Basic Education Funding Proposal - The Highlights

Representatives Hunter, Sullivan, Jarrett, Priest, and Anderson and Senator Tom

Goal: A new model of financing "Basic Education" – the state's Constitutional responsibility to make ample provision of the opportunity for all students to meet state learning goals.

Key Principles:

- *Begin with the End in Mind.* Each child in the state should receive an education that prepares them to succeed in the 21st Century. All students should make at least one academic year of progress each school year. Disadvantaged students will need significantly more support to allow them to catch up to their more advantaged peers.
- *Teacher Quality Matters Most.* We must implement a comprehensive and coordinated system of educator evaluation, mentoring, certification, and compensation, all focused on improvement of student learning.
- *Build a Coherent and Transparent Structure*. Funding must be based on factors that matter and make sense. Initially, the overall structure of the finance system is as important as the numeric variables that drive resources.
- *Provide Flexibility with Accountability*. Districts should have authority to make spending decisions and the obligation to explain to their citizens why their decisions may differ from the state's assumptions. Financial and student data systems must be improved.
- *Rely on the Best Available Information*. The model must draw from multiple sources, including research, best practices, and other available information to create a rational basis that a reasonable person could agree would provide the opportunity for a Basic Education.

Components:

- A Program of Education based on staffing and resources to support prototypical schools.
- Changing Teaching: coordinated evaluation, mentoring, certification, and compensation
- Improved Equity and Accountability
- A plan for Phased-in Implementation and Revenue to support the new system.

At the end of the day, it will be up to the Legislature to make the key policy and funding decisions. The model is designed to permit the rich policy debate these issues deserve.

Finance Model for a Program of Education

- Builds a model from the school level based on four prototypical schools: high (grades 9-12), middle (grades 7-8), elementary (grades 4-6),and primary (grades K-3).
- Illustrates the impact of key decisions such as class size, time for planning and professional development, student demographics, and Core 24 graduation requirements. Based on these factors, calculates the number of teachers needed in the school.
- For high school, recognizes smaller class sizes for CTE, lab science, AP/IB courses.
- Provides resources for additional instruction:
  - Based on the percent and concentrations of low income students, and for ELL students. Allows districts to choose staffing and assistance strategies, using a combination of teachers and/or instructional aides.

- For special education, using the current multiplier (.9309) but an expanded funding base and continuing the safety net at a statewide level.
- To enable enhanced learning opportunities for gifted students.
- To address dropout prevention and Career and Technical Education.

- Provides for on-line learning through a common state-provided website.
- Includes explicit assumptions about other building-level instructional and administrative staff: principals, librarians, nurses, counselors, and instructional coaches. Allows districts to justify actual staffing decisions to their communities and through the accountability system.
- Allocates building staff not already covered by other aspects of the model: non-instructional aides, secretaries, student safety, custodians. Acknowledges that, more than for other staff, classified staff must be compensated in a competitive market and bases allocations on current average salaries initially, adjusted by labor market surveys for comparable jobs in the future.
- Provides funding for Materials, Supplies and Operating Costs on a per-student basis, based on common-sense categories that can be adjusted at different inflation rates to reflect real marketplace costs for items like curriculum and library materials, utilities, insurance, security, maintenance, and central office.
- Creates a specific allocation for instructional technology, including computers, whiteboards, video, software, technical support, and training. Shifts administrative technology and online learning to state-provided databases and a single common access point.
- Assumes an overhead allocation of 6 percent (for the time being) for central administration, with variation for very large or small districts. Expects small districts to rely on ESDs.

Changing Teaching – Evaluation, Mentoring, Certification & Compensation

- Implements a new statewide evaluation and certification system based on the research that links teaching practice with improved student learning. Relies on multiple measures of performance, scored by teachers outside the district who are trained and certified as evaluators, as well as NBPTS certification.
- Builds a new compensation system for new teachers, with starting wages and the upper end of the salary range to be competitive in the labor market. Provides compensation increases as teachers demonstrate additional competency based on this system. Creates a salary schedule that recognizes certification and responsibilities rather than degree attainment.
- Develops a significant mentoring program for new teachers and those who need additional support, with trained and certified mentors and operated through an ESD network.
- To attract new teachers in areas of significant undersupply, provides new compensation tools including loan forgiveness, and bonuses for hard-to-serve areas and hard-to-staff fields. Provides regional wage adjustments based on competitive labor market analysis.
- Rewards student learning gains in each school with a building-based bonus for achieving annual student learning goals (based on improvement and growth).
- Provides current teachers with the option to move to the new system, at least for some time.

Equity – A General and Uniform System

- Provides significant additional resources based on low-income and ELL students.
- Removes long-standing inequities from the current finance system that lack a rational basis:
    - Eliminates grandfathering of teacher salaries over the long-term with a new compensation plan that is attractive, has no grandfathering, and has an eventual deadline. In the short-term, slows the rate of increase in salary allocations for grandfathered districts over a four-year period until the other districts catch up.
    - Alters the assumptions for administrator and classified salary allocations such that grandfathering is not an issue.
- Phases-in a 30% levy lid, accompanied by additional state funding for Basic Education and a modernized levy equalization system to ensure that all districts have per-student funding within a defined range no district puts a disproportionate burden on its taxpayers.

Accountability

- Creates a coherent system of school and district accountability, based on the work of the State Board of Education, including creation of a multiple-factor accountability index to place schools in five tiers of performance, from Exemplary to Priority. Proposes a tiered system of assistance and support, with a significant focus on chronically underperforming Priority schools.
- Provides financial accountability through a common, state-provided budgeting and accounting system, which should also serve as an efficiency measure and save costs.
- Enables monitoring of student progress through a state-provided diagnostic testing system used by all districts and improves data collection with a state-provided student information system that seamlessly connects information about students, test scores, teachers, and courses.

Transition and Revenue

- Proposes to phase-in the model and resources over a six-year period.
- Expects the specifics of the model and the changes in resources to be specified in statute to ensure the phase-in occurs.
- Estimates that some of the additional cost can be funded by taking a larger percentage of the natural growth in the state budget. Expects K-12 funding to return to 50 percent of the overall budget.