

Multiple Agency Fiscal Note Summary

Bill Number: 3291 S HB AMS EDU S5781.2	Title: Community schools act
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Estimated Cash Receipts

Agency Name	2007-09		2009-11		2011-13	
	GF- State	Total	GF- State	Total	GF- State	Total
Total \$						

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2007-09			2009-11			2011-13		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Community, Trade, and Economic Development	2.4	489,963	489,963	4.7	0	947,194	4.7	0	950,074
Superintendent of Public Instruction	.0	0	0	.0	0	48,919,000	.0	0	83,890,000
Total	2.4	\$489,963	\$489,963	4.7	\$0	\$49,866,194	4.7	\$0	\$84,840,074

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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Prepared by: Mike Woods, OFM	Phone: 360-902-9819	Date Published: Final 3/ 4/2008
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 3291 S HB AMS EDU S5781.2	Title: Community schools act	Agency: 103-Community, Trade & Economic Develop
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	0.0	4.7	2.4	4.7	4.7
Fund					
General Fund-State 001-1	0	489,963	489,963	0	0
State Building Construction Account-State 057-1	0	0	0	947,194	950,074
Total \$	0	489,963	489,963	947,194	950,074

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/29/2008
Agency Preparation: Michael Kendall	Phone: 360-725-3073	Date: 03/03/2008
Agency Approval: Karen Larkin	Phone: 360-725-3003	Date: 03/03/2008
OFM Review: Mike Woods	Phone: 360-902-9819	Date: 03/03/2008

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Differences from SHB 3291:

Section 3(2)(c) is replaced by “Establish a prioritized list of capital projects in consultation with the advisory board and submit the list annually to the governor and the legislature in the department's capital budget request beginning with the 2009-2011 biennium. The list must include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. The total amount of recommended state funding for projects on an annual project list shall not exceed ten million dollars.”

Section 3(2)(d) is removed.

Section 3(4) is added, “Grants under this section shall not exceed fifty percent of the total cost of the project. Any project award shall not exceed twenty-five percent of the recommended state funding for projects on the department’s annual project list.” Remainder of bill is renumbered.

The renumbered section 3(5) is revised. After “project, “insert “public investment in open space acquisition and development adjacent to the project,”

Section 4 is deleted and the remainder of the bill is renumbered.

Section 6 is deleted.

Description of 3291-S AMS EDU

Section 2

States that the intent of the legislature is to provide capital grant funds for the development of community schools using surplus school buildings. Grants may be used for the acquisition, construction, rehabilitation, and improvements of facilities.

Section 3

3(1)(b) Defines “community school” as both a place and a set of partnerships between entities including, but not limited to, public schools, postsecondary institutions, local governments, nonprofit early learning providers, and other nonprofit community resources with an integrated focus on academics, health and social services, youth and community development, and community engagement.

3(1)(c) Defines “eligible entity” as public school districts, local governments, nonprofit organizations, nonprofit early learning providers, and tribal governments.

3(1)(d) Defines “qualified services” as:

- (i) Early childhood education;
- (ii) Remedial education activities and academic enrichment activities;
- (iii) Programs that promote parental involvement and family literacy;
- (iv) Youth development programs;
- (v) Parent leadership development activities;
- (vi) Parenting education activities;
- (vii) Child care services;
- (viii) Community service opportunities;

- (ix) Programs that provide assistance top students who have been truant, suspended, or expelled;
- (x) Job training and career counseling services;
- (xi) Nutrition services;
- (xii) Primary health and dental care;
- (xiii) Mental health prevention and treatment services;
- (xiv) Adult education, including instruction in English as a second language; and
- (xv) Other services determined by the advisory board.

Directs CTED to:

- 3(2)(a) Establish a competitive process to solicit project proposals;
- 3(2)(b) Evaluate and rank applications in consultation with an independent advisory board using objective criteria;
- 3(2)(c) Establish a prioritized list of capital projects not to exceed \$10 million annually and submit the list to the governor and legislature beginning with the 2009-2011 biennium;
- 3(4) Cap grant awards at 50% of the total cost of the project, and no more than 25% of the recommended state funding level.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

General Assumptions

For the new Community Schools Act of 2008:

CTED assumes the legislature will provide general fund appropriations for costs incurred between July 1, 2008 and June 30, 2009. The first ranked list of applicants is due to the Legislature in December of 2008, budget information related to this program would need to be provided to OFM by September or October, and the capital appropriation for this program does not begin until the 2009-2011 biennium budget.

Section 3(6)(a) prohibits CTED from requiring state funds be used as the last spent on a project, and 3(6)(b) prohibits CTED from setting a monetary limit to funding requests. Due to there being a wide range of eligible applicants, and a high state match, this program will be highly desirable and very competitive.

Section 3

It is estimated the following entities would be eligible to apply for grants under this program:

- 320 local governments (39 counties + 281 cities)
- 281 school districts
- 26 tribal governments
- 627 total eligible entities

It is assumed that 4% of these entities will apply (4% of 627 = 25 applications).

Additionally, there are approximately 6,200 registered nonprofits in the state. For the purposes of this fiscal note, it is assumed that 4% of these entities will apply (4% of 6,200 = 248 applications).

Total applications = 273 (25 + 248)

The average Capital Programs competitive grant award for the 2007-2009 Biennium is \$472,500. It is assumed that the awards in the Communities Schools Act will be similar. If the total annual funds available to this program in Section 3(2)(c) will be \$10 million, it is assumed the number of annual contracts will be 21.

Total annual contracts = 21 (\$10,000,000/\$472,500).

Data sources:

Association of Washington Cities
Governor's Office of Indian Affairs
Secretary of State database
Office of the Superintendent of Public Instruction

FTE Salary and Benefits:

FY09-FY13: \$314,590 each fiscal year

This new program will annually require 1.0 FTE CTED Specialist 3, 1.0 FTE CTED Specialist 2, 1.0 FTE CTED Specialist 1, to develop rules, applications, website, guidelines, project review and selection, board recruitment and development, contract management, marketing and outreach, and fiscal accountability. 1.0 FTE Secretary Administrative for logistical and administrative support, document preparation and distribution, and 0.25 FTE Program Manager (WMS Band 2) for policy and management oversight.

By comparison, in the 2007 Biennium, Local Government Division's Capital Programs unit received and processed 66 competitive grants throughout three different grant programs on a biennial basis. This was accomplished with 1.0 FTE at Program Manager, 1.0 FTE at CTED Specialist 3, 1.0 FTE at CTED Specialist 2, 1.0 FTE at CTED Specialist 1, and 1.0 FTE Secretary Administrative.

Goods and Services

FY09: \$152,286

-standard G&S; \$140,949

-space and utilities; \$7,212

-non-standard G&S; \$4,125 for printing and copying costs for grant materials and for workshop facility rental.

FY10 – FY13; \$155,436 each fiscal year

-standard G&S; \$140,949

-space and utilities; \$7,212

-non-standard G&S; \$7,275 for Attorney General costs, printing and copying costs for grant materials and for workshop facility rental

Note: Standard goods and services costs include supplies and materials, employee development and training, mandatory state seat of government and Department of Personnel charges, and CTED agency administration. CTED administration provides general standard governmental services including, but not limited to: budgeting, accounting, payroll, and purchasing services; personnel and employee services; internal information technology systems, desktop and network support services; facilities management services; public affairs services; policy and risk management services; and other support services.

Travel:

FY09 - FY13 \$3,571 for each fiscal year and comprising of:

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- Travel costs for grant workshops (assuming five workshops, one each in Vancouver, Seattle, Bellingham, Moses Lake, and Spokane, 1,712 miles per fiscal year): \$611.
- Meals: Four people for ten days: \$1,560.
- Lodging: Four people for five nights per fiscal year: \$1,400.

Capital Outlay:

FY 2009: \$19,516 for a standard office, computers, monitors, bookcases, filing cabinets, and chairs.

FY 2012: \$2,880 for replacement computers.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years		4.7	2.4	4.7	4.7
A-Salaries & Wages		244,327	244,327	488,654	488,654
B-Employee Benefits		70,263	70,263	140,526	140,526
C-Personal Serv Contr					
E-Goods and Services		152,286	152,286	310,872	310,872
G-Travel		3,571	3,571	7,142	7,142
J-Capital Outlays		19,516	19,516		2,880
M-Inter Agency Fund Transfers					
N-Grants, Benefits Services					
P-Debt Service					
S-Interagency Reimbursement					
T-Intra-Agency Reimbursement					
Total:	\$0	\$489,963	\$489,963	\$947,194	\$950,074

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2008	FY 2009	2007-09	2009-11	2011-13
Comm, Trade and Econ Dev	47,220		1.0	0.5	1.0	1.0
Specialist 1						
Comm, Trade and Econ Dev	54,744		1.0	0.5	1.0	1.0
Specialist 2						
Comm, Trade and Econ Dev	63,468		1.0	0.5	1.0	1.0
Specialist 3						
Secretary Administrative	60,420		1.0	0.5	1.0	1.0
Various Administrative Services	55,478		0.5	0.2	0.5	0.5
WMS Band 2	73,900		0.3	0.1	0.3	0.3
Total FTE's			4.7	2.4	4.7	4.7

III. C - Expenditures By Program (optional)

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Agency Administration (100)		120,488	120,488	240,976	240,976
Local Government (600)		369,475	369,475	706,218	709,098
Total \$		489,963	489,963	947,194	950,074

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2008	FY 2009	2007-09	2009-11	2011-13
Acquisition					
Construction					
Other				20,000,000	20,000,000
Total \$				20,000,000	20,000,000

Although the amounts of appropriations in future bienniums are not certain, we expect the following capital impacts:

FY10 – FY13; \$10 million each fiscal year.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None

Individual State Agency Fiscal Note

Bill Number: 3291 S HB AMS EDU S5781.2	Title: Community schools act	Agency: 350-Supt of Public Instruction
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
Fund					
State Building Construction Account-State 057-1	0	0	0	48,919,000	83,890,000
Total \$	0	0	0	48,919,000	83,890,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/29/2008
Agency Preparation: Angie Wirkkala	Phone: (360) 725-6267	Date: 03/03/2008
Agency Approval: Melissa Beard	Phone: (360) 725-6019	Date: 03/04/2008
OFM Review: Amy Skei	Phone: 360-902-0572	Date: 03/04/2008

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 3 adds a representative from the Office of the Superintendent of Public Instruction (OSPI) to the advisory board.

Section 5 requires the Superintendent of Public Instruction to provide a ten percent enhancement to the area cost allowance for school districts requesting state assistance if a school district can certify and provide documentation that they have a comprehensive plan for cooperative partnerships for the use of the facility proposed for assistance.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

No impact to cash receipts.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

OSPI Operating Budget Fiscal Impact

OSPI can absorb the costs of its participation on the advisory board as required in Section 3 of the proposed legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services				48,919,000	83,890,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$0	\$0	\$0	\$48,919,000	\$83,890,000

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2008	FY 2009	2007-09	2009-11	2011-13
Acquisition					
Construction					
Other				48,919,000	83,890,000
Total \$				48,919,000	83,890,000

OSPI Fiscal Impact

The estimated cost to the State School Construction Assistance Program allowing a 10 percent enhancement to the area cost allowance for district projects who meet the criteria of this proposed legislation is \$48.9 million in the 2009-11 biennium and \$83.9 million in the 2011-13 biennium. This is based on the following assumptions regarding the percentage of school districts who will have entered into a cooperative partnership with an eligible entity to jointly use the school facility in order to qualify for the enhanced funding: FY 2010 - 50% eligible; FY 2011 - 75% eligible; FY 2012 100% eligible. OSPI assumes the additional costs associated with the enhancement will be funded by general obligations bonds and not from the common school construction account.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

OSPI will need to adopt rules regarding the enhancement provision of the proposed legislation.