



Office of Superintendent of Public Instruction
Chris Reykdal, State Superintendent

*All students prepared
for post-secondary pathways,
careers, & civic engagement.*

REPORT TO THE LEGISLATURE

Washington State Assessment System

2018

Authorizing legislation: [ESSB 6032](#), Sec. 513 (1)

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Executive Summary

During the 2017 legislative session, the Office of Superintendent of Public Instruction (OSPI) issued a preliminary fiscal note in response to House Bill (HB) 2224, detailing the potential cost savings of eliminating Collection of Evidence (COE) activities, which served as an alternative assessment option necessary to meet graduation requirements. The Legislature then adopted those savings in the 2017–19 Biennial Operating Budget. The 2018 Supplemental Operating Budget required OSPI to produce a report to the Legislature detailing actions taken to achieve the estimated cost savings listed in the fiscal note for HB 2224. In order to maintain the budgeted reductions in the 2019–21 biennium, OSPI eliminated two staff positions and terminated all contract activity relative to Collection of Evidence.

Introduction

On June 29, 2017, the Office of Superintendent of Public Instruction (OSPI) issued a preliminary fiscal note projecting the potential cost savings to Washington state if House Bill (HB) 2224 (2017) passed into law. The Legislature subsequently passed HB 2224 and incorporated those savings in their 2017–19 Biennial Operating Budget, which passed on June 30, 2017. The Office of Superintendent of Public Instruction issued a final fiscal note on HB 2224 on July 13, 2017. There were no changes to the projected savings as compared to the preliminary fiscal note.

The 2018 Supplemental Operating Budget states:

(ii) By November 1, 2018, the superintendent must review the fiscal note and report to the legislature on which actions detailed in the fiscal note were taken by the superintendent to achieve the savings estimated and the actual savings achieved. For those actions provided in the fiscal note that were not taken and for which no savings were achieved, the Superintendent must explain why those actions were not taken.

(iii) By November 1, 2018, the superintendent must submit a detailed plan on how the superintendent will achieve all of the savings estimated in the fiscal note for the 2019–2021 biennium. (Senate Bill 6032, Sec. 513[1][b] [2018].)

House Bill 2224

Summary of HB 2224:

- Revised high school graduation assessment requirements in science, English language arts, and mathematics and provisions governing alternative assessment options.
- Discontinued the Collection of Evidence alternative assessment options.
- Established an expedited assessment appeals process for waiving requirements for Certificates of Academic Achievement or Certificates of Individual Achievement for certain students.
- Addressed student interventions and academic supports.
- Established new provisions for High School and Beyond Plans.
- Modified the accountability-related duties of the State Board of Education.

2017 Legislative Session

The fiscal note submitted by OSPI in response to HB 2224 detailed an estimated savings of \$5.1 million in fiscal year 2018 and ongoing savings of \$7.6 million each year thereafter. The result is a savings of \$12.7 million in the 2017–19 biennium and a savings of \$15.2 million in the 2019–21 biennium.

The savings were the result of the elimination of Collection of Evidence activities, related contract payments, and staff. The fiscal note also projected costs related to transitioning assessments from grade 11 to grade 10. Additionally, HB 2224 detailed estimated costs to establish an advisory panel to approve locally administered assessments and development work associated with creating an expedited appeals process.

The 2017 Legislature adopted the projected savings as part of the 2017–19 Biennial Operating Budget. In addition, the budget incorporated biennial reductions of \$3,223,000 requested by OSPI. The result was a 2017–19 biennial appropriation of \$57,396,000 in General Fund-State funds for implementation of the Washington state assessment system (fiscal year 2018: \$30,421,000; fiscal year 2019: \$26,975,000)

2017–19 Biennium

To achieve savings in the 2017–19 biennium, OSPI eliminated two staff positions and terminated all contract activity related to Collection of Evidence, including payments to districts for work related to Collection of Evidence. This resulted in a net reduction of costs to OSPI as portrayed in the preliminary fiscal note for HB 2224.

Conclusion and Next Steps

The Office of Superintendent of Public Instruction (OSPI) is on track to maintain the savings recognized from the implementation of HB 2224 and is not at risk for overspending the appropriation for the Washington state assessment system. In addition, OSPI has met the legislative requirement to demonstrate cost savings as provided in section 513(1)(b) of the 2018 Supplemental Operating Budget.

2019–2021 Biennium

The Office of Superintendent of Public Instruction is operating under the supposition that the current fiscal year appropriation of \$26,975,000 will likely be the carry-forward level for fiscal years 2020 and 2021. With that in mind, the agency is managing its resources and workload under the assumption that the carry-forward level will remain flat until, or unless, the work requires a request to increase the appropriation. The agency is able to achieve the ongoing savings by continuing to abstain from making payments to schools for activities related to Collection of Evidence, not reinstating contracts for Collection of Evidence work, and not rehiring positions related to Collection of Evidence.

References

[Engrossed Substitute House Bill 2224](#)

[Engrossed Substitute Senate Bill 6032](#)

[Final Bill Report Engrossed Substitute House Bill 2224](#)

[Preliminary Fiscal Note \(Partial\)](#)

[Final Fiscal Note](#)

APPENDICES

Appendix A: Legislative Budget Notes

**Public Schools
Education Reform**
Dollars In Thousands

C 1, L17, E3, PV, Sec 513

	NGF+OpPth	Other	Total
2015-17 Estimated Expenditures	253,147	101,999	355,146
2017 Supplemental	1,422	0	1,422
Total 2015-17 Biennium	254,569	101,999	356,568
2017-19 Maintenance Level	291,730	94,612	386,342
Policy Other Changes:			
1. Teacher Evaluation Training	-1,000	0	-1,000
2. Assessments	-12,677	0	-12,677
3. Mentoring	10,000	0	10,000
4. Low Achieving Schools	5,000	0	5,000
5. First Robotics Program	250	0	250
6. Big Brother/Sister Mentoring	250	0	250
7. Management Reduction	-42	-8	-50
Policy -- Other Total	1,781	-8	1,773
Policy Comp Changes:			
8. State Public Employee Benefits Rate	71	29	100
9. Non-Rep General Wage Increase	364	138	502
Policy -- Comp Total	435	167	602
Policy Transfer Changes:			
10. Consolidate Dual Credit Programs	-2,122	0	-2,122
Policy -- Transfer Total	-2,122	0	-2,122
Total 2017-19 Biennium	291,824	94,771	386,595
Fiscal Year 2018 Total	135,548	47,360	182,908
Fiscal Year 2019 Total	156,276	47,411	203,687

Comments:

1. Teacher Evaluation Training

Teachers are evaluated using the Teacher and Principal Evaluation Program. Grant funding is provided for teachers to attend training to learn about the new evaluation system during the implementation phase. Funding for this program is reduced beginning with FY 2019. (General Fund-State)

2. Assessments

Savings are assumed as the result of implementation of Chapter 31, Laws of 2017, 3rd sp.s. (ESHB 2224), providing flexibility in high school graduation requirements. The savings are primarily related to the elimination of collection of evidence as an alternative assessment option. (General Fund-State)

3. Mentoring

Funding is provided to support expansion of the Beginning Educator Support Team Program, providing mentoring for beginning teachers. (General Fund-State)

Appendix B: Fund and FTE Detail by Fiscal Year Report

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State of Washington
Office of Financial Management
Fund and FTE Detail by Fiscal Year

Agency: 350 - SPI - Education Reform
Version: 4E - 2017-19 Biennial Enacted

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Dollars in Thousands

	Fiscal Year 1 FTEs	Fiscal Year 2 FTEs	Total Annual FTE	Fiscal Year 1 Funds	Fiscal Year 2 Funds	Total Funds	Percent Share of RecSum
08A-1 Education Legacy Trust Account-State				804	805	1,609	0.45%
31 National Board Bonus Costs							
001-1 General Fund - Basic Account-State				5,733	25,726	31,459	100.00%
AR Assessment Adjustment							
001-1 General Fund - Basic Account-State				(1,132)	(2,091)	(3,223)	100.00%
FAU Eliminate Programs							
001-1 General Fund - Basic Account-State					(40)	(40)	100.00%
Carry Forward plus Workload Changes				183,559	202,611	386,170	
% Change from Current Biennium				6.9%	10.5%	8.7%	
Carry Forward plus Workload Changes Fund Totals	34.7	44.7	39.7				
001-1 General Fund - Basic Account-State				135,466	154,531	289,997	75.10%
001-2 General Fund - Basic Account-Federal				46,573	46,560	93,133	24.12%
001-7 General Fund - Basic Account-Priv-Loc				716	715	1,431	0.37%
08A-1 Education Legacy Trust Account-State				804	805	1,609	0.42%
9D Pension and DRS Rate Changes				86	86	172	
001-1 General Fund - Basic Account-State				61	61	122	70.93%
001-2 General Fund - Basic Account-Federal				22	22	44	25.58%
001-7 General Fund - Basic Account-Priv-Loc				2	2	4	2.33%

State of Washington
Office of Financial Management
Fund and FTE Detail by Fiscal Year

Agency: SPI - Education Reform
Version: 2017-19 Biennial Enacted
Dollars in Thousands

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	Fiscal Year 1 FTEs	Fiscal Year 2 FTEs	Total Annual FTE	Fiscal Year 1 Funds	Fiscal Year 2 Funds	Total Funds	Percent Share of RecSum
General Fund - Basic Account-State				61	61	122	70.93%
Total Maintenance Level				183,645	202,697	386,342	
% Change from Current Biennium				6.9%	10.5%	8.8%	
Maintenance Level Fund Totals	34.7	44.7	39.7				
Education Legacy Trust Account-State				805	806	1,611	0.42%
General Fund - Basic Account-Federal				46,595	46,582	93,177	24.12%
General Fund - Basic Account-Priv-Loc				718	717	1,435	0.37%
General Fund - Basic Account-State				135,527	154,592	290,119	75.09%
Assessments							
General Fund - Basic Account-State				(5,095)	(7,582)	(12,677)	100.00%
Big Brother/Sister Mentoring							
General Fund - Basic Account-State				125	125	250	100.00%
Consolidate Dual Credit Programs							
General Fund - Basic Account-State				(1,061)	(1,061)	(2,122)	100.00%
First Robotics Program							
General Fund - Basic Account-State				125	125	250	100.00%
Low Achieving Schools							
General Fund - Basic Account-State					5,000	5,000	100.00%
							AKK350.

Source: Enterprise Reporting, Fund and FTE Detail by Fiscal Year Report, 2018

LIST OF TABLES

Table 1: State Assessment Proviso Biennial Changes

State Assessment Proviso 031/032	FY16	FY17	FY18	FY19
Assessment Funding				
State Appropriation	\$33,620,000	\$34,504,000	\$36,648,000	\$36,648,000
Decision Package "AR" 2016 Supplemental Budget Request				
Science Assessment (Biology)	(\$2,000,000)	(\$1,200,000)		
Contract Payments	(\$2,483,000)	\$3,344,000		
Fiscal Note - ESHB 2224				
<i>Collection of Evidence</i>				
Collection of Evidence Staff			(\$487,000)	(\$487,000)
Graduation Alternatives			(\$5,196,000)	(\$7,296,000)
<i>Standards Setting & Locally Administered Assessments</i>				
Standards Setting			\$190,000	\$0
Certificates of Academic or Individual Achievement Expedited Appeals Process - Web Development			\$10,300	\$0
Locally Administered Assessment Coordinator			\$138,000	\$138,000
Advisory Panel for Locally Administered Assessments			\$250,000	\$62,500
Decision Package "AX" 2017-19 Biennium				
State Assessment Proviso Adjustment			(\$1,132,300)	(\$2,090,500)
Total Adjusted Biennial Budget	\$29,137,000	\$36,648,000	\$30,421,000	\$26,975,000
	2017-19 Biennial Operating Budget		2018 Supplemental Operating Budget	



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