

Proposed Recommendations from the QEC - DISCUSSION DOCUMENT

1. **The 2010 Legislature should adopt a Baseline prototypical school funding formula for implementation in 2011 at current levels of state spending, based on the recommendations of the Funding Formula Working Group but with a more simplified set of funding factors. The Baseline factors should be adopted in statute.**

Rationale

- General agreement among QEC members at November meeting
- Simplify to maintain formula as a communication and decision-making tool for policymakers and the public
- Ensure alignment between accounting, data systems, reporting, budget preparation, and state budget development for the 2011-13 biennium (See "*Key Funding Dates for Transition to New Funding Structure in September 2011*" <http://www.k12.wa.us/QEC/pubdocs/August27QECMeetingDocuments.pdf>)

2. **The 2010 Legislature should amend ESHB 2261 to:**

- **Start the work of the Compensation Working Group in May 2010, with a report due in December 2011**
 - Change lead staff agency to OSPI
- **Start the work of the Local Finance Working Group in May 2010, with a report due in December 2010**
 - Add task of examining local capacity to address facility needs associated with full-day K and K-3 class size recommendations
- **Continue the Funding Formula Working Group to monitor early implementation of the prototypical school formula and provide technical advice to the QEC and OSPI**

Rationale

- General agreement among QEC members at November meeting
- Need to consider the finance system as a whole and not in silos
- FFWG members could possibly serve as Local Finance Working Group to provide continuity

3. **The 2010 Legislature should amend ESHB 2261 to implement the new Pupil Transportation Funding Formula in September 2011, not 2013.**

Rationale

- Evidence of underfunding (See JLARC "*K-12 Pupil Transportation Funding Study: Report 06-10*" <http://www.leg.wa.gov/JLARC/AuditAndStudyReports/2006/Pages/06-10.aspx>)
- No technical reason to delay implementation (See OSPI presentation to September QEC: <http://www.k12.wa.us/QEC/pubdocs/2009Sep30QECTransFunding.pdf>)

Estimated Costs

- \$806,000 for GIS system design and analyst.

4. The Legislature should phase-in full funding of the new Pupil Transportation Funding Formula over a 3-year period beginning in 2011 and adopt this schedule in statute.

Rationale

- *School Funding II (Thurston County Superior Court 1982)*: transportation for some students part of Basic Education
- Give time to ensure formula allocates funds as expected
- Provide time for districts to re-allocate local resources currently supporting transportation sensibly

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$150.5 million for 2011-12 school year¹
- Fiscal Year 2012 phase-in: \$40.1 million²

5. The Legislature should increase the Maintenance, Supplies and Operating Costs (MSOC) factors in the prototypical school funding formula based on data collected by OSPI about costs incurred by school districts, with increases adjusted for inflation phased in over a 3-year period beginning in 2011 and adopted in statute

Technology	\$113.80
Textbooks/Curriculum	\$122.17
Library & Other Supplies	\$259.39
Professional Development	\$18.89
Utilities/Insurance	\$309.21
Central Office/Security*	\$106.12*
Facilities Maintenance	<u>\$153.18*</u>
<i>Per FTE Student: (2007-08)</i>	\$1,082.76

*Slightly modified based on FFWG ongoing work

Rationale

- Balance need to address evidence of underfunding (OSPI District Survey) with need for further analysis of district expenditures and consideration of possible efficiencies and best practices
- Provide time for districts to re-allocate local resources currently supporting MSOC sensibly

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$619.7 million for 2011-12 school year
- Fiscal Year 2012 phase-in: \$165.3 million

6. The QEC and Legislature should closely monitor the outcomes of the new BEST (Beginning Educator Support Team) program. If the program proves effective, sufficient funds should be phased in beginning in 2011 to cover all first year teachers.

Rationale

- High quality mentor program a top recommendation from National Board Certified teachers (<http://www.k12.wa.us/QEC/pubdocs/NBCTPolicySymposiumRecommendations.pdf>)
- Report on pilot program due November 1, 2010

¹ Represents the estimated school-year cost for the proposal if it were fully implemented in the 2011-12 school year.

² Represents the estimated cost for state FY 2012, adjusted for a) 80% of a school year, and b) the proposed phase-in.

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$31.8 million for 2011-12 school year (1st, 2nd, 3rd year teachers)
- 2011-12 school year phase-in: \$17.3 million (all 1st year teachers)

7. The Legislature should include a Program of Early Learning for at-risk children aged 3 and 4 as part of the definition of Basic Education.

- **“At-risk” defined as eligibility for the ECEAP program**
- **Offer the same services as the current ECEAP program until there is agreement on an alternative proposal for services for this population of children**
- **Implemented through a combined school and community-based delivery system with approved providers**
- **Governed collaboratively by the Superintendent of Public Instruction and the Department of Early Learning**
- **Phased-in over a 3-year period beginning in 2011 to cover all eligible children who voluntarily choose to participate**

Rationale

- WSIPP study on cost-benefit of preschool (<http://www.wsipp.wa.gov/rptfiles/04-07-3901.pdf> , with fiscal update presented to the Basic Education Finance Task Force http://www.leg.wa.gov/JointCommittees/BEF/Documents/Mtg10-20_21-08/II-c-ii.pdf)
- Key strategy to address achievement gap

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$54.4 million for 2011-12 school year beyond current ECEAP/Headstart
- Fiscal Year 2012 phase-in: \$8.7 million

8. The Legislature should continue incremental phase-in of full-day kindergarten according to the statutory schedule (high poverty schools first), with completion in 2018.

Rationale

- WSIPP study on cost-benefit of full-day K showing short-term gains but erosion of effect without changes to instruction in primary grades (<http://www.wsipp.wa.gov/rptfiles/07-03-2201.pdf>, and presentation to the Basic Education Finance Task Force http://www.leg.wa.gov/JointCommittees/BEF/Documents/Mtg10-20_21-08/II-c-ii.pdf)
- Give districts time to address capital needs and adapt instruction in primary grades

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$181.5 million for 2011-12 school year
- Fiscal Year 2012 phase-in: \$20.7 million

9. The Legislature should prioritize class size reduction in the primary grades by providing a K-3 class size allocation of 15 students per classroom teacher in the prototypical school funding formula, phased in over a 5-year period beginning in 2011 and starting with high poverty schools.

Rationale

- WSIPP study on cost-benefit of class size reduction, with greater effect size on low-income children (<http://www.wsipp.wa.gov/rptfiles/07-03-2201.pdf>)
- Give districts time to address capital needs and adapt instruction in primary grades to prevent erosion of positive impact of full-day K

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$645.5 million for 2011-12 school year
- Fiscal Year 2012 phase-in: \$103.3 million

10. The Legislature should increase funding allocations through the prototypical school funding formula beginning in 2011 to support the LAP and Transitional Bilingual Instruction Program, with preliminary numbers based on the Basic Education Finance Task Force recommendations pending additional input from the Achievement Gap Oversight and Accountability Committee.

LAP - Allocation based on low income students	2.0 hours per week (extended day) in groups of 5 students 10 hours per week, 4 weeks (extended year) in groups of 10 students
Transitional Bilingual Program - Per ELL student	Elementary: 20% pull-out time in groups of 8 students Middle/High: 17% pull-out time in groups of 8 students

Rationale

- Statewide assessment results (<http://reportcard.ospi.k12.wa.us/summary.aspx?year=2008-09>)
- WSIPP study on association of student characteristics (including low income and ELL) and achievement (<http://www.wsipp.wa.gov/rptfiles/07-02-2201.pdf>)
- *School Funding II (Thurston County Superior Court 1982)*: supplemental instruction for disadvantaged and ELL students part of Basic Education
- Key strategies to address achievement gap

Estimated Costs (Inflation-adjusted to 2011-12)

- Full implementation: \$256.1 million LAP and \$75.4 million Bilingual for 2011-12 school year
- Fiscal Year 2012: \$204.9 million LAP and \$60.3 million Bilingual

11. The QEC Workplan for 2010 should focus on the following topics and result in recommendations to the 2011 Legislature for a schedule of phased-in implementation:

- **Increased instructional hours as required under ESHB 2261**
- **Opportunity for 24 credits for graduation based on SBE recommendations**
- **Increased allocations for critical school support staff including librarians, school health, and classified staff**
- **Research-based professional development**
- **Possible innovations to support student/school health**

Rationale

- Impact and implementation of Core 24 still being analyzed by SBE Task Force (http://www.sbe.wa.gov/documents/CharterforImplementationTaskForceFINAL_002.pdf)
- Further analysis needed of instructional hour increase, including work of Funding Formula Working Group (<http://www.k12.wa.us/QEC/pubdocs/SummaryofCrosswalkIntoNewFundingStructure11-2-09.pdf>)
- Evidence of insufficient staffing allocations for school support compared to district practice, but need to examine staffing patterns compared to Baseline formula more closely
- Lack of research-basis for previous recommendations on LID days
- Examine possibility of leveraging federal funds and state Apple Health Program to ensure safe and healthy kids while they are at school.