

CHANGES FOR 2007–08 BUDGETS

STATE FUNDING FORMULA CHANGES

State Basic Education Allocated Salaries

A 3.70 percent salary increase is provided for all state-funded formula staff.

The minimum state funding for staff units have been increased as follows:

- Classified formula staff units \$30,111.
- Certificated administrative units \$54,405.
- Certificated instructional units \$32,746.

Classified Staffing Ratio

The state funded classified ratio has been increased from 1/60 (16.666/1000) to 1/59 (16.949/1000).

Health Benefit Rate Increase

The health benefit funding rate is increased from \$682.54 per employee per month to \$707.00.

Highly Capable

The highly capable funding basis has been increased to 2.314% of the districts FTE from 2.0%.

I-732 Student Achievement Funds

The rate for student achievement funding is increased to \$450.00 per FTE student. See section 2, page 16 for more information.

Vocational Equipment Replacement Allocations

The Legislature continued funding for Vocational Equipment Replacement. The funding rates are \$75 per Vocational student FTE and \$125 for Skill center student FTE.

Local Effort Assistance

The provisions of SSB 6211 have been extended through 2011, by SHB 2812, and continues to be part of the calculation of levy base and LEA. Under SSB 6211, each district's levy base will be increased by (1) the difference between the amount the district would have received under I-728 as originally passed by voters and the amount the district actually receives under I-728 as amended in 2003; and (2) the difference between the amount the district would have received under I-732 as originally passed by the voters and the amount the district actually receives under I-732 as amended in 2003. OSPI Bulletin 74-05 requires school districts to report to School Apportionment and Financial Services the revenue received as a fiscal agent. This revenue is excluded from the district's levy base. Refer to Section 2, page 10 for more information.

Learning Assistance Program

The funding formula for the Learning Assistance Program (LAP) will continue to be based 100% upon the district poverty as reported in the October Free and Reduced Price Lunch count reported for the prior year times the student Full-Time Equivalency for the prior year. See more specific information in the Revenue Account Summary section of this chapter under revenue code 4155.

CHANGES FOR 2007-08 BUDGETS

Promoting Academic Success

Legislature continued the Promoting Academic Success (PAS) to help students who have been unsuccessful on one or more 10th grade WASL assessments in Reading, Writing, and/or Mathematics. The number of student funding units has been increased to encompass test results from spring of 2006 and spring of 2007 tests. See more specific information in the Revenue Account Summary section of this chapter under revenue code 4163.

Fringe Benefits Percentage

The legislative budget revised the employee fringe benefits and retirement rates.

	2007-08	
Certificated Maintenance	13.04	
Classified Maintenance	16.04	
Certificated Increase	12.40	
Classified Increase	12.54	
	Legislative assumptions in benefit rates for 2007-08	DRS Rates for 2007-08 (effective date)
TRS	5.84	5.82 (September 1, 2007)
PERS	6.15	6.12 (July 1, 2007) 6.13 (September 1, 2007)
SERS	5.90	5.88 (September 1, 2007)

Subsequent to the enactment of the legislative budget Department of Retirement Systems established their contribution rates for 2007-08. The difference between the legislative assumptions and the DRS rates may be reflected in a supplemental budget revision. For more information on DRS benefit rates visit their website at:

<http://www.drs.wa.gov/employer/DRSN/e07009.htm>

Special Education

The Legislature made the following changes to the special education funding formula:

- 1) Students age birth to 5 and not yet enrolled in kindergarten will generate 1.15% of the unenhanced BEA.
- 2) Students age 5 to 21, up to 12.7% of the district resident FTE, will generate special education funding at 93.09% of the unenhanced BEA.
- 3) The 1077 excess costs method has been replaced with a new Washington State Excess Costs Method. See section 2 page 10 for further information on the new revenue code 3121.
- 4) The federal integration amount has been reduced \$73 to an remaining average of \$24 per funded age 5-21 special education student.

CHANGES FOR 2007-08 BUDGETS

NEW PROGRAMS AND FUNDING

Full Day Kindergarten

Full Day Kindergarten (FDK) will be funded for an estimated 10 percent of the state enrollment based on highest poverty and approved applications. A list of eligible schools has been posted to our website at <http://www.k12.wa.us/SAFS/07budprp.asp>. Funding will be calculated using the general apportionment formula including the 2007-08 annual average FDK FTE enrollment, district staff mix and the K-4 CIS funding ratio.

This funding will be paid under revenue code 3100. Districts should record expenditures under program 01.

Middle School Vocational

The legislative budget provides funding for a new middle and junior high school career and technical education program. The funding shall be provided for approved middle and junior high programs consistent with the basic education funding formulas provided in Section 502 of the budget. Further guidance will be provided to school districts by OSPI at a later date.

Professional Development Days for Math and Science

The Legislature provided funding for a number of professional development days focusing on Math and Science as follows:

- The equivalent of two days for each state funded 4th and 5th grade teacher. In the 2007-08 school year the professional development activities shall focus on the development of mathematics knowledge and instruction skills and on improving instruction in science.
- The equivalent of three days for middle and high school math teachers and three days for middle and high school science teachers.
- The equivalent of five professional development days for one math and one science teacher in each middle school and each high school.

This funding will be paid under revenue code 4175. Districts should record expenditures under program 75.

OSPI has posted projections of these allocations on our website at <http://www.k12.wa.us/SAFS/07budprp.asp>

National Board Certified Teachers Bonus

The National Board Bonus has been increased to \$5,000. Additionally the Legislature has provided an additional \$5,000 National Board Bonus for teachers in challenging schools (70% poverty schools) based upon the free and reduced price lunch (FRPL) reported by school districts as of October 2006. A number of schools do not provide, or report, a school lunch program and are not represented on this list. Therefore, OSPI will also provide the challenging schools designation for schools with 70% poverty via CSRS student data reporting. The bonus for challenging schools will be based upon assignment FTEness in the eligible schools.

For the current list of schools eligible for the National Board Certified Teachers Bonus, check our website at: <http://www.k12.wa.us/SAFS/07budprp.asp>

CHANGES FOR 2007–08 BUDGETS

Building Based Technology Upgrades and Improvements

The Legislature provided one-time allocations for technology upgrades and improvements as follows:

- 1) \$3,000 for each elementary school.
- 2) \$6,000 for each middle or junior high school.
- 3) \$11,000 for each high school.

OSPI will develop a methodology to allocate this money and may not exceed the overall funding amount. A funding projection will be available on our website at:

<http://www.k12.wa.us/SAFS/07budprp.asp> when available.

Pupil Transportation Assistance

The Legislature provided \$12.5 M for each of the next two years for temporary assistance to school districts for pupil transportation programs. A funding projection will be available on our website at: <http://www.k12.wa.us/SAFS/07budprp.asp> when available.

Skills Center Student FTE

Legislation increased the maximum FTE that a skills center student may be claimed to a 1.6 full-time equivalency for the combined Skills Center and high school enrollment. Under rules proposed by OSPI, skills center students may not be claimed individually for more than a 1.0 full-time equivalent by either the high school or the skills center separately.