

# Quality Education Council

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Initial Report to the Governor & Legislature

As Directed by ESHB 2261



**January 13, 2010**

<http://www.k12.wa.us/QEC>

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**Council Members:**

Superintendent Dorn  
SBE Chair Ryan  
PESB Chair Rushing

Dr. Jane Gutting  
Dr. Bette Hyde  
Rep. Maxwell

Rep. Sullivan  
Rep. Priest  
Rep. Dammeier

Sen. Oemig  
Sen. McAuliffe  
Speaker Chopp (alt)

Sen. Zarelli  
Sen. King



January 13, 2010

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**Frank Chopp**  
**Speaker of the House**

The Honorable Christine O. Gregoire  
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The Honorable Brad Owen  
Lieutenant Governor of Washington  
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Olympia, WA 98504-0482

The Honorable Frank Chopp  
Speaker of the House  
P.O. Box 40600  
Olympia, WA 98504-0600

Dear Governor Gregoire, Lieutenant Governor Owen, and Speaker Chopp:  
As required by Engrossed Substitute House Bill 2261, I'm submitting the Quality Education Council's (QEC) initial report; also attached to the report is a Minority Report by Senator McAuliffe.

The QEC has made 13 initial recommendations as a first step in the process of education finance reform. Such reform is critical to both the maintenance of our quality education system and the financial solvency of our school districts. Reform is no longer an optional undertaking in order to improve educational outcomes. School districts use most of their local revenues (largely levy and equalization) to hire extra staff and make up for shortfalls in transportation, operating costs, supplies, special education services, and state salary allocations. Most of these costs are clearly a state responsibility; the remaining costs require research and analysis by the Council to quantify the level of basic education support that is necessary to enjoy a quality education system.

Funding studies have already confirmed that our state pays for too few instructional and operating staff, that our salary allocations are no longer consistent with market requirements, and that operating costs are woefully underfunded. Although the Council understands the economic reality of the times, their first recommendation is that K-12 funding not experience any further cuts. If additional cuts are imposed, the quality of education programs offered for Washington students will be negatively impacted. The Council does not consider a reduction in education quality as an acceptable outcome of the 2010 Session, especially given our state's unique constitutional mandate to provide ample funding for an equitable education for each and every student in the state.

I'd like to thank each of the Council members for all of the hard work, commitment, and thoughtfulness throughout each step of the process. Their diligence and dedication has enabled us to put forth the 13 recommendations as a way to get the ball rolling for meaningful educational finance reform.

I'm honored to have served as the Chair for the Council and look forward to continuing the work on behalf of the current and future K-12 students of Washington.

Sincerely,

A handwritten signature in black ink that reads "Randy Dorn". The signature is written in a cursive style with a large, looping "D" at the end.

Randy I. Dorn  
Chair, Quality Education Council  
State Superintendent  
of Public Instruction

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## **Acknowledgments**

The Quality Education Council would like to thank all of the staff from the following agencies, working groups, and committees who contributed to the Council's work.

**Achievement Gap Oversight and Accountability Committee**

**Funding Formula Technical Working Group**

**House Office of Program Research**

**Legislative Caucus Staff**

**Legislative Evaluation and Accountability Program Committee**

**National Board for Professional Teaching Standards**

**Office of Financial Management**

**Office of the Governor**

**Office of Superintendent of Public Instruction**

**Professional Educators Standards Board**

**Senate Committee Services**

**State Board of Education**

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## Executive Summary

The QEC makes the following recommendations to the 2010 Legislature:

1. The 2010 Legislature is urged not to reduce the overall K-12 funding level in the 2010 Supplemental Operating Budget, including both basic and not-basic education allocations.

The Legislature should allocate at least 50% of any new state revenue to the implementation of the basic education program as established in ESHB 2261.

2. The 2010 Legislature should enact a law replacing current funding formulas with the new prototypical school funding formulas and the Baseline values designed by the Funding Formula Technical Working Group (FFTWG). The new formulas should be implemented effective September 1, 2011; the Baseline values should reflect the 2009-10 operating budget level (adjusted for typical inflationary measures). To the extent that districts need training for staff or system changes to implement the new prototypical funding model, the 2010 Legislature shall provide the necessary funding to assist with transfer to the new system.
3. The 2010 Legislature should:
  - Amend RCW Chapter 43.41.398 to start the work of the Compensation Working Group immediately, with a report due November 30, 2010 and change the lead staff agency to OSPI.
  - Start the work of the Local Finance Working Group (Laws of 2009, Chapter 548, Section 601, sub-section 2) immediately, with a report due November 30, 2010.
  - Continue the Funding Formula Working Group (Laws of 2009, Chapter 548, Section 112, sub-section 2) to monitor early implementation of the prototypical school formula and provide technical advice to the QEC and OSPI.

In addition to its current tasks, the Local Finance Working Group should (1) examine local capacity to address facility needs associated with full-day kindergarten and K-3 class size recommendations, and (2) provide the QEC with an analysis on the productive use of local funds that become available due to the phase-in of state funding for pupil transportation and maintenance, supplies and operating costs (MSOC) funding. The 2010 Legislature should also adequately fund the study and analysis costs for the working groups and the QEC so that work can be completed in time for consideration by the 2011 Legislature.

4. The 2010 Legislature should amend RCW Chapter 28A.160 to implement the new Pupil Transportation funding formula starting in September 1, 2011, not 2013. In addition 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.
5. The 2010 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, phased in over a 3-year period beginning in the 2011-12 school year. MSOC values should be adopted in statute. The 2010 Legislature should adopt intent to keep allocations current based on inflation indices that are aligned with the items districts must purchase with MSOC resources and should adopt intent to update allocation for improvements in textbooks and curriculum and technology to represent the cost of textbooks aligned with state standards, emphasis on science improvements, and keeping use of technology in schools current with job-market skills.

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6. The QEC and the Legislature should closely monitor the outcomes of the new Beginning Educator Support Team (BEST) program. The QEC will evaluate the effectiveness of the BEST pilot program following the submission of the November 1, 2010 program status report. If the program proves effective, sufficient funds should be phased-in beginning in school year 2011-12 to cover all first 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. In implementation of this recommendation, the Legislature should consider the recent related opinion of the State Attorney General, AGO 2009 No.8.
8. The Legislature should continue incremental phase-in of full-day kindergarten according to the statutory schedule (high poverty schools first).
9. The Legislature should prioritize class size reductions in the primary grades by providing a K-3 class size allocation of 15 students per classroom teacher in the prototypical school funding formula. The phase-in of class size reduction should begin in the 2011-12 school year and be targeted to high poverty schools first. Further, as future Legislatures phase in the recommendations for Early Learning, Full-day Kindergarten, and K-3 Class Size Reduction, the phase in should be designed to create a continuum of primary education age 3-third grade. The Department of Early Learning and Office of Superintendent of Public Instruction should create performance expectations for these early intervention resources and identify the data that will be used to monitor performance.
10. The 2010 Legislature should continue implementation of Part II of ESHB 2261 (Education Data Improvement System) to assure availability of robust and high quality data. The QEC will monitor progress of the K-12 Data Governance Group during 2010 so that the final report fully addresses the data needed for financial and program accountability. The QEC will also supplement the Group's recommendation as needed. Finally, the QEC will develop and recommend a process for how to adequately fund and use research-based, empirical data analysis to analyze and drive evidence-based practices through the Education Research and Data Center (ERDC) and Data Governance Group.
11. The 2010 Legislature, in adopting the new prototype school funding formulas should include a new component not contemplated in ESBH 2261 or by the FFTWG. The formulas should include a "Struggling Schools Oversight Fund" or "SOS Fund" to provide funding for school districts designated as requiring action by the State Board of Education to support transformation efforts in persistently low performing schools.
12. The Legislature should consider correcting several technical issues of ESHB 2261:
  - Correct statutory references to Certificated Instructional Staff.
  - Correct effective dates for Pupil Transportation sections of the statute that are not sequenced with QEC recommendations to transfer to the new formula in 2011 instead of 2013.
  - Correct references to the funding base that drives Special Education funding so that there is no change in Special Education funding (increase or decrease).
13. The QEC Work Plan for 2010 should focus on the following topics and result in recommendations to the 2011 Legislature:
  - The 2018 Staffing and Funding values for class size, school staff, district-wide support, Career and Technical Education (CTE), and MSOC in the prototypical school funding model.
  - Program delivery reforms and alternative funding methods for Learning Assistance Program (LAP)/Bilingual Programs.

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- Increased instructional hours as required under ESHB 2261.
- Opportunity for 24 credits for graduation based on State Board of Education recommendations.
- Research-based professional development.
- Possible innovations to support student/school health.
- Study and discuss the pros and cons of different forms of collective bargaining, including local, regional, and statewide collective bargaining.
- Review local levy authority and uses.
- Consider and take advantage of work being done on the state's Race to the Top application.
- Ongoing analysis of costs, expected results, supplanting policy, capacity, and a revenue or funding plan associated with the QEC recommendations.

In addition to the preceding recommendations, the QEC submits background information on the phase-in recommendations provided by the Funding Formula Technical Working Group, the Achievement Gap Oversight and Accountability Committee, and from National Board Certified Teachers from their 2009 NBCT Policy Symposium. A cost summary is also provided.

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## Introduction

Engrossed Substitute House Bill 2261 was passed by the 2009 Legislature as the next step of an education reform effort, following on the heels of the Basic Education Finance Task Force and Washington Learns before it. ESHB 2261 redefines the state's "Program of Basic Education" and requires the definition to be fully implemented by 2018. The legislation also implements a new finance structure based on prototype schools with the goal of increasing transparency. The bill also increases instructional hours, provides the opportunity for enhanced high school diploma requirements, adds full-day kindergarten and gifted education to the state's definition of basic education, and requires a new transportation funding formula.

In order to effectively implement and accomplish the goals of the legislation, several different working groups were created and existing entities tapped in order to provide both policy and technical recommendations to make the goals and intent of the bill become a reality. The legislation created the Funding Formula Technical Working Group, the Data Governance and K-12 Financial Data group, the Levies and Local Funds Work Group, and the Compensation Work Group to develop and help implement details of the bill. These four groups are temporary working groups which report to both the Legislature and the Quality Education Council (QEC), an education reform implementation and oversight body created by ESHB 2261. An Early Learning Advisory Council was created at the request of the Governor to develop a program of early learning for all children birth to five. Additionally, the State Board of Education was directed to continue their role in designing an accountability framework and the Professional Educator Standards Board was tapped to develop and adopt teacher performance standards.

The bill states that the purpose of the QEC is "to recommend and inform the ongoing implementation by the Legislature of an evolving program of basic education and the financing necessary to support such program." Statewide strategic recommendations are to be updated by the Council every four years, with the intent of informing the Legislature and Governor's educational policy and funding decisions, identifying measurable goals and priorities for the state's educational system for a ten-year period, and enabling the state to continue to implement an evolving "Program of Basic Education."

ESHB 2261 requires the QEC to report to the Legislature and Governor January 2010; the report is to include:

- Recommendations for resolving technical corrections to ESHB 2261 requiring legislative action during the 2010 session.
- Consideration of how to establish a statewide beginning teacher mentoring and support system.
- Recommendations for a program of early learning for at-risk children.
- A recommended schedule for the concurrent phase-in of changes to the instructional program of basic education and the funding formula and allocations to support the new instructional program of basic education established under this the act.
- A recommended schedule for implementing a new pupil transportation formula no later than September 1, 2013.

In response to ESHB 2261 requirements, the QEC makes the following 13 recommendations.

## ***Recommendation #1: Overall K-12 Funding***

The 2010 Legislature is urged not to reduce the overall K-12 funding level in the 2010 Supplemental Operating Budget, including both basic and not-basic education allocations.

The Legislature should allocate at least 50% of any new state revenue to the implementation of the basic education program as established in ESHB 2261.

## ***Recommendation #2: Transfer to the New Funding System***

The 2010 Legislature should enact a law replacing current funding formulas with the new prototypical school funding formulas and the Baseline values designed by the Funding Formula Technical Working Group (FFTWG). The new formulas should be implemented effective September 1, 2011; the Baseline values should reflect the 2009-10 operating budget level (adjusted for typical inflationary measures).

To the extent that districts need training for staff or system changes to implement the new prototypical funding model, the 2010 Legislature shall provide the necessary funding to assist with transfer to the new system.

Appendix A includes the Baseline funding values that represent translation of current levels of funding to the new prototype values. The Baseline represents funding at the level required by the Basic Education Act, the enhanced funding level of today (operating budget), and I-728 funding levels of 2009-10.

### Problems these Recommendations Address

Funding formulas in effect for nearly 30 years are very simple yet they are not understandable to the public or even many school employees. Three staffing categories and a single dollar value for non-employee operating costs drive billions of dollars in funding per year but do not provide information on what the state funds for major elements of the school funding system: class size for example, or school staff for custodial services or health services, or the amount of state funding for textbooks or utilities.

The new prototype school funding formulas will provide parents, school employees, the public and future Legislators with an easily understood set of formula elements for a theoretical school. Once implemented the new model will allow for school-level and district-level summaries that are more transparent because they utilize more commonly understood school elements and staffing categories.

### Phase-in and Specifics of the Recommendations

The FFTWG specifically addressed the timing for adoption of the Baseline and new formulas. The FFTWG concluded that the formulas should be restructured and that the new formulas can be successfully implemented within the timelines of ESBH 2261. However, the FFTWG reiterated that the timelines are close, and require immediate action in order for the formulas to be implemented September 1, 2011.

The Office of Superintendent of Public Instruction (OSPI) has prepared a timeline for the work that must take place in order to implement the new formulas in 2011. The timeline identifies that if the 2010 Legislature does not enact the new formulas, then the earliest the new formulas could be in place would be September 1, 2012. Therefore, the 2010 Legislature must either delay implementation by amending ESHB 2261 or adopt the new formulas; the 2010 Legislature must take action.

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## Cost Estimates for Recommendation

In order for OSPI to implement the new formulas September 2011, the office must a) re-program all of the databases that calculate the monthly funding allocation by district by formula, b) re-program all of the reports that the office posts to the web to identify how the funding allocation was generated for each formula. This reprogramming must take place in FY 2011 and is estimated to cost \$2.5 million. OSPI is pursuing a formal bid for this reprogramming; the bids are expected in spring 2010.

<http://www.k12.wa.us/QEC/pubdocs/FundingStructureTimeline.pdf>.

OSPI is also working to identify the cost to school districts of implementing the new prototype. Thus far, the prototype does not appear to require systemic changes to district expenditure reporting that would drive cost. The prototype categories are consistent with budget and expenditure categories that currently exist within the OSPI reporting requirements. The few new categories can be added within the existing structure.

## Next Steps for the QEC

- Continue to monitor the specifics of adoption of the new funding formulas, including cost and timeline for OSPI and school districts.
- Recommend legislation to implement the QEC report.
- Monitor alignment between the new funding system and efforts to improve accountability, improve student achievement, close the achievement gap, and Race to the Top requirements.

## ***Recommendation #3: Compensation, Local Levy, and Funding Formula Working Groups***

The 2010 Legislature should:

- Amend RCW Chapter 43.41.398 to start the work of the Compensation Working Group immediately, with a report due November 30, 2010 and change the lead staff agency to OSPI.
- Start the work of the Local Finance Working Group (Laws of 2009, Chapter 548, Section 601 (2)) immediately, with a report due November 30, 2010.
- Continue the Funding Formula Working Group (Laws of 2009, Chapter 548, Section 112 (2)) to monitor early implementation of the prototypical school formula and provide technical advice to the QEC and OSPI.

In addition to its current tasks, the Local Finance Working Group should (1) examine local capacity to address facility needs associated with full-day kindergarten and K-3 class size recommendations, and (2) provide the QEC with an analysis on the productive use of local funds that become available due to the phase-in of state funding for pupil transportation and maintenance, supplies and operating costs (MSOC) funding.

The 2010 Legislature should also adequately fund the study and analysis costs for the working groups and the QEC so that work can be completed in time for consideration by the 2011 Legislature.

## ***Recommendation #4: Student Transportation***

The 2010 Legislature should amend RCW Chapter 28A.160 to implement the new Pupil Transportation funding formula starting in September 1, 2011, not 2013.

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In addition 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.

## Problems this Recommendation Addresses

The current funding formula is based on simple radial mileages, not taking into account real driving miles (e.g., mountains, detours or windy roads). The formula does not provide funding based on actual mileage, leaving schools required to transport students but unable to be compensated for the real cost. Rural districts are especially impacted. The Joint Legislative Audit and Review Committee (JLARC), in their 2006 study, confirmed that the state was significantly underfunding pupil transportation. In the 2008-09 FY district were underfunded by \$115 million. In the 2009-10 school year, underfunding is projected to be \$130 million.

The Office of Financial Management (OFM), with the help of consultants, developed a new pupil transportation funding model which was then adopted in ESHB 2261.

To support the implementation of the new funding formula adopted in ESHB 2261, OSPI needs to build a Geographic Information System (GIS) that allows districts to input data on bus routes and stops; input, review and approve student counts; calculate and apportion funds back to districts; and provide reports and auditing capabilities.

OSPI has identified that the new system can be built in one year; with an appropriation beginning July 1 of any fiscal year, OSPI can implement the new formula the following September 1. Therefore, with an appropriation in FY 2011 OSPI can deploy the new system September 1, 2011.

The FFTWG and the QEC found no technical reason why funding for pupil transportation should be delayed until September 1, 2013 as intended in ESHB 2261. Pupil Transportation is a Basic Education program and opting to partially fund the program when the system is ready to move to a new formula is not appropriate state policy.

## Phase-in and Specifics of the Recommendations

The next step is to build the GIS data collection and reporting system to support the new funding model.

The GIS system will be a web-based online system for districts to submit school bus operation data for review and analysis by OSPI. Secondly, the system will manage the calculation and disbursement of school bus funds back to school districts based on the new formula presented by OFM and selected by the Governor. Finally, this package will fund the conversion of existing data to the new SQL environment for research and audit purposes.

Once, the new system is in place, the Legislature can begin phasing-in additional funding for student transportation beginning in the 2011-12 SY and ramping up to full funding for the 2013-14 SY.

## Cost Estimates for Recommendations

- The cost of this new GIS system is \$806,000 for the 2011 FY.
- The cost to fully fund pupil transportation is estimated at \$150 million for the 2011-12 SY.
- The cost for phase-in in FY 2012 is about \$40.1 million.
- For a cost summary, see Appendix C – Cost Summary.

## Next Steps for the QEC

- Monitor development of the OSPI reporting, calculation, and data system.
- Monitor phase-in of the new formula funding.

## ***Recommendation #5: Maintenance, Supplies, and Operating Costs***

The 2010 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, phased in over a 3-year period beginning in the 2011-12 school year. MSOC values should be adopted in statute.

The 2010 Legislature should adopt intent to keep allocations current based on inflation indices that are aligned with the items districts must purchase with MSOC resources and should adopt intent to update allocation for improvements in textbooks and curriculum and technology to represent the cost of textbooks aligned with state standards, emphasis on science improvements, and keeping use of technology in schools current with job-market skills.

### Problems this Recommendation Addresses

The state currently allocates \$511.60 per student for Non-employee Related Costs (NERC). These funds are the primary state funding source for operating costs such as utilities, insurance, technology and textbooks. This amount only covers 47% of basic education expenditures on NERC (\$1,083 per student).

For 46 districts serving 17,000 students, their entire NERC allocation must be dedicated to paying utilities and insurance. These districts have no remaining state resources for the most basic of costs associated with a school system: textbooks, paper/pencils, instructional technology, restroom supplies, and facilities maintenance. If utility costs continue to rise, more districts will find themselves spending their entire NERC allocation on keeping the lights on and the building warm.

Of the \$1,083 expended per pupil, districts spend an average of \$122 on textbooks and curriculum consumables (e.g., workbooks; not supplies). In contrast, the state provides \$57.70 per pupil for all instructional materials. Therefore, the state funds a curriculum replacement cycle of 18 years. OSPI data from 2008 identifies that only about 5 percent of elementary students are using math curriculum on the state's recommended menu.

In addition, when the NERC formula was implemented over 20 years ago, technology was not a funding consideration. Districts in our state must augment NERC funding with local technology bonds and levies in order to provide students access to computers. If they are unable to find local dollars, students must go without critical instructional technology.

Finally, school districts are obligated by law to ensure that all school buildings are properly heated, lighted, ventilated and maintained in a sanitary condition. Proper facilities maintenance requires both routine and preventative action. However, the state only allocates \$72.35 per student for facilities maintenance supplies; districts spend \$161 per student.

### Phase-in and Specifics of the Recommendations

The Funding Formula Technical Working Group (FFTWG) recommends the early implementation of MSOC. The FFTWG argues that early investment in MSOC will provide fiscal relief for districts and allow local funds to be reinvested in priority areas. In addition, the FFTWG recommended that additional studies be conducted to determine the true cost of MSOC. For example, more research needs to be conducted to determine the adequate allocation for facilities maintenance.

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In line with the FFTWG, the QEC recommends a three-year phase in of MSOC beginning in 2011. This recommendation balances the need to address evidence of underfunding with the need for future analysis of district expenditures and consideration of possible efficiencies and best practices.

## Cost Estimates for Recommendations

The total cost to implement MSOC in the 2011-12 school year is \$619.7 million. To phase-in the allocation over three years translates into a \$165.3 million cost for the 2012 FY.

For a cost summary, see Appendix C – Cost Summary.

## Next Steps for the QEC

- Request studies that evaluate the true cost of MSOC and appropriate inflationary rates for each of the budget elements.
- Develop legislative intent to develop a curriculum allocation that reflects the cost of purchasing materials aligned with state standards. There should be a particular emphasis on science materials aligned with the state science curriculum menu.
- Develop legislative intent to align technology tools and instruction needs with current job-market skills.

## ***Recommendation #6: New Teacher Support***

The QEC and the Legislature should closely monitor the outcomes of the new Beginning Educator Support Team (BEST) program. The QEC will evaluate the effectiveness of the BEST pilot program following the submission of the November 1, 2010 program status report. If the program proves effective, sufficient funds should be phased-in beginning in school year 2011-12 to cover all first year teachers.

## Problems these Recommendations Address

Currently, funds appropriated for the State's program of new teacher mentoring and induction (BEST) are only sufficient to fund programs in 16 districts; serving only 207 of the more than 1,300 first year teachers in the state.

Research suggests that teachers who do not have access to mentoring and induction are twice as likely to leave the profession within the first three years of teaching. Teachers who participate in induction and mentoring programs are more likely to stay in the profession.

Research also suggests that high quality induction programs greatly enhance teaching practice during the initial years of a teacher's career. Teachers are better equipped to address classroom management challenges, which then allows them to focus on instruction. Further, many new teachers work in high needs schools where students struggle at higher than average rates and these students stand to benefit the most from having highly qualified and well-trained teachers.

This recommendation will extend access to the BEST program, or an improved program design, to beginning educators across the state; helping to ensure that all first year teachers have the support they need to positively impact student achievement.

## Phase-in and Specifics of the Recommendations

The QEC recommends that beginning in the 2011-12 school year the Legislature should allocate funding to include all first year teachers in the BEST program. Funding in subsequent years should be sufficient to support new teachers in their 2<sup>nd</sup> - 3<sup>rd</sup> years of teaching.

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## Cost Estimates for Recommendation

For a cost summary, see Appendix C – Cost Summary.

## ***Recommendation #7: Early Learning***

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. In implementation of this recommendation, the Legislature should consider the recent related opinion of the State Attorney General, AGO 2009 No. 8.

### Problems these Recommendations Address

Children from low-income backgrounds often come to school less prepared to learn than their more affluent peers. Children who enter school at a disadvantage struggle to keep up, let alone catch-up. The research is clear on the importance of early learning for school readiness. Furthermore, investing in early learning for at-risk children is a fundamental strategy to close the achievement gap. Investing in an effective early learning program should result in net cost savings to the school system through less time and effort spent on remediation, and improved outcomes for students.

### Phase-in and Specifics of the Recommendations

For the purposes of determining eligibility for the proposed program of early learning “at-risk” is defined as eligibility for the Early Childhood Education and Assistance Program (ECEAP) program. Services provided to students shall remain the same as those provided by the current ECEAP program until there is agreement on an alternative proposal for services for this population of children. These services shall be implemented through a combined school and community-based delivery system, and shall be delivered by approved providers. In addition, the program shall be governed collaboratively by the Superintendent of Public Instruction and the Department of Early Learning.

The QEC recommends that the proposed program of early learning be phased-in over a 3-year period beginning in the 2011-12 school year to cover all eligible children who voluntarily choose to participate.

### Cost Estimates for Recommendation

Cost estimates represent the additional cost to expand access to services like those provide through ECEAP to all income eligible children in the state. The cost to fully fund a program of early learning in the 2011-12 school year beyond current ECEAP/Head Start is \$54.4 million. The cost of a phasing in funding beginning in 2012 fiscal year is \$8.7 million.

For a cost summary, please see Appendix C – Cost Summary.

## ***Recommendation #8: Full Day Kindergarten***

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

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## Problems this Recommendations Addresses

Current state funding provides for full-day kindergarten for 20% of students in the state. In order to sustain the gains made by investing in quality early learning programs, and best prepare students to be successful kindergarten programs need to be enriched throughout the state. This is especially true for low-income children who begin kindergarten behind more often than their more affluent peers. These children need to engage in more than 450 hours of instruction per year if they are not only going to catch up, but also gain the skills they need to be successful in future grades.

This recommendation will help to ensure that all children have access to quality early childhood education programs. In addition, the phase in structure will help to ensure that the students who need additional support most have access to it first.

## Phase-in and Specifics of the Recommendations

In order to give districts time to address capital and staffing capacity, the QEC recommends that funding for full day kindergarten continue to be phased in, beginning with high poverty schools, and that full funding be phased in by 2018.

## Cost Estimates for Recommendation

The cost to cover to fully fund full-day kindergarten programs for all students in 2018 is estimated at \$181.5 million dollars. The cost of the proposed phased in implementation of funding in the 2011-12 school year is \$20.7 million.

For a cost summary, please see Appendix C – Cost Summary.

## ***Recommendation #9: K-3 Class Size Reductions***

The Legislature should prioritize class size reductions in the primary grades by providing a K-3 class size allocation of 15 students per classroom teacher in the prototypical school funding formula. The phase-in of class size reduction should begin in the 2011-12 school year and be targeted to high poverty schools first.

Further, as future Legislatures phase in the recommendations for Early Learning, Full-day Kindergarten, and K-3 Class Size Reduction, the phase in should be designed to create a continuum of primary education age 3-third grade. The Department of Early Learning and Office of Superintendent of Public Instruction should create performance expectations for these early intervention resources and identify the data that will be used to monitor performance.

## Problems these Recommendations Address

Currently, state Basic Education funding provides for a class size in grades K-3 of 25 students. However, research conducted by the Washington State Institute for Public Policy and other scholars conclude that there are significant, positive student achievement gains associated with reducing class sizes in primary grades. Evidence also shows that these gains persist over time.

Research also suggests that there are even greater gains to be made in terms of closing the achievement gap and increasing graduation rates for low-income students by investing in K-3 class size reductions. Washington's low income students consistently score lower on state assessments and drop out of high school at higher rates than their more affluent peers. Investing in smaller classes for these students will help to ensure that they receive the one-on-one attention they need to excel.

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## Phase-in and Specifics of the Recommendations

The QEC's recommended phase in of funding for K-3 class size reduction recognizes that districts need time to address capital needs and adapt instruction in primary grades to prevent erosion of the positive impact of full-day K and 3 and 4 year olds interventions. To that end the QEC proposes a phase in schedule that will allow districts to put the proper systems in place needed to ensure the most efficient and productive use of new resources.

The QEC recommends that the Legislature provide funding to phase in class size reductions in grades K-3 over a 5-year period beginning in the 2011-12 school year, starting with the highest poverty schools.

## Cost Estimates for Recommendation

The total cost of fully implementing class sizes reductions in all K-3 classes to a ratio of 15 students to one teacher is estimated at \$645.5 million. The cost of implementing phase one reductions in fiscal year 2012 (2011-12 school year) is estimated at \$103.3 million.

These cost estimates represent the funding needed to hire additional certified teaching staff to cover the increase in the number of classes resulting from the average class size reduction. These estimates do not address the capital cost associated with any new construction that may be required to meet the demand for classrooms.

For a cost summary, please see Appendix C – Cost Summary.

## Next Steps for the QEC

- Monitor the specific phase-in plan for K-3 class size reductions over the next 5 years.
- Monitor the Local Finance Working Group and OSPI efforts to assess the local capacity to address facility needs associated with K-3 class size recommendations.

## ***Recommendation #10: Education Data Improvement System***

The 2010 Legislature should continue implementation of Part II of ESHB 2261 (Education Data Improvement System) to assure availability of robust and high quality data.

The QEC will monitor progress of the K-12 Data Governance Group during 2010 so that the final report fully addresses the data needed for financial and program accountability. The QEC will also supplement the Group's recommendation as needed.

Finally, the QEC will develop and recommend a process for how to adequately fund and use research-based, empirical data analysis to analyze and drive evidence-based practices through the Education Research and Data Center (ERDC) and Data Governance Group.

## Problems these Recommendations Address

True accountability requires the ability to monitor what is working and what is not working in terms of the state's investment in improving student achievement. This requires the capacity to collect, analyze and use data to make decisions. The K-12 Data Governance Group interim report (November 2009) indicates that many desired elements of the comprehensive education data system, outlined in ESHB 2261, are currently being collected this year for the first time through Comprehensive Education Data and Research System (CEDARS). However, more work is needed on the gap analysis and plan for full implementation of the system.

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These recommendations are made to reinforce the importance of data for policymakers and the fact that investments must be sustained in order to complete the overhaul of our data collection and data use in decision-making.

## Cost Estimates for Recommendation

Retain current resources for ERDC and ESHB 2261 data governance.

## Next Steps for the QEC

- Continue monitoring the progress of the Data Governance Group and provide guidance as they develop their report to the QEC in fall 2010.
- Continue monitoring the ERDC and its progress in meeting legislative mandates.

## ***Recommendation #11: Struggling Schools Oversight Fund***

The 2010 Legislature, in adopting the new prototype school funding formulas should include a new component not contemplated in ESBH 2261 or by the FFTWG. The formulas should include a “Struggling Schools Oversight Fund” or “SOS Fund” to provide funding for school districts designated as requiring action by the State Board of Education to support transformation efforts in persistently low performing schools.

## ***Recommendation #12: Technical Corrections to ESHB 2261***

- Correct statutory references to Certificated Instructional Staff.
- Correct effective dates for Pupil Transportation sections of the statute that are not sequenced with QEC recommendations to transfer to the new formula in 2011 instead of 2013.
- Correct references to the funding base that drives Special Education funding so that there is no change in Special Education funding (increase or decrease).

## ***Recommendation #13: QEC 2010 Work Plan***

The QEC Work Plan for 2010 should focus on the following topics and result in recommendations to the 2011 Legislature:

- The 2018 Staffing and Funding values for class size, school staff, district-wide support, Career and Technical Education (CTE), and MSOC in the prototypical school funding model.
- Program delivery reforms and alternative funding methods for Learning Assistance Program (LAP)/Bilingual Programs.
- Increased instructional hours as required under ESHB 2261.
- Opportunity for 24 credits for graduation based on State Board of Education recommendations.
- Research-based professional development.
- Possible innovations to support student/school health.
- Study and discuss the pros and cons of different forms of collective bargaining, including local, regional, and statewide collective bargaining.
- Review local levy authority and uses.
- Consider and take advantage of work being done on the state's Race to the Top application.
- Ongoing analysis of costs, expected results, supplanting policy, capacity, and a revenue or funding plan associated with the QEC recommendations.

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**Prototype Funding Values:** Appendix B contains staffing and funding values for the new school prototype. Several of the values are addressed by the recommendations of this report and are indicated in bold. Where such values are not specifically identified in above recommendations, the QEC has identified provisional funding values for discussion during 2010 (indicated by gray cell shading). The provisional funding values will be reviewed and modified based on input from technical working groups and expert analysis for the QEC.

**Learning Assistance and Transitional Bilingual Instruction Programs (TBIP):** The Basic Education Finance Task Force identified new funding levels and funding formulas for the LAP and TBIP programs; the FFTWG has revised the funding formula design in its recommendations for the 2010 Legislature and QEC. However, the outcomes of current programs deployed in school districts have not been reviewed. Further, the Task Force and FFTWG did not review the drivers of funding allocations (e.g., program eligibility). Also, as of development of these recommendations, the Achievement Gap Oversight and Accountability Committee (AGAOC) had not yet completed its recommendations regarding these programs.

Therefore, the QEC will conduct a more comprehensive review of these two programs: funding drivers and/or program eligibility, programmatic design and associated outcomes, future funding levels needed. The QEC looks forward to the recommendations of the AGAOC and other interested parties.

## *Other Relevant information: Phase-in*

ESHB 2261 requires the Quality Education Council to develop a phase-in plan for the new program of basic education with full implementation by the 2018-19 School Year. In light of this mandate, OSPI created a budget tool to gather input from education experts and key stakeholder groups. These groups included the National Board Certified Teachers (NBCT) Symposium members, the Funding Formula Working Group, and the Achievement Gap Oversight and Advisory Committee (AGOAC).

More detailed information about the recommendations and the budget tool can be found at <http://www.k12.wa.us/QEC/Resources.aspx>.

### Methodology

Individual members from the NBCT Symposium, FFTWG, and the AGOAC participated in a prioritization exercise that forced choices among investments in prototype elements. This exercise prioritized elements outlined in the prototype school model, including categorical programs for transition bilingual instruction, learning assistance, and highly capable programs. The relative size of the investment assumed for each element was based on the proposed ending values presented by the Superintendent Dorn to the Quality Education Council (QEC). Even if these are not the final ending values adopted by the QEC or the Legislature, the relative size of the new investments will likely be similar to the relative sizing used in the budget tool. The prioritization tool limited members to equal investments in each of the eight years.

### Phase-in Recommendations

The implementation of individual elements in these generally fell within one of the following groups: (1) elements that should be funded in the first four years of the implementation schedule, (2) elements that should be funded proportionately throughout the implementation schedule, and (3) elements that should be funded in the second four years of implementation schedule. The results are depicted in the Table 1 below. The twenty budget items are broken up into seven general categories. The last three columns indicate each of the group's recommendations (F=first four years; I=incremental; S=second four years; N/A=not applicable). Dark shaded cells represent areas of unanimous agreement. Light shaded cells are areas of moderate agreement. Finally clear cells are areas with no agreement or where only one group provided recommendations.

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**Table 1: Implementation Recommendations**

Category	#	Budget Elements	FFTWG	NBCT	AGOAC
<b>Class Size Reduction</b>	1	Reduce Class Size for High Poverty Schools	I	F	I
	2	Reduce Class Size for all Grades	S	F	S
	3	Reduce Class Size Further for Career and Technical Education, Advanced Placement/International Baccalaureate, & Lab Sciences	S	S	S
<b>Early Learning</b>	4	All-day Kindergarten	I	F	F
	5	Early Learning programs for at-risk youth	S	F	F
<b>Professional Development</b>	6	9 New Learning Improvement Days	I	I	S
	7	Mentor Program for New Teachers	F	F	F
<b>Struggling Students</b>	8	New Staffing for Learning Assistance Program	I	S	F
	9	New Staffing for Transitional Bilingual Program	F	S	F
<b>Certificated Instructional Staff</b>	10	Increase Librarians/ Media Specialists	S	S	S
	11	Increase Guidance Counselors	F	S	F
	12	Increase Health Services Staff (School Nurses & Social Workers)	S	S	F
	13	Instructional Coach	F	I	I
<b>Classified Staff</b>	14	Instructional Aides	I	S	I
	15	Office Support (Secretaries, Data, Enrollment); non-instructional Aides *	F	N/A	N/A
	16	Maintenance (custodians, buildings, grounds) *	S	N/A	N/A
	17	Student, Staff, and Facility Security *	F	N/A	N/A
<b>Materials, Supplies and Operating Costs (MSOC)</b>	18	Textbook and Consumable Curriculum	F	I	F
	19	Technology	F	S	I
	20	Library, Professional Development, Utilities & Insurance, District-wide Support, Facilities & Maintenance *	F	N/A	N/A

\*The NBCT and AGOAC did not include these elements in their budget tool.

### *First Four Years*

All three groups recommended early phase-in of a mentoring program for new teachers. Two out of the three groups also recommended implementing increased resources for the Early Learning category, the Transitional Bilingual Program, guidance counselors, and technology. The FFTWG also recommended early phase of office support staff, security staff, and the other MSOC categories.

### *Incremental*

Two out of the three groups recommended an incremental phase-in of class size reduction for poverty students, learning improvement days for teachers, instructional coaches, and instructional aides.

### *Second Four Years*

All three groups strongly recommended delayed phase-in of librarian/ media specialists and reduced class size for Career and Technical Education, Advanced Placement/International Baccalaureate, & Lab Sciences. Two out of the three groups recommended delayed phase-in of reduced class size for all grades, and increased health services staff. The FFTWG also recommended late phase-in of maintenance staff.

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## *No Agreement*

The groups did not agree on the phase-in of the Learning Assistance Program and technology.

## Rationale

Each of the three groups that participated in this budget exercise provided their own unique perspective on the phasing of the budget elements. Generally, members tried to implement those items that would have a significant impact on student academic performance and closing the achievement gap. For example, many believed that supporting and improving the quality of new teachers was an important initial investment because of the link between teacher quality and student achievement. Both the FFTWG and the AGOAC also considered the capacity of school districts to absorb additional resources. Those strategies such as class size reduction that required significant investments in facility space or additional qualified staff were phased in incrementally or in the second four years. Detailed explanations of their rationale are identified in Appendix XX and XX of this document.

## Next Steps for the QEC

- Develop a phase-in plan that fully implements the new program of Basic Education by 2018. This plan will take into consideration the input from the FFTWG, NBCT, and AGOAC.

## Quality Education Council: Appendix A -- Baseline

1	2	3	4	5	6	7	8	9	10	
	<b>28A.150.260 (Basic Education Act)</b>			<b>2009-10 Operating Budget</b>			<b>I-728 Funding Included</b>			
1	<b>A. Base School and District Staffing</b>						Funded level Displayed: <b>\$ 128,648,338</b>			
2	<b>Class Size Assumptions</b>	<b>2007-08 Enrollment</b>	<b>Non-High Poverty Schools</b>	<b>High Poverty Schools</b>	<b>2007-08 Enrollment</b>	<b>Non-High Poverty Schools</b>	<b>High Poverty Schools</b>	<b>2007-08 Enrollment</b>	<b>Non-High Poverty Schools</b>	<b>High Poverty Schools</b>
3	Class Size K-3	266,244	25.23	Same	266,244	23.11	Same	266,244	<b>22.24</b>	Same
4	Class Size Grade 4	76,652	27.00	Same	76,652	23.11	Same	76,652	<b>22.33</b>	Same
5	Class Size 5-6	152,241	27.00	Same	152,241	27.00	Same	152,241	<b>26.23</b>	Same
6	Class Size 7-8	155,234	28.53	Same	155,234	28.53	Same	155,234	<b>27.70</b>	Same
7	Class Size 9-12	255,241	28.74	Same	255,241	28.74	Same	255,241	<b>27.87</b>	Same
8	CTE (exploratory and preparatory)	53,933	26.57	Same	53,933	26.58	Same	53,933	26.58	Same
9	Skills Centers	3,884	22.76	Same	3,884	22.76	Same	3,884	22.76	Same
10	<b>School Level</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>
11	Prototypical School Size	400	432	600	400	432	600	400	432	600
12	<b>School Level</b>	<b>Elementary (Staff per 400)</b>	<b>Middle (Staff per 432)</b>	<b>High (Staff per 600)</b>	<b>Elementary (Staff per 400)</b>	<b>Middle (Staff per 432)</b>	<b>High (Staff per 600)</b>	<b>Elementary (Staff per 400)</b>	<b>Middle (Staff per 432)</b>	<b>High (Staff per 600)</b>
13	Principal/School Admin	1.253	1.353	1.880	1.253	1.353	1.880	1.253	1.353	1.880
14	Teachers (all grades averaged for display purposes only)	17.754	18.169	25.050	19.103	18.169	25.050	<b>19.703</b>	<b>18.712</b>	<b>25.833</b>
15	Librarian/Media Specialist	0.663	0.519	0.523	0.663	0.519	0.523	0.663	0.519	0.523
16	Counselor	0.493	1.116	1.909	0.493	1.116	1.909	0.493	1.116	1.909
17	Health and Social Services	0.135	0.068	0.118	0.135	0.068	0.118	0.135	0.068	0.118
18	Professional Development Coaches	0.000	0.000	0.000	0.000	0.000	0.000	<b>0.189</b>	<b>0.204</b>	<b>0.283</b>
19	Instructional Aides	0.917	0.685	0.638	0.936	0.700	0.652	0.936	0.700	0.652
20	School Office/Other Aides and Support	1.971	2.277	3.201	2.012	2.325	3.269	2.012	2.325	3.269
21	Student and Staff Security	0.077	0.090	0.138	0.079	0.092	0.141	0.079	0.092	0.141
22	Custodians	1.622	1.902	2.903	1.657	1.942	2.965	1.657	1.942	2.965
23	<b>Career and Technical Education</b>	<b>Staff per 100</b>			<b>Staff per 100</b>			<b>Staff per 100</b>		
24	CTE Admin & Other Support	0.612			0.612			0.612		
25	CTE Teachers	4.516			4.516			4.516		
26	<b>Skills Centers</b>	<b>Staff per 100</b>			<b>Staff per 100</b>			<b>Staff per 100</b>		
27	Skills Centers Admin & Other Support	0.715			0.715			0.715		
28	Skills Center Teachers	5.273			5.273			5.273		
29	<b>District-wide Support</b>	<b>Staff per 1,000 Students</b>			<b>Staff per 1,000 Students</b>			<b>Staff per 1,000 Students</b>		
30	Technology	0.615			0.628			0.628		
31	Facilities, Maintenance, Grounds	1.776			1.813			1.813		
32	Warehouse/Laborers/Mechanics	0.325			0.332			0.332		

## Quality Education Council: Appendix A -- Baseline

	1	2	3	4	5	6	7	8	9	10
		<b>28A.150.260 (Basic Education Act)</b>			<b>2009-10 Operating Budget</b>			<b>I-728 Funding Included</b>		
33	<b>Central Admin</b>	<b>Staff per 1,000 Students</b>			<b>Staff per 1,000 Students</b>			<b>Staff per 1,000 Students</b>		
34	Supervisors/Finance/Personnel/Comm.	0.757			0.773			0.835		
35	Office Clerical - Central Admin	1.729			1.765			1.858		
36	Certificated Administrators	0.867			0.867			0.905		
37	<b>As a percent</b>									
38	Total Central Admin	5.30%			5.35%			5.29%		
39	Certificated Split	25.86%			25.46%			25.163%		
40	Classified Split	74.14%			74.54%			74.837%		
41	<b>Learning Improvement Days</b>	<b>Days Funded</b>			<b>Days Funded</b>			<b>Days Funded</b>		
42	Teachers	1			1			1		
43	Librarian/Media Specialist	1			1			1		
44	Counselor	1			1			1		
45	Health and Social Services	1			1			1		
46	Professional Development Coaches	1			1			1		
47	Instructional Aides	0			0			0		

	1	2	3	4
		<b>28A.150.260 (Basic Education Act)</b>	<b>2009-10 Operating Budget</b>	<b>I-728 Funding Included</b>
1	<b>B. Basic Education Categorical Programs (2009-10)</b>			
2	<b>Learning Assistance Program</b>			
3	Instructional hours per week in class sizes of 15	1.516 hours (approx. 1 hr, 31 min)	1.516 hours (approx. 1 hr, 31 min)	1.516 hours (approx. 1 hr, 31 min)
4	Instructional hours during vacation in class sizes of 15	0	0	0
5	Maintenance, supplies and operating costs per student	0	0	0
6	Administration percentage	0	0	0
7	Hold Harmless – Discontinued Concentration Factors	Approx. \$23 million	Approx. \$23 million	Approx. \$23 million
	1	2	3	4
		<b>28A.150.260 (Basic Education Act)</b>	<b>2009-10 Operating Budget</b>	<b>I-728 Funding Included</b>
9	<b>Transitional Bilingual Instruction Program</b>			
10	Instructional hours per week in class sizes of 15	4.778 hours (approx. 4 hrs, 47 min)	4.778 hours (approx. 4 hrs, 47 min)	4.778 hours (approx. 4 hrs, 47 min)
11	Instructional hours during vacation in class sizes of 15	0	0	0
12	Maintenance, supplies and operating costs per student	0	0	0
13	Administration percentage	0	0	0
14	Factors for age and complexity of population	0	0	0

## Quality Education Council: Appendix A -- Baseline

15	<b>Highly Capable Program</b>			
16	Instructional hours per week in class sizes of 15	2.159 hours (approx. 2 hrs, 10 min)	2.159 hours (approx. 2 hrs, 10 min)	2.159 hours (approx. 2 hrs, 10 min)
17	Instructional hours during vacation in class sizes of 15	0	0	0
18	Maintenance, supplies and operating costs per student	0	0	0
19	Administration percentage	0	0	0
20	Funding floor for small programs	0	0	0
21	<b>Special Education Program</b>			
22	Birth – Pre-K (Percent of Base Staff and MSOC Allocations)	1.15%	1.15%	1.15%
23	K-Age 21 (Percent of Base Staff and MSOC Allocations)	93.09%	93.09%	93.09%
24	<b>C. Other Basic Education Funding Requirements (2007-08 Basis)</b>			
25	<b>MSOC</b>	All Grades	All Grades	All Grades
26	Technology	51.88	53.77	53.77
27	Curriculum	55.70	57.72	57.72
28	Library and Other Supplies	118.27	122.56	122.56
29	Professional Development	8.61	8.95	8.92
30	Utilities/ Insurance	140.99	146.10	146.10
31	Central District-wide Support	48.38	50.14	50.14
32	Facilities Maintenance	69.84	72.37	72.37
33	Total Expended Per Student	\$ 493.70	\$ 511.60	\$ 511.60
34	Percent funded	47%	47%	47%
35	<b>Pupil Transportation</b>			
36	Pupil Transportation (09-10 Budgeted)	About 62.5% of full funding	About 62.5% of full funding	About 62.5% of full funding
37	<b>All-day Kindergarten</b>			
38	All-day Kindergarten (08-09 Basis)		21% of schools	21% of schools
39	Early Learning for at-risk 3 and 4 year olds (based on 110% Federal Poverty Level)		27%	27%
40	<b>Instructional Hours</b>			
41	Elementary (1-6)	Formulas assume 1,008 hours	Formulas assume 1,008 hours	Formulas assume 1,008 hours
42	Secondary (7-9)	Formulas assume 1,080 hours	Formulas assume 1,080 hours	Formulas assume 1,080 hours
43	<b>Salary; Partially or Fully Funded</b>			
44	Certificated Instructional Staff	Percentage dependent on policy decisions related to additional salaries	Percentage dependent on policy decisions related to additional salaries	Percentage dependent on policy decisions related to additional salaries
45	Classified Staff	74.8% funded	74.8% funded	74.8% funded
46	Certificated Administrative Staff	56.2% funded	56.2% funded	56.2% funded

## Quality Education Council: Appendix B – 2018 Values

1	2	3	4	5	6	7	
	<b>K-12 Funding (I-728 Included)</b>			<b>2018 Funding Values: Final &amp; Provisional</b>			
1	<b>A. Base School and District</b>	I-728 Funded level assumed: <b>\$ 128,648,338</b>		Provisional Discussion Values are shaded			
2	<b>Class Size Assumptions</b>	<b>2007-08 Enrollment</b>	<b>Non-High Poverty Schools</b>	<b>High Poverty Schools</b>	<b>2007-08 Enrollment</b>	<b>Non-High Poverty Schools</b>	<b>High Poverty Schools</b>
3	Class Size K-3	266,244	<b>22.24</b>	Same	266,244	<b>15</b>	<b>15</b>
4	Class Size Grade 4	76,652	<b>22.33</b>	Same	76,652	25	22
5	Class Size 5-6	152,241	<b>26.23</b>	Same	152,241	25	23
6	Class Size 7-8	155,234	<b>27.70</b>	Same	155,234	25	23
7	Class Size 9-12	255,241	<b>27.87</b>	Same	255,241	25	23
8	CTE (exploratory and preparatory)	53,933	26.58	Same	53,933	19	19
9	Skills Centers	3,884	22.76	Same	3,884	16	16
10	<b>School Level</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>	<b>Elementary</b>	<b>Middle</b>	<b>High</b>
11	Prototypical School Size	400	432	600	<b>400</b>	<b>432</b>	<b>600</b>
12	<b>School Level</b>	<b>Elementary (Staff per 400)</b>	<b>Middle (Staff per 432)</b>	<b>High (Staff per 600)</b>	<b>Elementary (Staff per 400)</b>	<b>Middle (Staff per 432)</b>	<b>High (Staff per 600)</b>
13	Principal/School Admin	1.253	1.353	1.880	1.3	1.4	1.9
14	Teachers (all grades averaged for display only)	<b>19.703</b>	<b>18.712</b>	<b>25.833</b>	(generated by class size above)		
15	Librarian/Media Specialist	0.663	0.519	0.523	1.0	1.0	1.0
16	Counselor	0.493	1.116	1.909	0.5	2.0	3.5
17	Health and Social Services	0.135	0.068	0.118	1.0	1.0	1.0
18	Professional Development Coaches	<b>0.189</b>	<b>0.204</b>	<b>0.283</b>	0.6	0.7	1.0
19	Instructional Aides	0.936	0.700	0.652	2.0	1.0	1.0
20	School Office/Other Aides and Support	2.012	2.325	3.269	3.0	3.5	3.5
21	Student and Staff Security	0.079	0.092	0.141	0.0	0.7	1.3
22	Custodians	1.657	1.942	2.965	1.7	2.0	3.0
23	<b>Career and Technical Education</b>	<b>Staff per 100</b>			<b>Staff per 100</b>		
24	CTE Admin & Other Support	0.612			0.7		
25	CTE Teachers	4.516			4.5		
26	<b>Skills Centers</b>	<b>Staff per 100</b>			<b>Staff per 100</b>		
27	Skills Centers Admin & Other Support	0.715			0.7		
28	Skills Center Teachers	5.273			5.3		
29	<b>District-wide Support</b>	<b>Staff per 1,000 Students</b>			<b>Staff per 1,000 Students</b>		
30	Technology	0.628			2.8		
31	Facilities Security, Maintenance, Grounds	1.813			4.0		
32	Warehouse/Laborers/Mechanics	0.332			1.9		

1	2	3	4	5	6	7
	<b>I-728 Funding Included</b>			<b>Final</b>		
33	<b>Central Admin</b>	<b>Staff per 1,000 Students</b>		<b>Staff per 1,000 Students</b>		
34	Supervisors/Finance/Personnel/Comm.	<b>0.835</b>		0.984		
35	Office Clerical - Central Admin	<b>1.858</b>		2.081		
36	Certificated Administrators	<b>0.905</b>		0.998		
37	<b>As a percent</b>					
38	Total Central Admin	5.29%		5.59%		
39	Certificated Split	25.163%		24.561%		

## Quality Education Council: Appendix B – 2018 Values

40	Classified Split	74.837%			75.439%		
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41	Learning Improvement Days	Days Funded		Days Funded	
42	Teachers	1		1	
43	Librarian/Media Specialist	1		1	
44	Counselor	1		1	
45	Health and Social Services	1		1	
46	Professional Development Coaches	1		1	
47	Instructional Aides	0		0	

	1	2	3
		K-12 Funding (I-728 Included)	2018 Funding Values: Final & Provisional
1	<b>B. Basic Education Categorical Programs (2009-10)</b>		
2	<b>Learning Assistance Program</b>		
3	Instructional hours per week in class sizes of 15	1.516 hours (approx. 1 hr, 31 min)	1.516 hours (approx. 1 hr, 31 min)
4	Instructional hours during vacation in class sizes of 15	0	0
5	Maintenance, supplies and operating costs per student	0	0
6	Administration percentage	0	0
7	Hold Harmless – Discontinued Concentration Factors	Approx. \$23 million	Approx. \$23 million

	1	2	3
		I-728 Funding Included	Current Funding Level
9	<b>Transitional Bilingual Instruction Program</b>		
10	Instructional hours per week in class sizes of 15	4.778 hours (approx. 4 hrs, 47 min)	4.778 hours (approx. 4 hrs, 47 min)
11	Instructional hours during vacation in class sizes of 15	0	0
12	Maintenance, supplies and operating costs per student	0	0
13	Administration percentage	0	0
14	Factors for age and complexity of population	0	0

15	<b>Highly Capable Program</b>		
16	Instructional hours per week in class sizes of 15	2.159 hours (approx. 2 hrs, 10 min)	2.159 hours (approx. 2 hrs, 10 min)
17	Instructional hours during vacation in class sizes of 15	0	0
18	Maintenance, supplies and operating costs per student	0	0
19	Administration percentage	0	0
20	Funding floor for small programs	0	0

21	<b>Special Education Program</b>		
22	Birth – Pre-K (Percent of Base Staff and MSOC Allocations)	1.15%	1.15%
23	K-Age 21 (Percent of Base Staff and MSOC Allocations)	93.09%	93.09%

24	<b>C. Other Basic Education Funding Requirements (2007-08 Basis)</b>		
25	<b>MSOC</b>	All Grades	All Grades*
26	Technology	53.77	<b>\$113.80</b>
27	Curriculum	57.72	<b>\$122.17</b>
28	Library and Other Supplies	122.56	<b>\$259.39</b>
29	Professional Development	8.92	<b>\$18.89</b>
30	Utilities/ Insurance	146.10	<b>\$309.21</b>
31	Central District-wide Support	50.14	<b>\$106.12</b>
32	Facilities Maintenance	72.37	<b>\$153.18</b>
33	Total Expended Per Student	\$ 511.60	<b>\$1,082.76</b>
34	Percent of Funding	47%	<b>Fully Funded*</b>

\*Dollar amount to be updated for inflation and costs of textbooks and technology

## *Quality Education Council: Appendix B – 2018 Values*

35	<b>Pupil Transportation</b>		
36	Pupil Transportation (09-10 Budgeted)	About 62.5% of full funding	<b>Fully Funded</b>
37	<b>Early Learning Programs</b>		
38	All-day Kindergarten (08-09 Basis)	21% of schools	<b>Fully Funded</b>
39	Early Learning Program for at-risk 3 and 4 year olds (based on 110% Federal Poverty Level)	27%	<b>Fully Funded</b>
40	<b>Instructional Hours</b>		
41	Elementary (1-6)	Formulas assume 1,008 hours	1,008 hours
42	Secondary (7-9)	Formulas assume 1,080 hours	1,080 hours
43	<b>Salaries; Fully or Partially or Funded</b>		
44	Certificated Instructions Staff	Percentage dependent on policy decisions related to additional salaries	Fully Funded
45	Classified Staff	74.8% funded	Fully Funded
46	Certificated Administrative Staff	56.2% funded	Fully Funded

## Quality Education Council: Appendix C – Cost Summary

Costed Item	Length of Phase-in	Approximate Fiscal Year Cost Estimates							
		SY or FY	2012	2013	2014	2015	2016	2017	2018
Student Transportation (Rec 4)	3 years	School	\$50.2M	\$103.9M	\$155.8M	\$161.3M	\$166.9M	\$172.8M	\$178.8M
		Fiscal	\$40.1M	\$93.1M	\$145.4M	\$160.2M	\$165.8M	\$171.6M	\$177.6M
MSOC (Maintenance, Supplies & Operating Costs) (Rec 5)	3 years	School	\$206.6M	\$427.6M	\$641.4M	\$663.8M	\$687.1M	\$711.1M	\$736.0M
		Fiscal	\$165.3M	\$383.4M	\$598.6M	\$659.3M	\$682.4M	\$706.3M	\$731.0M
New Teacher Support -- BEST (Rec 6)	3 years costed*	School	\$21.7M	\$28.1M	\$31.8M	\$32.9M	\$34.0M	\$35.2M	\$36.4M
		Fiscal	\$17.3M	\$26.8M	\$31.0M	\$32.6M	\$33.8M	\$35.0M	\$36.2M
Early Learning (Rec 7)	3 years	School	\$10.9M	\$27.3M	\$58.2M	\$60.3M	\$62.4M	\$64.6M	\$66.8M
		Fiscal	\$8.7M	\$24.0M	\$50.2M	\$59.9M	\$62.0M	\$64.1M	\$66.4M
Full Day Kindergarten (Rec 8)	7 years	School	\$25.9M	\$53.7M	\$80.4M	\$107.3M	\$134.2M	\$161.0M	\$187.8M
		Fiscal	\$20.7M	\$48.1M	\$75.1M	\$102.0M	\$128.8M	\$155.6M	\$182.4M
K-3 Class Size Reductions (Rec 9)	5 years	School	\$129.1M	\$267.2M	\$400.8M	\$534.4M	\$668.1M	\$691.4M	\$715.6M
		Fiscal	\$103.3M	\$239.6M	\$374.1M	\$507.7M	\$641.3M	\$686.8M	\$710.8M
TOTALS	-	School	<b>\$444.3M</b>	<b>\$907.8M</b>	<b>\$1,368.5M</b>	<b>\$1,560.0M</b>	<b>\$1,752.6M</b>	<b>\$1,836.1M</b>	<b>\$1,921.5M</b>
		Fiscal	<b>\$355.5M</b>	<b>\$815.1M</b>	<b>\$1,276.3M</b>	<b>\$1,521.7M</b>	<b>\$1,714.1M</b>	<b>\$1,819.4M</b>	<b>\$1,904.4M</b>

\*QEC does not indicate phase-in time-period at this time.

# ***Quality Education Council: Appendix D – Minority Report***

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## **QUALITY EDUCATION COUNCIL 2010 REPORT**

### **Minority Report submitted by Senator Rosemary McAuliffe**

I appreciate all the hard work that has gone into developing the Quality Education Council (QEC) recommendations and report. Education is our paramount duty in this State and we must continue to make progress in fully implementing the new education reform efforts begun last session.

The key to ensuring that our reform efforts are moving forward is the adoption of a baseline prototypical school funding formula in this next legislative session and the funding for the transition costs associated with transferring from our current allocation system to the new system. I fully support this QEC recommendation in order to keep our state moving forward on meeting the goals set forth in House Bill 2261.

While I strongly support many of the goals expressed within the full QEC report, there are a few recommendations I would like the QEC/Legislature to consider for Legislative action in 2010. While continual progress must be made, meaningful and systematic education reform must be carefully implemented to assure the education system has the capacity and financial support for a comprehensive package of reform. I look forward to the Compensation and Levy Workgroups completing their tasks. I support the QEC recommendation for the work of the Compensation Working Group to begin immediately, but I believe the collaborative process with the Office of Financial Management convening the Working Group collaboratively with the staff of the Office of the Superintendent of Public Instruction (OSPI) should be maintained. The first capacity report from OSPI is not due until December 1, 2010. The information from the working groups and OSPI will help guide our recommendations and enable us to promote a holistic and complete education reform package. There are two working groups established in Engrossed Substitute House Bill 2261 that have not even begun to meet and we will not have their reports until much later.

My greatest concerns are with the following specific recommendations:

#### **Recommendation 1: Student Transportation**

Despite the economic climate we faced last session, and that we continue to face, we established an aggressive timeline for implementing a new Pupil Transportation funding formula in statute. I cannot at this time support moving up the implementation date for that new funding formula. I will continue to support necessity of meeting goals of the current timeline outlined in statute but at this time I believe we must prioritize directing limited state funds to the classroom before giving it to infrastructure.

#### **Recommendation 2: Early Learning**

I strongly support early learning programs for young children and especially for young, at-risk children. However, I am uncomfortable including the recommendation to make a Program of Early Learning for at-risk children part of the definition of Basic Education until we understand all the ramifications of such an act.

Four senators, including myself, requested a formal opinion from the Attorney General on some of the legal implications of such a decision last March. The Office of the Attorney General testified before the Senate Early Learning and K-12 Education Committee that this decision presents many complex legal issues. The formal opinion was only recently completed and neither the QEC nor the Legislature has had the opportunity to review and fully discuss the findings. I believe it would be premature of this body to

## ***Quality Education Council: Appendix D – Minority Report***

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move forward with a recommendation to include early learning in the definition of Basic Education without a full discussion regarding the Attorney General opinion.

The Department of Early Learning and OSPI have recommended that a voluntary universal preschool program for 3- and 4-year olds be created as part of Basic Education. The QEC should focus a significant portion of its work in the next year on developing the specifics and timeline for how the state can implement such a program in order to achieve that end goal.

### **Recommendation 12: Programs to assist Struggling Students and English Language Learners**

I support a review of these programs to ensure that the best practices for program delivery and funding can be implemented across Washington. My only concern is the minimal role that the Achievement Gap Oversight and Accountability Committee (AGOAC) appear to play in guiding the QEC's work. I submitted the following language to the QEC members to consider as an additional amendment:

“The QEC in partnership with the Achievement Gap Oversight and Accountability Committee and in consultation with OSPI's Bilingual and Civil Rights Offices shall examine program delivery reforms and basic-education funding methods for the LAP and Bilingual Programs and report back to the Legislature by December 2010.”

The additional language is important because I believe it is essential that the AGOAC have a much more active role than merely providing input. It is important that the QEC work in partnership with the AGOAC as we address the programs to assist struggling students and English Language Learners. The AGOAC has current research that can contribute to the work of the QEC.

### **Additional recommendation to be included regarding funding for Basic Education:**

Over the last few months I have sought input from our educators, parents and students regarding what are their goals for education reform. Despite these difficult economic times, I have heard teachers, parents, principals and superintendents across the entire State say that they want us to continue to move forward on education reform. However, they want us to move forward on this reform together.

Additionally, they have all stressed a need for a complete plan that addresses the inequities first while also dealing with the issue of securing stable and fair funding for basic education now and in the future. I agree. The QEC needs to be bold and address all of these issues and we must do so in a united and meaningful way. Any steps we recommend for education reform must also include recommendations for the funding of those steps.

There are many issues left untouched or only partially discussed in this report, most significant of which may be how we are going to pay for these reforms. In the report from the Funding Formula Technical Working Group there is a discussion of possible sources of revenue to support increases in basic education funding allocations. The QEC did not have the opportunity to begin discussing these options. I would like to include a recommendation in this report that the QEC have a full discussion of these and potentially other revenue source options in 2010.

I look forward to continuing my work with the QEC and the countless others involved in this education journey. I am confident all our hard work will lift us to our goal of complete education reform.