REVENUE ACCOUNT SUMMARY

PURPOSE

This section provides information and advice about budgeting revenues for the 2013–14 school year. Text in **bold italics** calls attention to changes this year. The document is in revenue account number order. For revenue account descriptions and definitions, please refer to Chapter 5 of the Accounting Manual for Public School Districts in the State of Washington.

REVENUE ACCOUNT INDEX

- 1000–1999  Local Taxes
- 2000–2999  Local Non-tax
- 3000–3999  State–General Purpose
- 4000–4999  State–Special Purpose
- 5000–5999  Federal–General Purpose
- 6000–6999  Federal–Special Purpose
- 7000–7999  Revenues from Other School Districts
- 8000–8999  Revenues from Other Agencies and Associations
- 9000–9999  Other Financing Sources

1100  Local Property Tax

Worksheets for calculating local property tax revenues are provided on pages GF15, TVF3, CP5, and DS4 in Form F-195. School districts having excess levies in 2014 must also complete the F-195 page titled “Certification of Excess Levies for 2014 Collection.”

School district maintenance and operation levies are limited by the levy lid law, RCW 84.52.0531, and Chapter 392-139 WAC.

The F-203 program provides an option for estimating maximum 2014 and 2015 levy authority. The Reports option produces a report showing details of the 2014 and 2015 levy authority estimates. School districts can input account assumptions in item codes K and L prior to running levy authority reports. If those are zero, OSPI assumptions will be used.

*For purposes of the 2014 levy authority calculation, the percent increase in basic education allocation per pupil is 4.91 percent from 2012–13 to 2013–14.*

An estimate of 2014 levy authority is posted to the School Apportionment and Financial Services website under the link titled “2013–14 Budget Preparations.”

The 2010 Legislature passed SHB 2893, which includes the following:

- Increases Local Effort Assistance (LEA) from 12 percent to 14 percent for 2011 through 2017.
- Lifts levy lid by 4 percentage points (from 24 percent to 28 percent for non-grandfathered districts) for 2011 through 2017.
- Extends from 2011 through 2017 the inclusion in the levy base of the amounts districts would of received under I-728 and I-732 if funding for those initiatives had not been reduced. Revises I-728 amount from current year to prior year.
- Includes in the levy base from 2011 through 2017 the amount districts would have received based on a funded ratio of 53.2 certificated instructional staff (CIS) staff per thousand grades K through 4 enrollment.
- Allows districts that have a levy to request an additional levy for subsequently enacted increases affecting the districts’ levy base or maximum levy percentage.
HB 2824 of the 2012 legislative session repeals I-728, and states that the amount included in the levy base through 2017 is what the district would have received the prior year using the I-728 rate. The additional levy base for I-728 for 2013 is a rate of $514 times the 2011-12 enrollment. The I-728 rate is adjusted by inflation for subsequent years.

The additional levy base for I-732 for 2013 levies is calculated by reducing the current salary allocation by the cost of living increases that have been funded, then applying the I-732 increases. The result, less the current salary allocation, plus mandatory benefits, is the unfunded I-732 amount. The following are the increases used in the calculation:

<table>
<thead>
<tr>
<th>Year</th>
<th>Funded Cert</th>
<th>Funded Class</th>
<th>I-732</th>
</tr>
</thead>
<tbody>
<tr>
<td>03-04</td>
<td>0.0%</td>
<td>0.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>04-05</td>
<td>1.2%</td>
<td>1.0%</td>
<td>1.6%</td>
</tr>
<tr>
<td>05-06</td>
<td>3.3%</td>
<td>1.2%</td>
<td>2.8%</td>
</tr>
<tr>
<td>06-07</td>
<td>3.7%</td>
<td>3.3%</td>
<td>3.7%</td>
</tr>
<tr>
<td>07-08</td>
<td>4.4%</td>
<td>3.7%</td>
<td>3.9%</td>
</tr>
<tr>
<td>08-09</td>
<td>0.0%</td>
<td>4.4%</td>
<td>4.2%</td>
</tr>
<tr>
<td>09-10</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>10-11</td>
<td>-</td>
<td>-</td>
<td>0.3%</td>
</tr>
<tr>
<td>11-12</td>
<td>1.9%</td>
<td>0.0%</td>
<td>1.9%</td>
</tr>
<tr>
<td>12-13</td>
<td>3.0%</td>
<td>0.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>13-14</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The additional levy base for K-4 enhancement for 2014 levies is the difference in funding between the CIS ratio of 53.2 and the funded ratios of 49.0 grades K-3 and 46.0 grade 4. These funded ratios are the K-3 funded class sizes of 25.23 grades K-3 and 27 grade 4, plus other CIS staff of 1.291 per prototypical school of 400 enrollment.

3100 Basic Education Allocation Formula

General

Basic Education Mandate

Pursuant to RCW 28A.150.260, the basic education formula is for state apportionment and equalization purposes only and does not mandate specific operational functions of school districts. However, school districts must comply with program requirements identified in:

- RCW 28A.150.100 Basic Education Certificated Instructional Staff—Definition—Ratio to Students.

(a) For the purposes of this section, basic education certificated instructional staff shall mean all full-time equivalent certificated instructional staff (CIS) in the following programs as defined for statewide school district accounting purposes:

- 01 Basic Education
- 02 Basic Education—Alternative Learning Experience
- 34—Middle School Vocational—State
- 45 Skills Center Basic—State
- 97 District Wide Support
- 31 Vocational—Basic—State
- 45 Skills Center Basic—State

1 Legislatively, this is considered a restoration of the salary reductions from 2011–12, not a cost of living increase within the meaning of I-728.
REVENUE ACCOUNT SUMMARY

(b) School districts shall maintain a ratio of at least 46 basic education certificated instructional staff to 1,000 annual average full-time equivalent students.

Limits on Salary and Fringe Benefits
Districts are reminded of the provisions of RCW 28A.400.200 Salaries and Compensation for Employees—Minimum Amounts—Limitations—Supplemental Contracts (published in this chapter in Section 6). A district’s actual average salary for all certificated instructional staff shall not exceed the state allocated salary used for general apportionment.

School Level and District Wide Funding Factors
The basic education allocation formula allocates state moneys and consists of certificated instructional staff (CIS) units, certificated administrative staff (CAS) units, classified staff (CLS) units, legislatively specified salary and employee benefit levels, and materials, supplies, and operating costs (MSOC). Staff units are generated through the prototypical school model by full-time equivalent (FTE) enrolled pupils, excluding Running Start FTE enrollment, reported to this agency. Running Start FTE enrollment is funded separately as described in the section below titled “Running Start.”

The prototypical school funding formula as detailed in SHB 2776 generates a level of resources assumed to be enough operate a school of specific size. School level funding is generated at an Elementary (Grades 1-6), Middle (Grades 7-8), or High (9-12) School level depending on grade level. Vocational program and Skills Center enrollment is subtracted from the appropriate grade grouping (either 7-8 or 9-12), and is applied to different factors to generate program funding. Funding for teacher units is generated by using legislatively determined class sizes, which can differ by grade level and subject. The non-enhanced class sizes for the 2013–14 school year are as follows:

<table>
<thead>
<tr>
<th>Grades</th>
<th>Class Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-3</td>
<td>25.23</td>
</tr>
<tr>
<td>Grade 4</td>
<td>27.00</td>
</tr>
<tr>
<td>Grades 5-6</td>
<td>27.00</td>
</tr>
<tr>
<td>Grades 7-8</td>
<td>28.53</td>
</tr>
<tr>
<td>Grades 9-12</td>
<td>28.74</td>
</tr>
</tbody>
</table>

For each level of prototypical school at which more than 50% of the students were eligible for free and reduced price meals in the prior school year, a funding enhancement will be provided based on the following class size:

<table>
<thead>
<tr>
<th>Grades</th>
<th>Class Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-1</td>
<td>20.85</td>
</tr>
<tr>
<td>Grades 2-3</td>
<td>24.10</td>
</tr>
</tbody>
</table>

For more information on K-3 high poverty funding and eligibility criteria, see WAC 392-140-915.

Other school level staffing is generated by ratios based on the prototypical school sized of 400 student FTE for an Elementary School, 432 student FTE for a Middle School, and 600 student FTE for a High School. The staffing positions and allocated units per prototypical school are outlined in the chart below:
REVENUE ACCOUNT SUMMARY

<table>
<thead>
<tr>
<th>School Level Staffing</th>
<th>Elementary (K-6)</th>
<th>Middle (7-8)</th>
<th>High (9-12)</th>
<th>Staff Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principals</td>
<td>1.253</td>
<td>1.353</td>
<td>1.880</td>
<td>CAS</td>
</tr>
<tr>
<td>Teacher Librarians</td>
<td>0.663</td>
<td>0.519</td>
<td>0.523</td>
<td>CIS</td>
</tr>
<tr>
<td>Guidance Counselors</td>
<td>0.493</td>
<td>1.216</td>
<td>2.009</td>
<td>CIS</td>
</tr>
<tr>
<td>Health and Social Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School Nurses</td>
<td>0.076</td>
<td>0.060</td>
<td>0.096</td>
<td>CIS</td>
</tr>
<tr>
<td>Social Workers</td>
<td>0.042</td>
<td>0.006</td>
<td>0.015</td>
<td>CIS</td>
</tr>
<tr>
<td>Psychologists</td>
<td>0.017</td>
<td>0.002</td>
<td>0.007</td>
<td>CIS</td>
</tr>
<tr>
<td>Teaching Assistance</td>
<td>0.936</td>
<td>0.700</td>
<td>0.652</td>
<td>CLS</td>
</tr>
<tr>
<td>Office Support</td>
<td>2.012</td>
<td>2.325</td>
<td>3.269</td>
<td>CLS</td>
</tr>
<tr>
<td>Custodians</td>
<td>1.657</td>
<td>1.942</td>
<td>2.965</td>
<td>CLS</td>
</tr>
<tr>
<td>Student and Staff Safety</td>
<td>0.079</td>
<td>0.092</td>
<td>0.141</td>
<td>CLS</td>
</tr>
<tr>
<td>Parent Involvement Coordinators</td>
<td>0.0825</td>
<td>0.000</td>
<td>0.000</td>
<td>CLS</td>
</tr>
</tbody>
</table>

Total enrollment in a district, regardless of grade level or subject, drives staffing allocations for district wide support. For every 1,000 student FTE, a district receives an allocation for staff in the following areas:

- Technology: 0.628 CLS
- Facilities, Maintenance, and Grounds: 1.813 CLS
- Warehouse, Laborers, and Mechanics: 0.332 CLS

Each of the specific staffing positions called out in the funding formula is labeled as either certificated instructional staff, certificated administrative staff, or classified staff. These classifications determine what level of funding each position generates in the formula.

Central administrative staff is calculated as 5.3% of the staffing units generated as K-12 teachers, school level staffing, and district wide support. Once the initial calculation is performed, the total units represented by the 5.3% is further broken down into either certificated administrative staff, or classified staff by the following percentages:

- Certificated Administrative Staff: 0.2547
- Classified Staff: 0.7453

**Certificated Staff Units—General**

A district’s FTE enrollment generates CIS and CAS units in accordance with the school level and district level funding factors mentioned previously. FTE enrollment is determined by calculating total FTE enrollment and subtracting the FTE enrollment of vocational (middle and high school), skills center programs, and FTE enrollments for small school districts, remote and necessary plants, and small high schools. Calculation of certificated units for vocational, skills centers, small school districts, remote and necessary plants, and small high schools are described below.

**Certificated Staff Units—Calculations for Small Districts, Remote and Necessary Plants in Districts and Small High Schools**

The formula provides certificated staff units for districts which meet enrollment characteristics described on the next page.
REVENUE ACCOUNT SUMMARY

(a) For small districts and remote and necessary plants with fewer than 25 FTE enrollment, the formula provides certificated staff units as follows:

<table>
<thead>
<tr>
<th>FTE</th>
<th>Instructional</th>
<th>Administrative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Level</td>
<td>Enrollment</td>
<td>Staff Units</td>
</tr>
<tr>
<td>K–6</td>
<td>&gt; 0 to 5</td>
<td>1.76</td>
</tr>
<tr>
<td>K–8</td>
<td>0 to 5</td>
<td>1.68</td>
</tr>
<tr>
<td>K–6</td>
<td>5 to 25</td>
<td>1.76 + [(FTE - 5)/20]</td>
</tr>
<tr>
<td>K–8</td>
<td>5 to 25</td>
<td>1.68 + [(FTE - 5)/10]</td>
</tr>
</tbody>
</table>

(b) For small districts and remote and necessary plants with 25 or more FTE enrollment, but not more than 100 FTE in Grades K–8, the formula provides certificated staff units as follows:

<table>
<thead>
<tr>
<th>FTE</th>
<th>Minimum Instructional</th>
<th>Minimum Administrative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Level</td>
<td>Enrollment</td>
<td>Staff Units</td>
</tr>
<tr>
<td>K–6</td>
<td>60.0</td>
<td>2.76</td>
</tr>
<tr>
<td>7–8</td>
<td>20.0</td>
<td>0.92</td>
</tr>
</tbody>
</table>

If the units calculated for K–6 are less than the units calculated using the ratios in the basic staff ratios section above, the district’s allocation will be based on the ratios in the basic staff ratios section.

For K–6 programs with FTE enrollment of more than 60 and Grades 7–8 programs with FTE enrollment of more than 20, staff units are calculated based on the regular ratio described in the basic staff ratios section above.

(c) For districts operating not more than two high schools having total Grades 9–12 FTE enrollment of not more than 300 in each high school, the formula ensures a minimum number of certificated staff units. This does not apply to alternative schools. In determining if a high school has less than 300 FTE enrollment, vocational FTE are included. In calculating the basic education allocation, staff units are reduced at the rate of 46 CIS units and 4 CAS units per 1,000 vocational FTE. Funding for vocational students is generated as described in the vocational section below. For districts meeting the above criteria, certificated staff units are provided as follows:

<table>
<thead>
<tr>
<th>High School Enrollment</th>
<th>Instructional Staff Units</th>
<th>Administrative Staff Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>R &amp; N Plants 1</td>
<td>4.5</td>
<td>- [Voc FTE X .046]</td>
</tr>
<tr>
<td>60 FTE or less</td>
<td>9.0</td>
<td>- [Voc FTE X .046]</td>
</tr>
<tr>
<td>Between 60 and 300 FTE</td>
<td>9.0 + [(FTE - 60)/43.5 X .8732]</td>
<td>0.5 + [(FTE - 60)/43.5 X .1268]</td>
</tr>
</tbody>
</table>

1 For remote and necessary schools offering Grades 9–12 and with total K–12 FTE enrollment of 25 or less.
Certificated Staff Units—Additional .5 CIS Unit for Certain Nonhigh School Districts
For certain nonhigh districts, those meeting enrollment conditions described below, the formula provides an additional 0.5 CIS unit. The enrollment conditions and additional units are provided as follows:

<table>
<thead>
<tr>
<th>Program Level</th>
<th>FTE Enrollment</th>
<th>Instructional Staff Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>K–8 or 1–8</td>
<td>70 and 180 FTE</td>
<td>0.5</td>
</tr>
<tr>
<td>K–6 or 1–6</td>
<td>50 and 180 FTE</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Vocational and Skills Center Allocations
Vocational and skills center enrollment is reported monthly on Form P-223. Refer to OSPI’s annual enrollment reporting bulletin for detailed instructions.

Funding is provided for middle school vocational using a formula similar to the current secondary vocational formulas. Districts must apply and receive approval for their middle school CTE program to receive funding. The program must be in science, technology, engineering or mathematics.

Vocational enrollment is used to generate full program allocations (basic education plus enhancements) separately using the following factors:

<table>
<thead>
<tr>
<th>Funding Factor / Area</th>
<th>Middle</th>
<th>High</th>
<th>Staff Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Size</td>
<td>26.57</td>
<td>26.57</td>
<td>CIS</td>
</tr>
<tr>
<td>Other ESA Staff (Per 1,000 Student FTE)</td>
<td>2.02</td>
<td>2.02</td>
<td>CIS</td>
</tr>
<tr>
<td>School Level Administration*</td>
<td>0.003133</td>
<td>0.003133</td>
<td>CAS</td>
</tr>
<tr>
<td>Central Office Administration*</td>
<td>0.000859</td>
<td>0.000859</td>
<td>CAS</td>
</tr>
<tr>
<td>School Level Classified*</td>
<td>0.014484</td>
<td>0.014484</td>
<td>CLS</td>
</tr>
<tr>
<td>Central Office Classified*</td>
<td>0.002513</td>
<td>0.002513</td>
<td>CLS</td>
</tr>
</tbody>
</table>

*Indicates a per pupil funding ratio.

Indirect charges to vocational programs are limited to 15 percent of the combined basic educational and vocational enhancement allocations for full-time equivalent vocational students. Please refer to Section 5 Indirect Cost Limits, Carryover, and Recovery for more information on the vocational indirect limit calculation.

Skills Center enrollment is used to generate full program allocations (basic education plus enhancements) separately using the following factors:

<table>
<thead>
<tr>
<th>Funding Factor / Area</th>
<th>High</th>
<th>Staff Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Size</td>
<td>22.76</td>
<td>CIS</td>
</tr>
<tr>
<td>Other ESA Staff (Per 1,000 Student FTE)</td>
<td>2.360</td>
<td>CIS</td>
</tr>
<tr>
<td>School Level Administration*</td>
<td>0.003133</td>
<td>CAS</td>
</tr>
<tr>
<td>Central Office Administration*</td>
<td>0.000859</td>
<td>CAS</td>
</tr>
<tr>
<td>School Level Classified*</td>
<td>0.014484</td>
<td>CLS</td>
</tr>
<tr>
<td>Central Office Classified*</td>
<td>0.002513</td>
<td>CLS</td>
</tr>
</tbody>
</table>

*Indicates a per pupil funding ratio.
Vocational and Skills Center programs also generate an allocation for substitutes, and an enhancement through MSOC (Materials, Supplies, and Operating Costs) as described below.

**Certificated Instructional Staff Unit Salary Maintenance**
The CIS unit salary maintenance is determined by multiplying the district’s formula-generated CIS units by the district’s certificated instructional derived base salary for 2013–14 shown on LEAP Document 2 (Section 6, pages 5–13), and then multiplying the result by the district’s FY 2013–14 CIS mix factor computed using LEAP Document 1.

State-funded certificated instructional staff (CIS) salaries are based on the average CIS staff mix factors in all programs (excluding institutional education). The CIS mix factor will be calculated using full-time equivalent CIS in the 300 and 400 series duty codes ending in 0 and 630 and 640 duty codes in all programs except Programs 26, 56, and 59. These data will be reported by school districts as part of the FY 2013–14 S-275 Personnel Reporting system. Program codes are described in the Accounting Manual for Public School Districts in the State of Washington and duty codes will be described in the S-275 Instructions for FY 2013–14.

**Certificated Instructional Staff Unit Salary Increase**
There is no certificated instructional staff salary unit increase allocation.

**Certificated Administrative Staff Unit Salary Maintenance**
The certificated administrative staff unit salary maintenance is determined by multiplying the formula-generated CAS units by the district’s certificated administrative average salary for 2013–14 as shown on LEAP Document 2.

**Certificated Administrative Staff Unit Salary Increase**
There is no certificated administrative staff unit salary increase allocation.

**Classified Staff Unit Salary Maintenance**
The classified staff unit salary maintenance is determined by multiplying the formula-generated classified staff units by the district’s classified average salary for 2013–14 as shown on LEAP Document 2.

**Classified Staff Unit Salary Increase**
There is no classified staff unit salary increase allocation.

**Mandated Fringe Benefits**
The basic education allocation includes funding for the following fringe benefits required by law:

(a) Employer contributions to OASI (social security).
(b) Industrial insurance, medical aid, and the supplemental pension contribution.
(c) Unemployment compensation.
(d) Public Employees' Retirement System (PERS) contribution.
(e) Teachers' Retirement System (TRS) contribution.
REVENUE ACCOUNT SUMMARY

The mandated benefit portion of the basic education allocation formula is determined by applying the factors below to formula-generated certificated and classified staff unit salary allocations as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificated salary maintenance benefit percent</td>
<td>18.68</td>
</tr>
<tr>
<td>Certificated salary increase benefit percent</td>
<td>18.04</td>
</tr>
<tr>
<td>Classified salary maintenance benefit percent</td>
<td>20.95</td>
</tr>
<tr>
<td>Classified salary increase benefit percent</td>
<td>17.45</td>
</tr>
</tbody>
</table>

For information on retirement rates see Section 7.

Insurance Benefit

The insurance benefit portion of the basic education allocation formula is calculated per formula-generated certificated and classified staff units at the monthly rate of $768.00 for September 2013 through August 2014.

To calculate the insurance benefit portion of the allocation for classified staff units, the classified formula staff units are multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1,440 hours of work per year, with no individual employee counted as more than one FTE.

Allocations for Materials, Supplies, and Operating Costs (MSOC)

Districts generate funding for none-staff related costs or MSOC through a total per pupil rate which is the summation of specific allocations. The 2013–14 MSOC per pupil rate table is shown below.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total MSOC (Per Student)</td>
<td>$737.02</td>
</tr>
<tr>
<td>Technology</td>
<td>$77.46</td>
</tr>
<tr>
<td>Utilities and Insurance</td>
<td>$210.46</td>
</tr>
<tr>
<td>Curriculum and Textbooks</td>
<td>$83.17</td>
</tr>
<tr>
<td>Other Supplies and Library Materials</td>
<td>$176.56</td>
</tr>
<tr>
<td>Instructional Professional Development</td>
<td>$12.86</td>
</tr>
<tr>
<td>Facilities Maintenance</td>
<td>$104.27</td>
</tr>
<tr>
<td>Security and Central Office</td>
<td>$72.24</td>
</tr>
</tbody>
</table>

MSOC for Vocation and Skills Center programs is provided separately. Prior to 2013–14, MSOC for Vocation and Skills Center programs were provided through a multiplier on top of the basic education amount. Starting with 2013–14, MSOC for Vocational and Skills Center programs are funded through a flat rate per student:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vocational</td>
<td>$1,399.30</td>
</tr>
<tr>
<td>Skills Center</td>
<td>$1,244.25</td>
</tr>
</tbody>
</table>

Substitute Teacher Pay

Allocation for substitute teachers is generated by multiplying the number of teachers generated in the funding formula by 4 days at a rate of $151.86 per day. The calculation for the 2013–14 school year is as follows:

Total Teacher FTE * Funded Days * Daily Rate = Total Substitute Allocation
REVENUE ACCOUNT SUMMARY

Running Start
The Running Start program allows eleventh and twelfth grade students to enroll in certain universities and community or technical colleges and earn both college and high school credit. Running Start enrollment is funded at a uniform statewide rate, for the 2012-13 school year, estimated at $5,296.73 per annual average full-time equivalent (AAFTE) nonvocational student and $6,043.16 per AAFTE vocational student. Moneys generated by Running Start students are collected by the school district and paid to the university and community or technical college. School districts may retain up to 7 percent of moneys generated by Running Start enrollment.

Hold Harmless
The hold harmless policy is unchanged from last year. Districts are held harmless in total for the change in funding formulas across general apportionment, LAP, bilingual and highly capable. Changes in enrollment and other caseload adjustments are not included. Inflationary adjustments to MSOC are not included. K-3 high poverty funding is included.

Alternative Learning Education (ALE) Reduction
The funding for students in ALE programs is reduced based on whether the students meet the minimum contact time. For those students meeting the minimum contact time, funding is reduced by 10 percent. For those students not meeting the minimum contact time, funding is reduced by 20 percent.

Deductible Revenues
The basic education total guaranteed entitlement is the total of the calculations described in this section. The state payment to the district in Revenue 3100 is reduced by the following general fund revenues of the school district:

1400 Local in Lieu of Taxes
1600 County-Administered Forests
3600 State Forests
5400 Federal in Lieu of Taxes
5500 Federal Forests

Notes: Except for 5500 Federal Forests, debt service and capital project fund revenues in these accounts are not deductible. For Skamania County districts only, 30 percent of the lesser of the basic education allocation or federal forests revenue will be deducted.

The time lag between receipt of deductible revenues and the reduction of apportionment can significantly distort a school district’s financial condition. For this reason, school districts that receive significant deductible revenues are encouraged to record a liability upon receipt of the deductible revenue and liquidate the liability when apportionment is reduced. Other precautions include:

• Budgeting adequate deductible revenues.
• Periodically comparing actual deductible revenues to deductible revenues shown on Line C.1 of monthly apportionment Report 1191.

Fire District Reimbursement
Payment will be made in July 2014 and will be paid as a per pupil rate, based on headcount, as reported on the October 2013 School Enrollment Report, Form P-105, in school buildings within fire protection districts. School buildings within a fire protection district must have a fire status code of U or A on the P-105 report. The per pupil rate paid in July of 2012 was $1.19.
State allocations for this program are subject to recovery. For more information on recoveries, refer to Section 5.

**School Consolidation**
If two or more school districts consolidate and each district was receiving additional basic education formula staff units for small schools, the following shall apply:
(a) For three school years following the consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to consolidation.

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units after consolidation shall be reduced in increments of 20 percent per year.

**District Petition for Delay or Reduction of Apportionment**
Any school district board of directors may petition OSPI by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation. Any delay shall not be for more than two years. Any reduction or delay shall have no impact on levy authority and local effort assistance.

**Transfer of Apportionment**
A resident school district may request part of the district basic education allocation payment to go to another school district or ESD. In most cases this is not necessary because the serving school district reports basic education allocation enrollment and receives the basic education allocation. However, in the case of cooperatives with ESDs, the school district and not the ESD receive the basic education allocation. A school district may desire that a portion of the basic education allocation be transferred to the ESD. To do so, the resident school district must send Form SPI 1295 to OSPI, School Apportionment and Financial Services. (See Section 4, page 5.)

A district that transfers its allocation should record that allocation as revenue and as a payment to another district. The school district or ESD receiving the transferred allocation should record it as revenue from school districts.

All requests for transfer must specify the total annual dollar amount to be transferred to the other school district or ESD and must be authorized by the school district board of directors on a resolution or interdistrict cooperative agreement. The authorizing document must be kept on file and available for audit at the school district office.

Transfers from the basic education allocation appear on Report 1191.

**Redirection of Apportionment**
A district may direct a portion of the basic education allocation to the capital projects fund or debt service fund. Please refer to the APPORT chapter of this handbook for more information.

**Emergency Advance Payments**
Districts experiencing cash flow problems may apply for an emergency advance. Please refer to the APPORT chapter of this handbook for more information.
REVENUE ACCOUNT SUMMARY

Full Day Kindergarten
Full Day Kindergarten (FDK) will be funded for 43.75 percent of the state enrollment based on poverty and approved applications. This was an increase from the level used in 2012–13. Schools operating an approved FDK program in 2011-12 will continue to be eligible for the FDK funding. Funding will be calculated using the general apportionment formula including the 2013–14 annual average FDK FTE enrollment, district staff mix, the K–3 CIS funding ratio, and the K–3 high poverty funding for eligible schools. Districts should record expenditures under program 01.

Special Education Transfer of Apportionment to Account 3121
A portion of the account 3100 allocation will be transferred to account 3121 as described below.

3121 Special Education, General Apportionment
A portion of the account 3100 allocation will be transferred to account 3121 based on students’ full-time equivalency (FTE) in the special education program. For further information see Section 9 of this chapter.

3300 Local Effort Assistance
Local effort assistance (LEA) is state matching money for maintenance and operation (M&O) levies in eligible school districts. School districts with above-average tax rates due to low property valuations are eligible

The 2010 Legislature passed SHB 2893, which includes increasing Local Effort Assistance (LEA) from 12 percent to 14 percent for 2011 through 2017.

An estimate of 2014 local effort assistance is posted to the School Apportionment and Financial Services website under 2013–14 Budget Preparations. Districts are cautioned to check this estimate carefully before using it for budgeting purposes. In particular, review the revenues in the levy base and the transfer estimates.

For the 2013–14 school year, districts will receive 28 percent of the 2013 calendar year LEA allocation. This may be calculated by taking the 2013 January through August LEA amount, dividing by 0.72 to arrive at the 100 percent 2013 LEA amount, and multiplying the result by 0.28. Districts will also receive 72 percent of the 2014 calendar year LEA allocation.

The F-203 program also produces a report showing an estimate of 2014 and 2015 LEA. School districts are advised to review account assumptions in Parts K and L prior to running this report.

4121 Special Education
The state special education formula is an allocation for the excess costs of providing services to special education students age K–21 plus an allocation for special education students age 3–preK. The allocation for special education students age K–21 is based on a maximum of 12.7 percent of the district’s total K–12 resident FTE enrollment for 2012–13.

The funding formula is as follows:

- Annual average headcount of age 3–4 and age 5 if not enrolled in kindergarten special education enrollment times the district’s 2013–14 basic education allocation rate per student times 1.15.

- Plus the annual average headcount of age 5 if enrolled in kindergarten and age 6–21 special education enrollment, limited to a maximum of 12.7 percent of annual average
REVENUE ACCOUNT SUMMARY

K–12 resident FTE basic education enrollment, times the district’s 2013–14 basic education allocation rate per student times 0.9309.

- A portion of district federal IDEA award is to be used to pay for some of the increased costs of the special education program, otherwise referred to as integrating federal funds. This amount is estimated to be the same as the 2011–12 rate. This integration will not change the amount of federal IDEA funds awarded to the district.

The terms used above in the special education formula are defined as follows:

- “BEA allocation rate” excludes CTE and small school enhancements. CTE students are included as regular students in calculating the average rate. The high poverty K-3 funding is included.

- “Annual average FTE basic education enrollment” means the resident enrollment, including students enrolled through choice and students from nonhigh districts, and excluding students residing in another district enrolled through interdistrict cooperatives.

- “Integrating federal funds” means incorporating a portion of the IDEA federal awards to districts to fund some of the increased costs of the special education program. To implement this, the BEA allocation rate will be multiplied by .9309, and then reduced by the district’s final 2004–05 integration amount times 24 divided by 145. The result will be multiplied by the funded age K–21 special education enrollment. This integration will not affect the amount of the district’s IDEA award.

State and Federal funding will be provided for all safety net awards. Safety net awards will be made in August.

Please refer to Revenue Account 6124 for more information.

Cooperatives of at Least 15 Districts
Cooperatives of at least 15 districts in which all excess cost services are provided by the cooperative may request an aggregate calculation of the maximum enrollment percent and basic education allocation rates.

For such districts, the maximum enrollment percent will be calculated on the aggregate of all districts in the cooperative covered by the request, to a maximum of 12.7. Also, the basic education allocation rates will be based on the aggregate basic education allocation rates for the districts covered by the request. The allocation to each of these districts will then be based on the aggregate maximum enrollment percent and the aggregate basic education allocation rates.

Cooperatives—Reporting of Enrollment
A school district that serves students in a cooperative reports the enrollment of the students for basic education and for special education by resident district. The serving district is the district that provides the instructional staff. If more than one school district serves the students, both districts are to claim the student for basic education funding with each district reporting a portion of the student’s enrollment FTE. That portion is the average hours of enrollment in the district per week to the student’s total enrollment hours per week multiplied by the student’s total enrollment FTE in both districts. For reporting purposes, the school district providing the major portion of special education services will report the student on the special education enrollment report indicating the resident district. The special education enrollment report will display the number of students by resident district. Only one district may report a student for special education.
REVENUE ACCOUNT SUMMARY

The district that serves the student will receive the basic education allocation generated by the student’s enrollment. The resident district will receive the special education allocation unless a transfer of allocation is completed.

Transfer of Special Education Allocations

Special education allocations are based on resident special education enrollment and paid to the resident school district. If the resident school district wants part or all of the payment to go to another school district or ESD, the resident district must send Form SPI 1295 to OSPI, School Apportionment and Financial Services. (See Section 4, page 5.)

A district that transfers its allocation should record that allocation as revenue and as a payment to another district. The school district or ESD receiving the transferred allocation should record it as revenue from school districts. For school districts this would be Revenue Account 7121 and for ESDs it would be Revenue Account 71.

All requests for transfer must specify the total annual dollar amount to be transferred to the other school district or ESD and must be authorized by the school district board of directors on a resolution or interdistrict cooperative agreement. The authorizing document must be kept on file and available for audit at the school district office. Transfers of special education allocations will utilize the lesser of the total requested transfer amount or the actual special education allocation.

Transfers from the special education allocation appear on Report 1220.

Special Education Funding Methodology

A portion of the revenue 3100 is moved to Revenue Account 3121 as described above. The excess cost portion of the funding is provided in Revenue Account 4121. Districts charge the full cost of special education teachers and program to program 21.

Home and Hospital Education Programs

The FY 2013–14 home and hospital (HH) allocation is based on weeks of enrollment in homes and in hospitals. The allocation formula provides funding to districts as follows:

1. Weeks of enrollment are determined through the following process:
   a. Determine the first school day on which the student was both eligible for HH service and began to receive HH services.
   b. Determine the last school day on which the student was both eligible for HH service and received HH services.
   c. Count the number of school days, as defined in WAC 392-121-033, between the dates determined in (a.) and (b.) above.
   d. Divide the number of days in (c.) above by five to determine weeks of enrollment.
   e. Use the lesser of weeks in (d.) above or 18. Total weeks of service for any individual may not exceed 18.
   f. Accumulate the results of (e.) above for all students receiving HH services through the school district. Also accumulate weeks of enrollment for all students receiving HH services through hospitals. This agency does not calculate separate allocations for any hospital education programs except for the Children’s Hospital and Medical Center in Seattle.
2. Full weeks of HH enrollment are allocated at $60, including salary, benefits, and mileage. Full weeks of enrollment in hospital education programs are allocated at $55, including salary and benefits.
REVENUE ACCOUNT SUMMARY

Recoveries
State allocations for this program are subject to recovery. School districts may carry over up to 10 percent of Revenue Account 4121 allocation to the next school year. The Revenue Account 3121 allocation will be deducted first from program 21 direct expenditures before evaluation of the 4121 recovery calculation. For more information on recoveries, refer to Section 5, page 2 of this chapter.

4122 Special Education—Infants and Toddlers
Starting with 2013–14, school districts will receive an allocation specifically for students aged birth through age two that are in need of early intervention services. These allocations are to be used for the Early Support for Infants and Toddlers (ESIT) program.

The funding formula is similar to the funding for children between the ages of three and five. The district's annual average headcount of students age 0-2 is multiplied by the district's 2013–14 basic education allocation rate per student, and then multiplied by 1.15.

4126 State Institutions, Special Education
Refer to Revenue Account 4156.

4155 Learning Assistance Program
The LAP allocation is calculated using a formula based fully on poverty and using prior year enrollment. The poverty factor is the October 2012 percent of students eligible for free and reduced price lunch (FRPL), adjusted to reflect ineligible applications identified through the annual income verification process required by the national lunch program. The eligible student application count is reduced by the students identified as ineligible when calculating the October FRPL percentage. The allocation is calculated as follows:

The prior school year FRPL percentage times the district's total average FTE enrollment for grades K–12 for the 2012–13 year determines allocated eligible students. This student count is used to calculated allocated certificated instructional staff using a class size of 15 and additional hours per week of 2.3975. The staff allocation uses the district average staff mix factor.

State allocations for this program are subject to recovery. However, school districts may carry over up to 10 percent of the allocation to the next school year. For more information on recoveries, refer to Section 5, page 3 of this chapter.

4156 State Institutions, Centers and Homes—Delinquent
This funding is available solely to programs meeting the requirements of chapter 28A.190 RCW Residential Education Programs and chapter 29A.193 RCW Education Programs for Juvenile Inmates. These programs are supported by state Revenue Accounts 4126 and 4156. The initial budgeted allocations will be included with the July 2013 apportionment payment documentation sent to districts administering institution educational programs and will be adjusted in January 2014 based upon actual 2013–14 enrollments and staff mix as reported to this agency for the institution programs.

Allocation reports are posted to the Internet under “District Reports” at http://www.k12.wa.us/safs/.

The biennial budget requires this agency to monitor school district expenditure plans for these programs to ensure that districts provide a full 220-day program.
Recoveries
State allocations for this program are subject to recovery. School districts may carry over up to 10 percent of the state allocation from one year to the next. For more information on recoveries, refer to Section 5, page 2 of this chapter.

4158 Special and Pilot Programs
This includes state revenue for special and pilot programs such as reading corps grants, mentor teachers and other programs. **Some of the programs displayed below may end up being funded under a different account code.** The following table compares the 2013–14 funding for these programs with the 2012-13 funding:

<table>
<thead>
<tr>
<th>Program</th>
<th>2012-13</th>
<th>2013-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State Assessment System</td>
<td>$41,614,000</td>
<td>$44,575,000</td>
</tr>
<tr>
<td>Leadership Internship Program</td>
<td>$477,000</td>
<td>$477,000</td>
</tr>
<tr>
<td>Washington Reading Corps Grants</td>
<td>$950,000</td>
<td>$950,000</td>
</tr>
<tr>
<td>School Principal and Admin. Leadership Academy</td>
<td>$810,000</td>
<td>$810,000</td>
</tr>
<tr>
<td>Secondary CTE Grants</td>
<td>$1,077,000</td>
<td>$1,277,000</td>
</tr>
<tr>
<td>Readiness to Learn Grants</td>
<td>$3,234,000</td>
<td>$0</td>
</tr>
<tr>
<td>National Board Certified Teacher Salary Increase</td>
<td>$39,296,000</td>
<td>$45,263,000</td>
</tr>
<tr>
<td>Actual Student Success Program</td>
<td>$1,500,000</td>
<td>$0</td>
</tr>
<tr>
<td>LASER / Pacific Science Center Program</td>
<td>$356,000</td>
<td>$356,000</td>
</tr>
<tr>
<td>Information Technology Academy Program</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Education Reform Program – Administrative Support</td>
<td>$808,000</td>
<td>$0</td>
</tr>
<tr>
<td>Truancy Petition Funding</td>
<td>$1,399,000</td>
<td>$1,399,000</td>
</tr>
<tr>
<td>Beginning Educator Support Program</td>
<td>$0</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Performance-Based Teacher Principal Evaluation Training</td>
<td>$0</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Persistently Failing Schools</td>
<td>$0</td>
<td>$3,600,000</td>
</tr>
<tr>
<td>Academic Acceleration</td>
<td>$0</td>
<td>$1,110,000</td>
</tr>
</tbody>
</table>

National teacher certificate salary increase rates remain at $5,090, plus $5,000 for teaching in challenging schools. Principals do not qualify for the bonus. Teachers who attain a valid certificate for the first time in 2013–14 will receive 60 percent of the bonus amount. Bonuses will be paid in the July 2014 apportionment payment.

4159 Institutions—Juveniles in Adult Jails
This funding is available solely to programs meeting the requirements of SB 6702 Juveniles in Adult Jails—Education Programs (Chapter 226, Laws of 2010). The allocation process will be the same as for Revenue 4156.

4165 Transitional Bilingual
Allocations for the transitional bilingual program are based upon providing an additional 4.7780 hours per week of instruction for a class size of 15 student FTE. Current program enrollment is used to calculate a number teachers needed to provide the additional instructional time to those students. Funding is received as salary and benefits for the number of teachers generated by the formula.

The Transitional Bilingual Program allocation is subject to an assessment withholding percentage, which helps the state cover the increased assessment cost for students in the program. For the 2013–14 school year that percentage is set at 1.76%.
Funding has been provided for eligible students in Grades K–12. No funding has been provided for preschool bilingual students.

State allocations for this program are subject to recovery. For more information on recoveries, refer to Section 5, page 2 of this chapter.

4166 Student Achievement
Student Achievement funding was created by the passage of Initiative 728 in the November 2000 general election. HB 2824 of the 2012 legislative session repeals I-728. There is no funding for Student Achievement for 2012-13.

4174 Highly Capable
Allocations for the highly capable program are based upon providing an additional 2.1590 hours per week of instruction for a class size of 15 student FTE. The enrollment basis for this calculation is 2.314% of current year total enrollment with running start. The resulting enrollment figure is used to calculate a number teachers needed to provide the additional instructional time to those students. Funding is received as salary and benefits for the number of teachers generated by the formula.

State allocations for this program are subject to recovery. For more information on recoveries, refer to Section 5, page 2 of this chapter.

4198 School Food Services
There is no reimbursement for lunches served to students participating in the National School Lunch Program. Reimbursement is estimated to be $0.17 per breakfast served to students eligible to receive free and reduced price breakfasts and who participate in the School Breakfast Program.

Also provided is $0.30 per reduced price breakfast to eliminate the breakfast co-pay for students eligible for reduced price breakfast. Also provided is $0.40 to eliminate the $0.40 lunch co-pay for students in Grades kindergarten through Grade three eligible for reduced price lunch.

4199 Transportation Operations
The transportation operations allocation is in a phase in to the Student Transportation Allocation Reporting System (STARS). During this phase in, districts receive the lesser of:

1. the previous school year’s transportation operations, or
2. the total of the allowable pupil transportation expenditures for the previous school year, plus indirect expenditures at the federal restricted rate.

If 1. is the lesser amount, the district will also receive the difference between the STARS allocation and the amount funded in 1., times a funding percentage based on the amount appropriated by the legislature. In 2012–13, this percentage was 3.8 percent.

State allocations for this program are subject to recovery. For more information on recoveries, refer to Section 5, page 2 of this chapter.

4499 Transportation Depreciation
Funding is determined by totaling the replacement and/or depreciation payments from individual depreciation schedules for each bus. The formula for calculating depreciation payments for each bus will continue to be derived from the lowest quotes received by OSPI from school bus vendors in each category.

Beginning with the 2012-13 school year, the depreciation payment will be made in August.
REVENUE ACCOUNT SUMMARY

5000–5099 Federal General Purpose

5300 Impact Aid
Impact aid is provided directly to school districts by the U.S. Department of Education under Title VIII, Impact Aid (formerly Public Law 81-874) based upon district application.

5329 Section 8003(d) of Impact Aid
Section 8003(d) is provided directly to school districts by the U.S. Department of Education and reported on the Voucher for Impact Aid Section 8003 Payments. Section 8003(d) is an additional payment for children with disabilities for federally connected children who are eligible under the Individuals with Disabilities Education Act (IDEA). For guidance on recording expenditures, refer to Chapter 6 of the Accounting Manual for Public School Districts in the State of Washington.

5500 Federal Forests
Federal forests revenue is distributed by the State Treasurer to the counties. The distribution of federal forests revenue is expected to occur in December. When counties receive this revenue, OSPI will advise the various county treasurers regarding distribution to individual school districts. A district can divert part or all of its federal forests revenue to either or both the Capital Projects Fund or the Debt Service Fund. To do this, a resolution by the school district board of directors should be adopted and delivered to the appropriate county treasurer. Regardless of which fund(s) receive this revenue, federal forests revenue is a deductible revenue for basic education apportionment purposes. For those school districts in Skamania County only, the deduction is 30 percent of the lesser of the basic education allocation or the federal forests revenue.

The Secure Rural Schools Act, which provides funding for these payments, has been reauthorized for one year at approximately 95 percent of the prior year amount.

5600 Qualified Bond Interest Credit—Federal
Districts that issue qualifying bonds may be eligible to receive a subsidy payment from the Department of the Treasury for all, or a portion of, the interest payments on the bonds. Potentially, qualifying bonds include the following:


Qualifying bonds must meet all other statutory requirements under the appropriate law. Districts will be required to file a Form 8038-CP with the Internal Revenue Service within the appropriate timeframes related to interest payments to be able to receive these payments. Districts may deposit these funds into the General Fund, the Debt Service Fund, the Capital Projects Fund or the Transportation Vehicle Fund.

6100–6199 Federal Grants Received Through OSPI
For current information about the Elementary and Secondary Education Act (ESEA) as amended by the No Child Left Behind Act of 2001 (NCLB), go to: http://www.k12.wa.us/ESEA/.

Questions about NCLB: ESEA@ospi.wednet.edu
REVENUE ACCOUNT SUMMARY

6100  Special Purpose, OSPI Unassigned
HIV/AIDS Education (CFDA #93.938)
Drug and Alcohol Substance Abuse-Prevention and Intervention (CFDA #93.959)
Learn and Serve (CFDA #94.004)
Fund for the Improvement of Education (CFDA #84.215)
Rural Low Income Schools (CFDA #84.358)

6118  Federal Stimulus—Competitive Grants
Specific programs include:
- School Improvement Programs—McKinney-Vento Homeless Assistance Act Title VII Subtitle B (CFDA #84.387)
- State Fiscal Stabilization Fund—State Incentive Grants (CFDA #84.395)

McKinney-Vento Homeless Assistance Act

Purpose:
This program provides funds to states to ensure that homeless children have equal access to public education, including access to services that enable them to meet the same state student academic and achievement standards that all students are expected to meet.

Allocations/Award basis: Competitive/Formula

Limitations: Per OSPI RFP and other program guidance.

For more information:
- Contact OSPI Program Office:
  - Phone: (360) 725-4968
- OSPI Bulletins/Memorandums:

State Incentive Grants

Purpose:
The Race-to-the-Top Incentive grants will reward states that have made significant progress in improving the equitable distribution of qualified teachers; establishing longitudinal data systems; enhancing the quality of assessments, including English language learners and students with disabilities in state assessments; improving the academic content and achievement standards; and providing effective support to schools identified for corrective action and restructuring.

Allocations/Award basis: Formula
States receiving incentive grants shall subgrant at least 50% of its grant to school districts based on their relative shares of funding under Title I for the most recent year.

6121  Special Education—Medicaid Reimbursements
Beginning in 2007–08, Medicaid reimbursements will be received through DSHS. Therefore, Revenue Account 6321 should be used, instead of Revenue Account 6121. In addition, school districts may retain 100% of the revenue, up from 50% in prior years. These are reimbursements for medical services for special education students that are eligible for Medicaid. Revenues should not be confused with Medicaid administrative match revenues which are recorded in Revenue Account 6310.
REVENUE ACCOUNT SUMMARY

6124 Special Education, Supplemental

Federal funding coded to this account includes the following:

- Title VI, Part B, Section 611 “Grants to States” (CFDA #84.027) and Section 619 “Preschool” (CFDA #84.173) flow-through funds.
- A portion of special education safety net awards. The award letter will give the amount of the award that is from state and federal sources.

Purpose:
This revenue provides financial assistance to school districts for students in need of specially designed instruction.

Allocation/Award basis: Formula
OSPI Special Education sends out applications and information regarding FY 2013–14 allocations when available from the Office of Special Education Programs, U.S. Department of Education (preliminary allocations in approximately May). For planning purposes, use the allocations from the iGrants Grant Profile.

Information on applying for safety net funding for 2013–14 is provided by OSPI Bulletin issued in the fall (2013). Information on applying for 2013–14, when available, will be posted to the Special Education website at: http://www.k12.wa.us/SpecialEd/default.aspx.

Limitations:
- School districts are allowed to carry over up to five percent of their federal allocation.

For more information:
- Contact OSPI Special Education Office:
  - Webpage: http://www.k12.wa.us/SpecialEd/default.aspx
  - Phone: (360) 725-6075

6138 Secondary Vocational Education (CFDA #84.048)

Purpose:
The purpose of this program is to develop the academic, vocational, and technical skills of vocational and technical education students.

Allocation/Award basis: Formula
Allocated by OSPI to districts based 70% on number of students age 7–15 in poverty and 30% total age 7–15 in district.

Preliminary and Final Allocations: Posted on iGrants, when available.

Limitations:
- 5% cap on administrative costs.
- No carryover allowed.

For more information:
- Contact OSPI Career and Technical Education Office:
  - Phone: (360) 725-6245

6146 Skills Center
Revenue funding levels will be provided by OSPI program staff when information is available.

### 6151 Disadvantaged Title I

Specific programs include:
- Title I, Part A—Basic (CFDA #84.010).
- Title I, Part A—Basic, School Improvement (CFDA #84.010).
- Title I, Part A, Section 1003 (g)—School Improvement Funds (CFDA #84.377A).
- Title I, Part B (3)—Even Start (CFDA #84.213).
- Title I, Part D, Subpart 2—Local Agency (CFDA #84.010).
- Title I, Part F—Comprehensive School Reform (CFDA #84.332).
- Title I, Part G—Advanced Placement (CFDA #84.330).
- Title X, Part C—McKinney-Vento Homeless Assistance Act (CFDA #84.196).

**Title I, Part A—Basic**

**Purpose:**
Program funds are targeted to high-poverty school districts and used to provide supplementary educational services, usually in reading and math, to students who are educationally disadvantaged or at risk of failing to meet the state standards.

**Allocation/Award basis: Formula**
District allocations are primarily based upon the number of low-income students according to U.S. census data. Funds are allocated under four separate funding formulas: Basic Grants, Concentration Grants, Targeted Grants, and Education Finance Incentive Grants, but distributed in a single allocation.

**Limitations:**
- No cap on administration. A necessary and reasonable portion of the allocation may be used for program administration.
- Must set-aside:
  - Amount necessary to serve homeless students not attending Title I schools.
  - At least 5% of district allocation for professional development to ensure teachers and paraprofessionals in Title I, Part A schools meet federal highly qualified staff requirements (unless a lesser amount is needed).
  - Amount necessary to provide equitable services to private school children.
  - If district allocation exceeds $500,000, at least 1% of district allocation for parental involvement (95% must be allocated to school buildings).
- If identified for **district improvement**, must set-aside:
  - 10% of **district** allocation for professional development to improve instruction.
- If buildings are identified for **school improvement**:
  - An amount equal to up to 20% of **district** allocation for transportation for public school choice and supplemental education services.
  - At least 10% of allocation to identified **school(s)** for professional development to address the issue(s) that resulted in identification.
- Carryover allowed up to 15%.

**Preliminary and Final Allocations:** Posted on iGrants, when available.
REVENUE ACCOUNT SUMMARY

For more information:
- Contact OSPI Title I Office:
  - Webpage: http://www.k12.wa.us/TitleI/default.aspx
  - Phone: (360) 725-6100
- U.S. Department of Education Guidance

Title I, Part A—Basic, School Improvement Assistance

Purpose:
The purpose of this revenue is to provide assistance to districts and schools identified for improvement, corrective action, or restructuring to help them develop and implement a plan for strengthening the educational program.

Allocation/Award basis: Competitive
These funds are coordinated with state focused assistance and private partnership funds into a voluntary and single competitively-awarded program. Awards are made to schools and districts in improvement status with priority going to the lowest achieving schools and districts that demonstrate the greatest need for the funds and the strongest commitment to ensuring that the funds are used to improve student achievement. Awards are made annually with continuation of school based awards available for two additional years.

Limitations: Per OSPI iGrants application and other program guidance.

For more information:
- Contact OSPI School Improvement Office:
  - Webpage: http://www.k12.wa.us/SchoolImprovement/default.aspx
  - Phone: (360) 725-6108

Title I, Part A, Section 1003(g)—School Improvement Funds

Purpose:
The purpose of this revenue is to provide assistance to districts and schools identified for improvement, corrective action, or restructuring to help them develop and implement a plan for strengthening the educational program.

Allocation/Award basis: Competitive
Awards are made to schools and districts in improvement status with priority going to the lowest achieving schools and districts that demonstrate the greatest need for the funds and the strongest commitment to ensuring that the funds are used to improve student achievement. Awards are made annually.

Limitations: Per OSPI iGrants application and other program guidance.

For more information:
- Contact OSPI School Improvement Office:
  - Webpage: http://www.k12.wa.us/SchoolImprovement/default.aspx
  - Phone: (360) 725-6108

Effective Date  Supersedes  Form  Chapter  Section  Page
9/1/13  9/1/12  BUD PREP  2  21
REVENUE ACCOUNT SUMMARY

Title I, Part B (2)—Early Reading First

Purpose:
This program supports local efforts to enhance the early language, literacy, and pre-reading development of preschool-age children, particularly those from low-income families, through strategies and professional development that are based on scientifically-based research.

Allocation/Award basis: Competitive
Awarded by United States Department of Education directly to one or more LEAs eligible to receive a subgrant under the Reading First State Grants program and/or one or more public or private organizations located in a community served by an LEA eligible to receive a Reading First State Grants subgrant. The United States Department of Education makes competitive 6-year awards directly to LEAs.

Limitations: Per grant agreement.

For more information:

Title I, Part B (3)—Even Start

Purpose:
This program supports family literacy programs that integrate early childhood education, adult education, and literacy activities for low-income families, including parents eligible for services under the Adult Education and Family Literacy Act and their children from birth through age seven.

Allocation/Award basis: Competitive
OSPI awards subgrants to partnerships of school districts and other organizations, giving priority to proposals that target areas designated as empowerment zones or enterprise communities or that propose to serve families in other high-poverty areas.

Limitations: Per OSPI RFP and other program guidance.

For more information:
- Contact OSPI Program Office:
  - Phone: (360) 725-6049

Title I, Part D, Subpart 2—Local Agency (CFDA #84.010)

Purpose:
This program supports local school districts and locally operated correctional facilities in order to carry out high quality educational programs to prepare youth for secondary school completion, training, employment, transition activities, and further education. The program is also designed to prevent youth from dropping out and to provide a support system to ensure their continued education.

Allocation/Award basis: Formula
The formula uses October case count of children residing for 30 consecutive days, 1 day of which must be in the month of October.

Title I, Part G—Advanced Placement
REVENUE ACCOUNT SUMMARY

Purpose:
The purpose of this program is to increase the number of low-income students participating in Advanced Placement classes and taking Advanced Placement tests. Under NCLB, the former program has been replaced with two separate programs—one for test fees, the other for activities designed to increase access to Advanced Placement classes for low-income students.

Allocation/Award basis: Competitive

Limitations:
Per OSPI RFP and other program guidance.

For more information:
• Contact OSPI Program Office:
  o Phone: (360) 725-6097

Title X, Part C—McKinney-Vento Homeless Assistance Act

Purpose:
This program provides funds to states to ensure that homeless children have equal access to public education, including access to services that enable them to meet the same state student academic and achievement standards that all students are expected to meet.

Allocation/Award basis: Competitive

Limitations:
Per OSPI RFP and other program guidance.

For more information:
• Contact OSPI Program Office:
  o Phone: (360) 725-4968
• OSPI Bulletins/Memorandums:

6152 School Improvement
This revenue code encompasses various titles of the Elementary and Secondary Education Act designed to improve the quality of education. Specific programs include:
• Title II, Part A—Improving Teacher Quality (CFDA #84.367).
• Title II, Part B—Mathematics and Science Partnerships.
• Title IV, Part B—21st Century Learning Centers (CFDA #84.287).
• Title V, Part A—Innovative Programs (CFDA # 84.298).
• Title VI, Part B (1) and (2)—Rural and Low Income Schools (CFDA #84.358).

Title II, Part A—Improving Teacher Quality

Purpose:
The purpose of this program is to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools.

Allocation/Award basis: Formula
Funds are allocated to districts by OSPI. Districts first receive the amount they received in FY 2001 for the Eisenhower Professional Development State Grants and Class-Size Reduction
REVENUE ACCOUNT SUMMARY

programs. Remaining funds are allocated based 20% on child population (age 5–17) and 80% on child poverty.

Limitations:

- No cap on administration. A necessary and reasonable portion of the allocation may be used for program administration.
- School districts are required to conduct a comprehensive assessment of their professional development and staffing needs for improving student academic achievement. This needs assessment must be used to establish priorities for the use of funds.
- Private schools are entitled to participate on an equitable basis in this program. The federal statute specifies the activities in which private schools can participate. The statute also requires that for purposes of determining the amount of Title II, Part A funds that a district must make available for equitable services to private school teachers, the LEA must assume that it is spending at least as much on professional development under Title II, Part A as it did in FY 2001 under the Eisenhower and Class-size Reduction programs.

Preliminary and Final Allocations: Posted on iGrants, when available.

For more information:

- Contact OSPI Title II Office:
  - Webpage: [http://www.k12.wa.us/ProfDev/TitleIIA/default.aspx](http://www.k12.wa.us/ProfDev/TitleIIA/default.aspx)
  - Phone: (360) 725-6340
- U.S. Department of Education Guidance:
  - Federal Law, Regulations, and Guidance Documents

Title IV, Part B—21st Century Learning Centers

Purpose:
This program provides opportunities for communities to establish or expand activities in community learning centers during non-school hours or when school is not in session. Activities include tutorial services and other academic enrichment opportunities designed to reinforce the regular academic program for students in low performing schools.

Allocation/Award basis: Competitive
Priority is given to applicants that propose to serve students who attend schools identified for improvement and who submit applications jointly by at least one LEA receiving funds under Title I, Part A and at least one public or private community-based organization.

Limitations: Per OSPI RFP and other program guidance.

For more information:

- Contact OSPI Program Office:
  - Phone: (360) 725-6052
- U.S. Department of Education Guidance:
  - Federal Law, Regulations, and Guidance Documents

Title V, Part A—Innovative Programs
REVENUE ACCOUNT SUMMARY

Purpose:
This program supports local education reform efforts that are consistent with and support statewide education reform efforts; implement promising educational reform programs and school improvement programs based on scientifically-based research; provide a continuing source of innovative and educational improvement, including support programs to provide library services, instructional and media materials; meet the educational needs of all students, including at-risk youth; and develop and implement education programs to improve school, student, and teacher performance, including professional development activities and class-size reduction programs.

Allocation/Award basis: Formula
OSPI allocates funds to districts based on: 1) the relative enrollments in public and private schools, 2) children from low-income families based upon approved free and reduced price lunch applications, and 3) children living in sparsely populated areas.

Preliminary and Final Allocations: Posted on iGrants, when available.

For more information:
- Contact OSPI Program Office:
  - Webpage: [http://www.k12.wa.us/TitleVpartA/default.aspx](http://www.k12.wa.us/TitleVpartA/default.aspx)
  - Phone: (360) 725-6100
- U.S. Department of Education Guidance:

Title VI, Part B—Rural and Low Income Schools

Purpose:
This program targets funds to rural school districts that serve high numbers of poor students to help them in meeting ESEA performance goals.

Allocation/Award basis: Formula
Funds are allocated by OSPI based on district FTE.

Final Allocations: Posted on iGrants, when available.

For more information:
- Contact OSPI Federal Program Office:
  - Webpage: [http://www.k12.wa.us/RuralEducationAchievement/default.aspx](http://www.k12.wa.us/RuralEducationAchievement/default.aspx)
  - Phone: (360) 725-6225
- U.S. Department of Education Guidance:
  - Federal Law, Regulations, and Guidance Documents

6153 Title I, Part C—Migrant (CFDA #84.011)

Purpose:
This program provides financial assistance for supplementary educational and support services for eligible migrant children aged 3 through 21.

Allocation/Award basis: Subgrant based on need
OSPI allocates funds to districts based on weighted factors of student demographics. Districts must have 10 migrant students in need beyond other resources.
REVENUE ACCOUNT SUMMARY

Preliminary and Final Allocations: Posted on iGrants, when available.

For more information:
- Contact OSPI Migrant Office:
  - Webpage: [http://www.k12.wa.us/MigrantBilingual/default.aspx](http://www.k12.wa.us/MigrantBilingual/default.aspx)
  - Phone: (360) 725-6148
- U.S. Department of Education Guidance:
  - Federal Law, Regulations, and Guidance Documents

6154 Reading First (CFDA #84.357)

Purpose:
The purpose of this program is to provide assistance to establish research-based, comprehensive reading programs for students in kindergarten through third grade; increase professional development to ensure all teachers, including special education teachers, have the skills they need to teach these programs effectively; and prepare classroom teachers to effectively screen, identify and overcome reading barriers facing students.

Allocation/Award basis: Competitive
OSPI competitively awards grants to eligible LEAs. Priority is given to eligible LEAs that have at least 15% of students from families with incomes below the census poverty line or at least 6,500 children from families with incomes below the poverty line.

OSPI program staff will provide revenue funding levels when information is available.

Limitations:
- Planning and administration is capped at 3.5%.

For more information:
- Contact OSPI Reading First Office:
  - Webpage: [http://www.k12.wa.us/curriculuminstruct/reading/readingfirst/default.aspx](http://www.k12.wa.us/curriculuminstruct/reading/readingfirst/default.aspx)
  - Phone: (360) 725-6070
- U.S. Department of Education Guidance:
  - Federal Law, Regulations, and Guidance Documents

6157 Institutions, Neglected and Delinquent

Title I, Part D, Subpart 1—State Agency (CFDA #84.013)

Purpose:
Supports children and youth in state facilities with the supplemental services needed to meet the state’s challenging content standards and performance standards and to make a successful transition from institutionalization to further schooling and employment.

Allocation/Award Basis:
Formula - February 10th case count of children residing in the state institution for 30 consecutive days.
OSPI Education Support will facilitate application information for FY 2013–14 via the iGrants system when available.

For more information:
- Contact OSPI Program Office:
  - Phone: (360) 725-6046

**Title III, Part A—Limited English Proficiency** (CFDA #84.365)
This account is used for both Bilingual and Immigrant subgrant funds.

**Purpose:**
The purpose of this program is to assist children who are limited English proficient attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging state academic content and achievement standards as all children are expected to meet.

**Allocation/Award basis: Formula**
OSPI allocates eighty-five percent of the funds to districts based on their relative share of the limited English proficient student population. Up to fifteen percent of the award to the state may be awarded to districts that have experienced significant increases in the percentage or number of immigrant students or that have limited or no experience in serving immigrant students.

**Preliminary and Final Allocations:** Posted on iGrants, when available.

**Limitations:**
- Administration is capped at 2%.

For more information:
- Contact OSPI Bilingual Office:
  - Webpage: [http://www.k12.wa.us/MigrantBilingual/default.aspx](http://www.k12.wa.us/MigrantBilingual/default.aspx)
  - Phone: (360) 725-6151

**School Food Services**

### NSLP Rate Information

<table>
<thead>
<tr>
<th>Program Year</th>
<th>Begin Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>07/01/2013</td>
<td>06/30/2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>High Lunch</th>
<th>Low Lunch</th>
<th>Severe Need Breakfast</th>
<th>Regular Breakfast</th>
<th>Special Milk</th>
<th>Area Eligible Snack</th>
<th>Regular Snack</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid</td>
<td>0.3000</td>
<td>0.2800</td>
<td>0.2800</td>
<td>0.2800</td>
<td>0.2025</td>
<td>0.0700</td>
<td></td>
</tr>
<tr>
<td>Free</td>
<td>2.9500</td>
<td>2.9300</td>
<td>1.8900</td>
<td>1.5800</td>
<td>0.8000</td>
<td>0.8000</td>
<td></td>
</tr>
<tr>
<td>Reduced</td>
<td>2.5500</td>
<td>2.5300</td>
<td>1.5900</td>
<td>1.2800</td>
<td>0.4000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Effective Date:** 9/1/13  **Supersedes:** 9/1/12  **Form:** BUD PREP  **Chapter:** 2  **Section:** 27  **Page:** 27
Snacks served in after-school enrichment or educational programs are reimbursed at the free rate in schools where 50 percent or more of the enrolled students are eligible for free and reduced-price meals. Snacks served in sites having less than 50 percent enrollment are reimbursed according to the eligibility of the child in attendance.

The maximum price that can be charged to a student eligible for a reduced-price lunch is $0.40 (40¢); school districts may not charge reduced price eligible students for breakfast; the maximum charge for a reduced-price snack is $0.15 (15¢). For FY 2013–14, the state is reimbursing the $.30 copay for reduced-price breakfast and the $.40 copay for K–3 reduced-price lunches.

**Economically Needy Lunch**

School districts that served 60 percent or more of their lunches free or at a reduced price in the second prior school year (FY 2011–12) may be eligible for an extra $0.02 (2¢) reimbursement for all reimbursable lunches served in FY 2013–14. These school districts will be notified of their eligibility in July or August of each year.

**Performance-Based Reimbursement**

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA) requires an additional 6 cents per lunch reimbursement be provided to school food authorities (SFAs) certified by OSPI Child Nutrition Services to be in compliance with the new meal pattern requirements. The additional reimbursement is available for lunches meeting the updated meal pattern requirements on October 1, 2012, and no earlier.

**Severe Need Breakfast**

To qualify for Severe Need Breakfast during the 2013–14 school year, a school/site must have served 40 percent or more of its lunches free or at a reduced price during SY 2011–12 (the second preceding year). LEAs that apply for the severe need reimbursement must identify eligible schools on each school’s Site Information form that is part of the agreement application. This online form must be completed by all LEAs that have schools and/or sites eligible for the severe need breakfast reimbursement and choose to apply for the reimbursement. School districts eligible for severe need breakfast are paid monthly at the maximum reimbursement rate of $1.89 for each free, $1.59 for each reduced-price breakfast, and $0.28 for each paid breakfast claimed as a severe need breakfast during SY 2013–14.

6218 **Federal Stimulus – Competitive Grants**

Specific programs include:
- Innovation and Improvement awards under the American Recovery and Reinvestment Act of 2009 (CFDA #84.385) (Also known as Teacher Incentive Fund.)

**Teacher Incentive Fund**

**Purpose:**

The purpose of the teacher incentive fund is to support projects that develop and implement performance-based teacher and principal compensation programs in high-need schools that must include gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year. These systems may also provide educators with incentives to take on additional responsibilities and leadership roles.

**Application/Award basis: Competitive**

**Limitations:** Based on grant award.

6219 **Federal Stimulus—Other Grants**
REVENUE ACCOUNT SUMMARY

Specific programs include:
- State Fiscal Stabilization Fund—Innovation and Improvement Grants (CFDA #84.396)

Innovation and Improvement Grants

Purpose:
These grants are used to recognize individual districts or those in a partnership or consortium agreement that have made significant gains in closing achievement gaps and enable them to expand their work in partnership with private organizations and the philanthropic community to identify and document best practices that can be shared and taken to scale and to serve as models for best practices.

Allocation/Award basis: Competitive

Limitations: Per grant award.

6998 USDA Commodities
The commodity rate is updated in July of each year. The commodity rate for FY 2009–10 is $0.195.

7000–7999 Revenues from Other School Districts

7103 Nonhigh Participation
Under this revenue account, high school districts record revenue for serving students residing in nonhigh districts. Nonhigh school districts budget payments to high school districts in Program 01, Activity 29, Object 7. Nonhigh school districts make payments for 2013–14 enrollments in May and November of 2014. OSPI's estimate of May 2014 nonhigh payments is sent to school districts with the March 2014 apportionment reports. The May 2014 payment equals half the estimated annual 2014 payment. For the actual November 2014 payment, OSPI will recalculate the annual 2013–14 payment based on actual 2013–14 enrollments reported on Form P-213 and subtract the May 2014 payment. The high school district may elect to bill the nonhigh district less than the amount calculated by OSPI. The high district may not bill a greater amount without the consent of the school board of the nonhigh district.

Nonhigh payments receivable in the 2012–13 school year are calculated as follows:

November 2013 payment equals the
High school district 2013 certified M&O levy
   – divided by –
High school district 2012–13 total resident FTE enrollment
   – times –
Actual 2012–13 nonhigh enrollment
   – minus –
Amount paid in May 2013 for 2012–13 nonhigh enrollment
REVENUE ACCOUNT SUMMARY

May 2014 payment equals the High school district 2014 certified M&O levy – divided by –
Estimated high school district 2013–14 total resident FTE enrollment – times –
Estimated 2013–14 nonhigh enrollment – times 50 percent –

The high school district’s M&O levy authority is reduced and the nonhigh school district’s levy authority is increased as a result of nonhigh enrollments.

RANs, BANs, and TANs
Proceeds from the sale or issuance of revenue anticipation notes (RANs) are not considered revenues or other financing sources for budgeting or financial reporting. RANs include tax anticipation notes (TANs), bond anticipation notes (BANs), or similar types of short-term obligations issued that will be repaid from anticipated revenues.

School districts must balance their budgets on a fund balance basis without the use of RANs. Proceeds from BANs issued with the intent of refinancing through the sale of bonds also are not considered revenues. Refer to the Accounting Manual for Public School Districts in the State of Washington for additional information on RANs.