

## Recommendations from the QEC – Preliminary Draft Document

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3 **1. The 2010 Legislature should adopt a Baseline prototypical school funding formula for**  
4 **implementation in 2011 at current levels of state spending, based on the recommendations of**  
5 **the Funding Formula Working Group but with a more simplified set of funding factors. The**  
6 **Baseline factors should be adopted in statute. The Legislature is urged not to reduce the overall**  
7 **K-12 funding level in the 2010 Supplemental Operating Budget. This includes both basic and**  
8 **non-basic education allocations. The Legislature shall provide funding to assist local districts**  
9 **implement the new data and accounting reporting systems that will be required to fully**  
10 **implement the prototypical funding model, including training for staff as necessary to support**  
11 **those new systems. The Legislature shall include, as part of the prototype funding model, the**  
12 **creation of a “Struggling Schools Oversight Fund (SOS fund) to provide funding for school**  
13 **districts designated as requiring action by the State Board of Education to support reform**  
14 **efforts.**

### Rationale

- 15 • General agreement among QEC members at November meeting
- 16 • Simplify to maintain formula as a communication and decision-making tool for policymakers and the public
- 17 • Ensure alignment between accounting, data systems, reporting, budget preparation, and state budget
- 18 development for the 2011-13 biennium (See "*Key Funding Dates for Transition to New Funding Structure in*
- 19 *September 2011*") <http://www.k12.wa.us/QEC/pubdocs/August27QECMeetingDocuments.pdf>
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- 23 **2. The 2010 Legislature should amend ESHB 2261 to:**

- 24 • **Start the work of the Compensation Working Group immediately, with a report due in**
- 25 **November 30, 2010**
  - 26 ○ Change lead staff agency to OSPI
- 27 • **Start the work of the Local Finance Working Group immediately, with a report due in**
- 28 **November 30, 2010.**
  - 29 ○ Add task of examining local capacity to address facility needs associated with full-day K
  - 30 and K-3 class size recommendations
- 31 • **Continue the Funding Formula Working Group to monitor early implementation of the**
- 32 **prototypical school formula and provide technical advice to the QEC and OSPI**
- 33 • **Fund the associated study and analysis costs in order to fully complete the necessary**
- 34 **work on compensation, levies, and appropriate funding levels in time for consideration**
- 35 **and action by the 2011 Legislature.**
- 36 • **The Legislature shall allocate at least 50% of any new state revenue to the**
- 37 **implementation of the basic education program as established in ESHB 2261.**
- 38

### Rationale

- 39 • General agreement among QEC members at November meeting
- 40 • Need to consider the finance system as a whole and not in silos
- 41 • FFWG members could possibly serve as Local Finance Working Group to provide continuity
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- 44 **3. The 2010 Legislature should amend ESHB 2261 to implement the new Pupil Transportation**  
45 **Funding Formula in September 2011, not 2013.**

### Rationale

- 46 • Evidence of underfunding (See JLARC "*K-12 Pupil Transportation Funding Study: Report 06-10*"
- 47 <http://www.leg.wa.gov/JLARC/AuditAndStudyReports/2006/Pages/06-10.aspx>)
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- 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. The Local Funding Working Group should provide the QEC with recommendations on the productive use of local funds that are available due to phase-in of state funding for transportation.**

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 year<sup>1</sup>
- Fiscal Year 2012 phase-in: \$40.1 million<sup>2</sup>

**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. The Local Funding Working Group should provide the QEC with recommendations on the productive use of local funds that are available due to phase-in of state funding for MSOC. Also, the Legislature should adopt in statute a method for keeping allocations current based on inflation indices that are aligned with the items districts must purchase with MSOC resources and should adopt intent to update allocations for improvements in textbooks and curriculum and technology to represent the cost of textbooks aligned with state standards, emphasis on science improvement, and keeping use of technology in schools current with job-market skills.**

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>	<b>\$1,082.76</b>

\*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)

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

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

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

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4 **6. The QEC and Legislature should closely monitor the outcomes of the new BEST (Beginning**

5 **Educator Support Team) program. If the program proves effective, sufficient funds should be**

6 **phased in beginning in 2011 to cover all first year teachers.**

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8 Rationale

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

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13 Estimated Costs (Inflation-adjusted to 2011-12)

- 14 • Full implementation: \$31.8 million for 2011-12 school year (1st, 2nd, 3rd year teachers)
- 15 • 2011-12 school year phase-in: \$17.3 million (all 1st year teachers)

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17 **7. The Legislature should include a Program of Early Learning for at-risk children aged 3 and 4 as**

18 **part of the definition of Basic Education.**

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

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29 Rationale

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

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35 Estimated Costs (Inflation-adjusted to 2011-12 )

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

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40 **8. The Legislature should continue incremental phase-in of full-day kindergarten according to the**

41 **statutory schedule (high poverty schools first), with completion in 2018.**

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43 Rationale

- 44 • WSIPP study on cost-benefit of full-day K showing short-term gains but erosion of effect without changes to
- 45 instruction in primary grades (<http://www.wsipp.wa.gov/rptfiles/07-03-2201.pdf>, and presentation to the
- 46 Basic Education Finance Task Force [http://www.leg.wa.gov/JointCommittees/BEF/Documents/Mtg10-](http://www.leg.wa.gov/JointCommittees/BEF/Documents/Mtg10-20_21-08/II-c-ii.pdf)
- 47 [20\\_21-08/II-c-ii.pdf](http://www.leg.wa.gov/JointCommittees/BEF/Documents/Mtg10-20_21-08/II-c-ii.pdf))
- 48 • Give districts time to address capital needs and adapt instruction in primary grades

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50 Estimated Costs (Inflation-adjusted to 2011-12)

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

1 **9. The Legislature should prioritize class size reduction in the primary grades by providing a K-3**  
 2 **class size allocation of 15 students per classroom teacher in the prototypical school funding**  
 3 **formula, phased in over a 5-year period beginning in 2011 and starting with high poverty**  
 4 **schools. As the future Legislatures phase in the recommendations for Early Learning, Full-day**  
 5 **Kindergarten, and K-3 Class Size Reduction, the phase in should be designed to create a**  
 6 **continuum of primary education age 3-third grade. The Department of Early Learning and Office**  
 7 **of Superintendent of Public Instruction should create performance expectations for these early**  
 8 **intervention resources and identify the data that will be used to monitor performance.**  
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10 Rationale

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

15 Estimated Costs (Inflation-adjusted to 2011-12)

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

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 20 **10. QEC shall examine program delivery reforms and alternative funding methods for LAP/Bilingual**  
 21 **and report back to the Legislature by Dec. 2010.**  
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23 **11. The QEC Workplan for 2010 should focus on the following topics and result in recommendations**  
 24 **to the 2011 Legislature for a schedule of phased-in implementation:**

- 25 • **Increased instructional hours as required under ESHB 2261.**
- 26 • **Opportunity for 24 credits for graduation based on SBE recommendations.**
- 27 • **Increased allocations for critical school support staff including librarians, school health,**  
 28 **and classified staff.**
- 29 • **Research-based professional development.**
- 30 • **Possible innovations to support student/school health.**
- 31 • **Examine transferring local collective bargaining to the state, including all matters**  
 32 **pertaining to compensation, benefits, and employment terms and conditions.**
- 33 • **Review local levy authority and uses. This is a vital component, given proposals to shift**  
 34 **funding and particular items from local levies to the state budget.**
- 35 • **Develop a process for how to adequately fund and use research-based, empirical data**  
 36 **analysis to analyze and drive evidence-based practices through the Education Research**  
 37 **and Data Center and the Data Governance Group.**
- 38 • **Consider and take advantage of the work being done to submit the state's Race-to-the-**  
 39 **Top application.**
- 40 • **Include a cost estimate at full-implementation and costs of each proposed phase in**  
 41 **increment.**
- 42 • **Include analysis of the implications of recommendations on local funding and**  
 43 **compensation, supplanting policy, and capacity analysis.**
- 44 • **Identify the expected results and data systems to monitor progress against these**  
 45 **expected returns.**
- 46 • **Identify a revenue or funding plan associated with the QEC recommendations, including**  
 47 **specific recommendations on the use, level, and purpose of levy funds.**

48 Rationale

- 1 • Impact and implementation of Core 24 still being analyzed by SBE Task Force
- 2 ([http://www.sbe.wa.gov/documents/CharterforImplementationTaskForceFINAL\\_002.pdf](http://www.sbe.wa.gov/documents/CharterforImplementationTaskForceFINAL_002.pdf))
- 3 • Further analysis needed of instructional hour increase, including work of Funding Formula Working Group
- 4 (<http://www.k12.wa.us/QEC/pubdocs/SummaryofCrosswalkIntoNewFundingStructure11-2-09.pdf>)
- 5 • Evidence of insufficient staffing allocations for school support compared to district practice, but need to
- 6 examine staffing patterns compared to Baseline formula more closely
- 7 • Lack of research-basis for previous recommendations on LID days
- 8 • Examine possibility of leveraging federal funds and state Apple Health Program to ensure safe and healthy
- 9 kids while they are at school.

10  
11 **12. The Legislature should continue implementation of Part II of ESHB 2261 (Education Data**  
12 **Improvement System) to assure availability of robust and high quality data. The QEC should**  
13 **monitor progress of the K-12 Data Governance Group during 2010 so that the final report fully**  
14 **addresses the data needed for financial and program accountability. The QEC should**  
15 **supplement the Group's recommendation as needed.**

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17 Rationale:

- 18 • True accountability requires the ability to monitor what is working and what isn't working in terms
- 19 of the state's investment in improving student achieve. This requires the capacity to collect,
- 20 analyze and use data to make decisions.
- 21 • The K-12 Data Governance Group Interim Report indicates that many desired elements of the
- 22 comprehensive education data system outlined in EHB 2261 are currently being collected this year
- 23 for the first time through CEDARS, but more work is needed on the gap analysis and plan for full
- 24 implementation of the system.
- 25 ([http://www.leg.wa.gov/documents/legislature/ReportsToTheLegislature/FINAL%20K-](http://www.leg.wa.gov/documents/legislature/ReportsToTheLegislature/FINAL%20K-12_Data_Governance_Preliminary_Report%2011-15-09_6ef67b0a-79ee-4419-bb00-79ca813fa2a2.pdf)
- 26 [12\\_Data\\_Governance\\_Preliminary\\_Report%2011-15-09\\_6ef67b0a-79ee-4419-bb00-](http://www.leg.wa.gov/documents/legislature/ReportsToTheLegislature/FINAL%20K-12_Data_Governance_Preliminary_Report%2011-15-09_6ef67b0a-79ee-4419-bb00-79ca813fa2a2.pdf)
- 27 [79ca813fa2a2.pdf](http://www.leg.wa.gov/documents/legislature/ReportsToTheLegislature/FINAL%20K-12_Data_Governance_Preliminary_Report%2011-15-09_6ef67b0a-79ee-4419-bb00-79ca813fa2a2.pdf))

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29 **13. The QEC shall work during 2010 to define the 2018 Staffing and Funding values for class size, the**  
30 **school staff prototype, districtwide support, career and technical education, and maintenance,**  
31 **supplies, and operating costs. Where this proposal does not establish a final funding value, the**  
32 **QEC establishes the following 2018 Staffing and Funding discussion values for consideration**  
33 **during 2010 in this process. The values will be reviewed and modified based on input from**  
34 **technical working groups.**

- 35
- 36 • Attachment 1 identifies the QEC discussion values.