beyond 2017-18 are inflated by the statutorily required maintenance level annual cost of living adjustments. This methodology was also utilized since there are no increases in caseload forecast projections for institutional education enrollment. The impact of that inflation is shown by school year and state fiscal year in the following chart.

School Year	2017-18	2018-19	2019-20	2020-21
Inflation		2.5%	2.3%	2.3%
Additional Cost	\$12,889,744	\$13,211,988	\$13,515,863	\$13,826,728
State Fiscal Year	2018	2019	2020	2021
Additional Cost	\$10,311,795	\$13,147,539	\$13,455,088	\$13,764,555

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

The increase in staffing allocation to these programs would provide much needed resources to manage the administrative workload and educational needs of the students, while freeing up other funds that are currently being used to cover costs in lieu of an increased state allocation.

Performance Measure detail: Superintendent Dorn's top priority since being elected has always been to fully-fund basic education, which includes students that are in institutional education programs.

Fully describe and quantify expected impacts on state residents and specific populations served.

Due to the increase in allocated staffing levels from this proposed model, students in these programs will get more individualized attention leading to higher student achievement.

Distinction between one-time and ongoing costs:

Since the proposal establishes a new formula-based funding model, all costs are ongoing.

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

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: DSHS/JR also plays a role in the education of incarcerated youth.
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:

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Impact(s) To:		Identify / Explanation
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	Yes	Identify: While the institutional education funding formula is not codified in statute, this decision package is a request for that to take place.
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

N/A

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

Other options considered were to increase the staffing allocations to institutional education programs within the current model, or to transition to a model currently utilized by another state. Increasing the staffing allocation within the current model was not selected as a proposal, because it would not provide more transparency to the allocations which is necessary. Transitioning to a model utilized by another state was not selected, because aligning the allocation to how the basic education program in Washington generates state allocations would be more easily understandable.

What are the consequences of not funding this request?

Not funding this request will continue to leave institutional education, a basic education program, underfunded. Students' educational needs from these programs will continue to evolve and become more acute based on the population of students within the juvenile justice system requiring incarceration, and the program allocation will continue to be based on outdated staffing requirements from nearly twenty years ago.

How has or can the agency address the issue or need in its current appropriation level?

Since these programs are allocated state funding through a formula based model approved in the state budget, there is no opportunity for the agency to divert funds out within its current appropriation level to address these issues.

Other supporting materials: none

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Activity Inventory:

Activity Inventory Item	Prog	Staffing			Operating Expenditures		
		FY 2018	FY 2019	Avg	FY 2018	FY 2019	Total
A014	035				\$10,300,000	\$13,150,000	\$23,450,000
Total Activities					\$10,300,000	\$13,150,000	\$23,450,000

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)