

K-12 FUNDING FORMULAS

Joint Task Force on Education Funding
September 19, 2012

Current K-12 Budget

Current Enacted 2011-13 Education Budget by Major Category: Third Engrossed Substitute House Bill 2127			
(Dollars in Millions)			
	FY 2012	FY 2013	Total
Basic Education Programs			
General Apportionment*	\$5,182.3	\$5,095.3	\$10,277.7
Special Education	\$648.7	\$680.2	\$1,329.0
Transportation	\$321.4	\$272.8	\$594.1
Learning Assistance Program	\$126.6	\$128.8	\$255.4
Transitional Bilingual	\$79.6	\$80.7	\$160.2
Highly Capable Program	\$8.7	\$8.8	\$17.5
Institutions	\$16.7	\$15.9	\$32.6
Subtotal: Basic Education Programs	\$6,384.1	\$6,282.4	\$12,666.5
SHB 2776 Phase In			
Full-Day Kindergarten	\$38.1	\$49.3	\$87.4
K-3 Enhanced Staffing Ratio	\$20.3	\$25.8	\$46.2
Subtotal: Basic Education Programs Phase In	\$58.5	\$75.1	\$133.5
Non-Basic Education Programs			
Local Effort Assistance	\$300.8	\$298.2	\$598.9
Education Reform, including National Board Bonuses	\$58.9	\$104.3	\$163.1
State Office and Education Agencies	\$15.4	\$14.2	\$29.7
Statewide Programs and Allocations	\$9.9	\$12.9	\$22.8
Educational Service Districts	\$7.9	\$7.9	\$15.8
Food Service	\$7.1	\$7.1	\$14.2
Summer Vocational and Other Skills Center	\$0.4	\$0.4	\$0.9
Pupil Transportation Coordinators	\$0.9	\$0.9	\$1.8
Initiative 732 COLA & Other Compensation Increases	\$0.0	\$0.0	\$0.0
Subtotal: Non-Basic Education Programs	\$401.3	\$445.9	\$847.2
Total NGF-S Funding for K-12 Public Education*	\$6,843.8	\$6,803.4	\$13,647.2

Basic
Education
(and in the process
of being phased in)

*Notes

- Under ESHB 2261 (2009) and SHB 2776 (2010), funding for full-day kindergarten and smaller K-3 class sizes is being phased in, with full implementation by 2018. ESHB 2261 states legislative intent that the specified policies and formulas adopted under that law will constitute the legislature's definition of basic education once fully implemented.
- General apportionment allocations include funding for certain delivery models and program enhancements that exceed the minimum funding generated by the statutory prototypical school funding model.
- General apportionment for FY 2012 includes an apportionment payment shift of \$115 million (net) from FY 2011.

Basic Education Program Funding

Funding formulas for program of basic education are found in RCW 28A.150.260

- For allocation purposes only, except for categorical programs
- The statute provides for allocations based on:
 - Class sizes for regular and Career & Technical Education (CTE) classes
 - Staffing levels for each type of school
 - District-wide support services
 - Materials, supplies, and operating costs (MSOC) per-student
 - Supplemental instruction for Learning Assistance Program (LAP), Transitional Bilingual Instruction Program (TBIP), and highly-capable students
 - Reference to statutes providing enhanced allocations for students with disabilities
- Plus direction to provide in the omnibus operating budget any specific enhancements for high-poverty schools, lab science, advanced placement, international baccalaureate, & skills center staffing.

Prototypical Model

- The prototypical model funding formulas found in RCW 28A.150.260 illustrate a level of resources provided for a school of a particular size with particular types and grade levels of students.
- Allocations are based on actual full-time equivalent (FTE) student enrollment in each grade in the district.
- Funding is allocated in three primary groups:
 - schools,
 - district-wide support, and
 - central administration.

Class Size

Grade	Class Size
Grades K-3	25.23
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74
Lab Science	As above
Advanced Placement (AP)	As above
International Baccalaureate	As above
Career & Tech. Ed. (CTE) 7-8	26.57
CTE 9-12	26.57
Skills Centers	22.76

- SHB 2776 requires average class size for grades K-3 to be reduced, beginning in the 2011-13 biennium and beginning with the highest percent of low-income students, reaching a K-3 class size of 17.0 in the 2017-18 school year.
- The 2011-13 budget includes funding for K-3 class sizes of 24.10, rather than 25.23 for schools with poverty rates (measured by FRPL) >50%.

School Size

	Elementary School (K-6)	Middle School (7-8)	High School (9-12)
Number of students	400	432	600

- The prototypical model provides base enrollment values and is scalable to any sized school.
- In reality, school configurations vary widely. Furthermore, school enrollments will be different than those shown in the prototypical model but the model serves as a template for scaling funding.
- In other words, funding is generated based on the school district's reported enrollment by grade level, rather than by a given school's classification.

Teacher Staffing Level Examples

$$\left(\frac{\text{Students}}{\text{Class Size}} \right) \times (1 + \text{Planning}) = \text{Funded Teacher Units}$$

Grade Level	Class Size	Students	Planning Time Assumption	Funded Teachers
Grades K-3 (non-poverty)	25.23	400	15.5%	18.31
Grades K-3 (poverty)	24.10	400	15.5%	19.17
Grades 5-6	27.00	400	15.5%	17.11
Grades 7-8	28.53	432	20.0%	18.17
Grades 9-12	28.74	600	20.0%	25.05
CTE 7-8	26.57	100	20.0%	4.52
CTE 9-12	26.57	100	20.0%	4.52
Skills Centers	22.76	100	20.0%	5.27

Other Staffing Levels

	Elementary School	Middle School	High School
Principals/administrators	1.253	1.353	1.880
Librarians/media specialists	0.663	0.519	0.523
School nurses	0.076	0.060	0.096
Social workers	0.042	0.006	0.015
Psychologists	0.017	0.002	0.007
Guidance counselors	0.493	1.116	1.909
Instructional aides	0.936	0.700	0.652
Office support & non-instructional aides	2.012	2.325	3.269
Custodians	1.657	1.942	2.965
Classified staff for student & staff safety	0.079	0.092	0.141
Parent involvement coordinators	0.000	0.000	0.000

District-wide Support

	All Grades – Per 1,000 Students
Technology	0.628
Facilities, maintenance & grounds	1.813
Warehouse, laborers, & mechanics	0.332

Central Administration

	Percent
Total Central Administration	5.3%
Percent certificated administrators	25%
Percent classified staff	75%

- Central Administration is calculated as 5.3% of staffing units generated for K-12 teachers, school-level staffing, and district-wide support.
- The Central Administration percentage is not applied to enhancements (such as LAP, bilingual, and highly-capable).

MSOC

Materials, Supplies, & Operating Costs (MSOC)	Per-Student Starting Value	Current Budget 2012-13 SY	Target by 2015-16 SY (+inflation)
Technology	\$ 54.43	\$ 58.17	\$ 113.80
Utilities & insurance	\$ 147.90	\$ 158.05	\$ 309.21
Curriculum & textbooks	\$ 58.44	\$ 62.45	\$ 122.17
Other supplies & library materials	\$ 124.07	\$ 132.59	\$ 259.39
Instructional prof. development for certificated & classified staff	\$ 9.04	\$ 9.66	\$ 18.89
Facilities' maintenance	\$ 73.27	\$ 78.30	\$ 153.18
Security & central office admin.	\$ 50.76	\$ 54.25	\$ 106.12
Total Per-Student MSOC	\$ 517.91	\$ 553.47	\$1,082.76

Special Education

- The funding formula for Special Education was implemented in 1995 and is not changed under the new prototypical funding model.
- Based on additional “excess costs” of educating students receiving special education services. The amount is in addition to other basic education funding:

Age of Special Ed. Student	% of District Avg. General Apportionment Allocation
Birth to 5-year-old students	115.00 percent
Five to 21-year-old students	93.09 percent

- In addition to the per-pupil allocation, there is safety net funding for districts that can show extraordinary special education costs beyond state and federal resources.

Institutional Education

- The state funds a 220-day educational program for students in residential habilitation centers (RHCs), juvenile delinquent facilities, the Department of Corrections, county & city jail facilities, detention centers, and group homes.
- The formula has not changed with the new prototypical model.

Other Categorical Programs

- The new funding formula provides for supplemental instruction, expressed in hours per week, for three categorical programs.
- The Learning Assistance Program (LAP) provides remediation for students scoring below grade level in reading, math and language arts. The LAP allocations are based on students in poverty, measured by eligibility for Free or Reduced-Price Lunch (FRPL).
- The Transitional Bilingual Instruction Program (TBIP) funds school staff and training to teach English to students. The TBIP enrollment is forecast by the Caseload Forecast Council.
- Highly Capable Program covers up to 2.314% of enrollment.

	LAP	TBIP	Hi Cap
Additional hours of instruction per week	1.5156	4.7780	2.1590
Number of students per teacher (CIS)	15	15	15

Pupil Transportation

- The model that funds the transportation of pupils to and from school is based on a statistical analysis of individual school district characteristics to determine an expected cost of operations.
- OSPI collects these data from districts, including prior-year expenditures. The aggregate of these expenditures statewide is used to determine the value of the coefficients used in the calculation of the current year allocation.
- During the transition to full funding, there is a minimum allocation for each district.
- OSPI must annually compare districts' transportation operations. If a district's operation is calculated to be <90% efficient, the regional transportation coordinators provide an individual review to determine what measures might improve efficiency.
- OSPI annual report summarizes the efficiency reviews & any improvements that are implemented.

Small Schools

Remote & Necessary Schools

- RCW 28A.150.260 states that the prototypical funding model is to be adjusted in the operating budget to provide, among other factors, minimum allocations for small schools.
- The budget currently provides minimum staffing levels for Certificated Instructional Staff (CIS) and Certificated Administrative Staff (CAS) that varies by:
 - grade span of the district's program offerings,
 - number of total student FTEs,
 - whether the district is a non-high school district,
 - whether the schools are Remote & Necessary – that is, meet criteria for sparsely located
- In general, school districts with fewer than 300 students qualify for minimum staffing allocations.

Internet-based Portal

- ESHB 2261 requires the Office of the Superintendent of Public Instruction to host an Internet-based portal for school districts to report how they spent state allocations, compared to how the funds were allocated, in the prototypical template.
- The first year of funding by the prototypical model was School Year 2011-12 which just ended August 31st.