

We Can Work it Out

A long and winding road
to funding Basic
Education

Part 2 of 2

LEV Policy Team – May 24, 2016



LEAGUE OF
EDUCATION
VOTERS™

Working to improve public education in Washington state from cradle to career with ample, equitable, and stable funding.



Essential questions

- Is our current education funding structure fair?
- Is it a system that benefits all kids?



Big picture takeaways from last time

- The Legislature, not the WA Supreme Court, defines the program of basic education.
- The current prototypical school funding model in law is not aspirational.
- The prototypical school funding model is for allocation purposes only.
- Schools are funded based on the number and characteristics of adults in the building.
- Over the last decade many recommendations have been made, but few have been adopted.



Big picture takeaways for today

- There is still work to be done to comply with McCleary.
- We have opportunities to leverage McCleary to improve student outcomes.
- There are differing estimates for how much funding we need to fully fund McCleary.
- Districts are having difficulty implementing K-3 class size reductions (staffing & facilities).
- Teacher salaries are cobbled together from multiple funding sources.

We have made progress on McCleary, but still have a long way to go



Program Area	Additional Investment, Annually by 2016-17 (Millions)	Cost to Fully Fund, Annually (Millions)	Additional Needed, Annually (Millions)	Percent Funded
Full-day Kindergarten	\$175	\$175	\$0	100%
K-3 Class Size Reduction	\$329	\$575	\$246	57%
MSOC	\$660	\$660	\$0	100%
Transportation	\$97	\$97	\$0	100%
K-12 Staff Compensation*	\$0	\$780	\$780	0%
Total	\$1,261	\$2,287	\$1,026	55%

* Compensation figures are based on 2010-11 district salary data



How much will McCleary cost?

	Hiring Teachers for Class Size Reduction	Facilities for Class Size Reduction & Full-day Kindergarten	K-12 Staff Compensation	Total Cost
Fully Funding McCleary	\$500 Million (On-going cost)	\$704 - \$2,000 Million (One-time cost)	\$2,900 - \$3,900 Million* (On-Going cost)	On-going Costs: \$3,400 - \$4,400 Million
				One-time Costs: \$704 - \$2,000 Million
				Cost Range Next Biennium: \$3,400 - \$5,070** Million

*Based on the existing proposals with cost estimates, does not mean this is the minimum amount that will be invested

**Cost range assumes facilities would be funded at \$670 million per biennium over 6 years



The work ahead centers around 3 areas

- Hiring teachers for K-3 class size reduction
- Providing classroom space to implement class size reduction & full-day kindergarten*
- The state covering the full cost of hiring basic education staff
 - How staff are paid
 - Proposals for funding staff salary

*This is an evolving conversation. There is no consensus on this being part of McCleary.



K-3 Class Size: Hiring Teachers

- By 2016-17 Washington will be paying \$329 million annually to hire teachers as part of lowering K-3 class sizes.

	Planned Additional Annual Investment by 2016-17 (Millions)	Cost to Fully Fund, Annually (Millions)	Additional Needed, Annually (Millions)	Percent Funded (Millions)
Hire Teachers for K-3 Class Size Reduction	\$329	\$575	\$246	57%

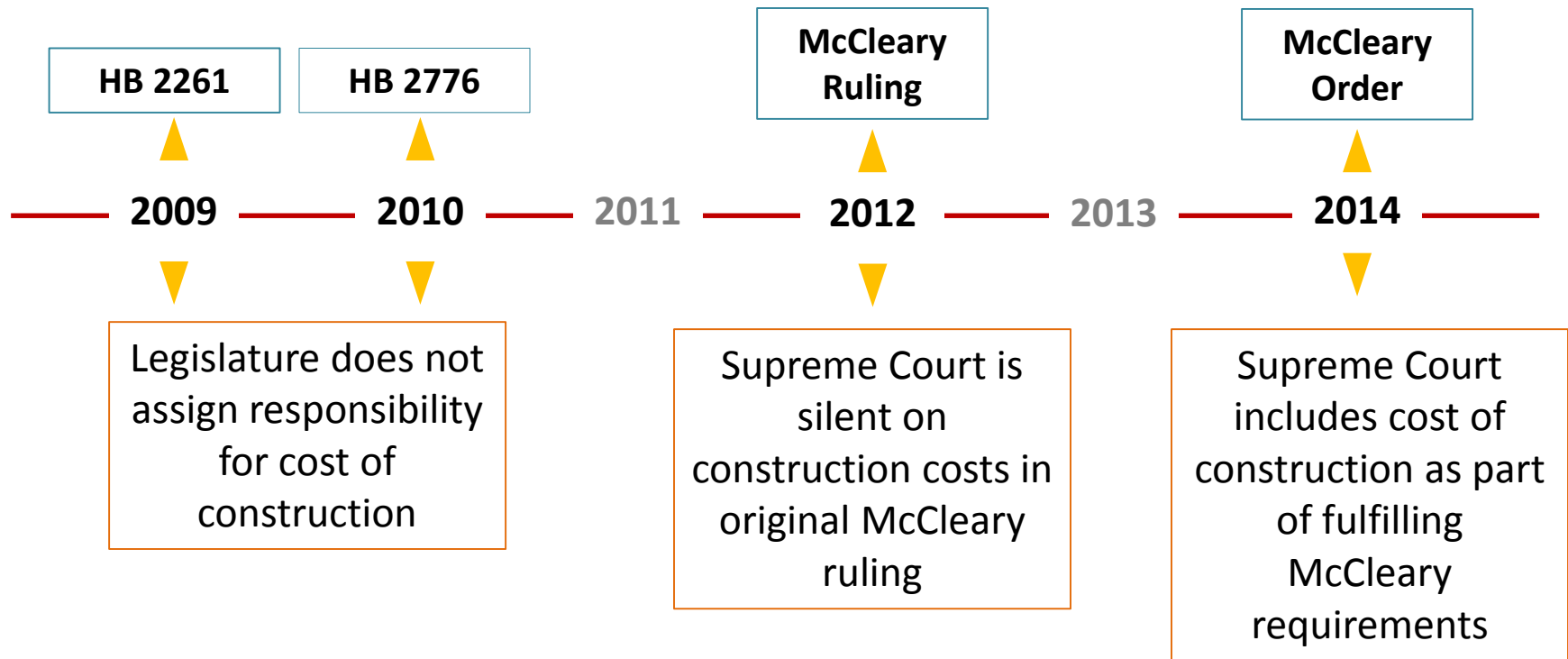


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Full-day K & K-3 Class Size Facilities: An Evolving Conversation



School Construction in Washington State



- **State Construction Assistance Program**
 - The level of state funding provided is dependent on the ability of school districts to provide local funding.
 - State pays for 20%-100% of *state recognized construction costs* for K-12 facilities.
 - Many districts believe the state significantly understates the actual cost to build modern classrooms.
- Historically, the construction of schools has not been considered basic education.



Full-day K & K-3 Class Size Facilities: The Road Ahead

- The Court said the state must “account for the actual cost to schools” of providing full-day kindergarten and smaller K-3 class sizes.
- There is not consensus among legislators on the whether the state is responsible for the cost of building more classrooms.
- OSPI’s cost estimates for the new classrooms assume 100% of the cost of will be paid by the state.

Proposals	Total Cost
WA Supreme Court (2012)	\$704,000,000
OSPI Estimate (2014)	\$2,000,000,000



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What is the prototype model?

- The prototypical school is intended to define school staffing levels required to deliver basic education

Student Support and Other Staff (Non-Teaching Staff)			
	<u>High School</u>	<u>Middle School</u>	<u>Elementary School</u>
School Prototype Sizes	600	432	400
<u>Administration and Student Support Services</u>	<i>(indicated below are staff/per school)</i>		
Principals/Assistant Principals/Other Administrators	1.8	1.3	1.2
Librarians/Media Specialists	1.0	1.0	1.0
Guidance Counselors/Parent Outreach	1.5	1.0	0.0
Student Health Services (Nurses/Social Workers)	1.0	1.0	1.0
<u>Classified Staff</u>			
Office Support (Secretaries, Administrative Aides)	3.0	3.0	3.0
Maintenance (Custodians, Buildings/Grounds, etc.)	4.0	4.0	4.0
Security Staff	1.0	1.0	1.0

What is a basic education employee?



- Staff units allocated through the prototypical model are considered basic education staff.
- Districts may choose to staff schools differently than what is allocated in the prototype.
- Staff hired above what is allocated in the prototypical model are not basic education staff.

Staff Positions	State FTE Allocation (Basic Education Staff)	Actual Staff FTE hired by School
Classroom Teachers	12.00	15.00
Librarian	0.28	1.00
Counselor	1.35	1.00
Health and Social Services	0.06	0.00



Teacher Compensation: Current Structure

- State allocates money for salary based on years of experience and degree level.
 - State sets minimum for first year teachers.
 - Allocation is based on salary schedule that increases for each year of experience and degree level/number of credits earned.
 - The chart on the next slide shows the state salary schedule. The following slide shows staff mix factor.

Years of Service									MA+90 OR Ph.D.
	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	
0	35,069	36,016	36,997	37,981	41,137	43,170	42,045	45,201	47,235
1	35,541	36,501	37,495	38,522	41,711	43,732	42,512	45,701	47,722
2	35,991	36,960	37,965	39,071	42,250	44,293	42,983	46,162	48,205
3	36,454	37,433	38,448	39,589	42,763	44,855	43,429	46,600	48,693
4	36,909	37,931	38,952	40,133	43,325	45,432	43,896	47,089	49,197
5	37,378	38,405	39,436	40,683	43,863	46,013	44,371	47,553	49,703
6	37,861	38,865	39,932	41,240	44,405	46,566	44,859	48,024	50,184
7	38,709	39,728	40,809	42,188	45,401	47,621	45,771	48,982	51,204
8	39,950	41,025	42,131	43,625	46,881	49,183	47,206	50,463	52,764
9		42,368	43,529	45,077	48,409	50,789	48,657	51,991	54,371
10			44,944	46,604	49,979	52,439	50,185	53,562	56,021
11				48,175	51,624	54,133	51,756	55,207	57,714
12				49,696	53,313	55,897	53,389	56,895	59,479
13					55,043	57,704	55,079	58,624	61,285
14					56,781	59,579	56,819	60,477	63,161
15					58,259	61,129	58,296	62,049	64,803
16 or more					59,423	62,351	59,462	63,290	66,099



Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	1.00000	1.02701	1.05499	1.08304	1.17303	1.23099	1.19891	1.28891	1.34693
1	1.01346	1.04084	1.06918	1.09846	1.18939	1.24704	1.21224	1.30317	1.36079
2	1.02628	1.05393	1.08257	1.11411	1.20478	1.26303	1.22566	1.31632	1.37458
3	1.03950	1.06741	1.09636	1.12890	1.21940	1.27905	1.23838	1.32881	1.38850
4	1.05246	1.08160	1.11072	1.14439	1.23542	1.29551	1.25171	1.34274	1.40286
5	1.06585	1.09513	1.12454	1.16008	1.25077	1.31206	1.26526	1.35599	1.41728
6	1.07961	1.10825	1.13866	1.17597	1.26623	1.32785	1.27915	1.36942	1.43100
7	1.10379	1.13286	1.16367	1.20301	1.29461	1.35793	1.30517	1.39673	1.46008
8	1.13919	1.16984	1.20138	1.24398	1.33681	1.40246	1.34610	1.43896	1.50458
9		1.20814	1.24125	1.28538	1.38038	1.44826	1.38747	1.48253	1.55041
10			1.28158	1.32891	1.42517	1.49532	1.43104	1.52733	1.59744
11				1.37371	1.47207	1.54362	1.47584	1.57423	1.64574
12				1.41708	1.52023	1.59391	1.52240	1.62236	1.69607
13					1.56956	1.64544	1.57060	1.67169	1.74756
14					1.61913	1.69890	1.62022	1.72451	1.80105
15					1.66126	1.74310	1.66233	1.76934	1.84788
16 or more					1.69447	1.77794	1.69557	1.80472	1.88482



An example of how Staff Mix impacts state funding to districts



- If each district had 12 allocated teachers, the dollar amount funded by the state would vary depending on the district's staff mix.

District	Allocated Teachers	State-funded salary per teacher	Difference from State Average per teacher
Statewide	12	\$53,767	--
Highline	12	\$50,006	- \$3,761
Pasco	12	\$50,859	- \$2,908
South Whidbey	12	\$59,197	+ \$5,430

An example of how Staff Mix impacts state funding for Low-Income Students



District	State Funding Per Low-Income Student	Low-Income Student Enrollment
Everett	\$509	40%
Auburn	\$482	55%
Tukwila	\$460	78%
Vashon Island	\$481	23%
Spokane	\$482	58%
Pasco	\$454	72%
State Average	\$475	45%

Teacher Compensation: Current Structure, Continued



- The Supreme Court has found that the state is not covering the full cost of salary.
 - Not sufficient to attract and retain effective educators.
- Actual salary levels are bargained locally between the district and the union.
- Because the state is not paying enough for salaries, districts have been using other funding sources to increase salary, for example:
 - MSOC
 - Time, Responsibility, Incentive (TRI) Pay



What is TRI pay?

- Time, Responsibility, and Incentive (TRI) Pay
 - Provides enhancements to teacher compensation via a separate contract for additional time and responsibility for implementing “measurable, innovative activities.”
 - The TRI contract may not include providing services or duties that are part of the program of basic education.

TRI pay is in addition to state salary and is usually paid to all staff.



Sal Plan CN1	Yrs Serv	BA	(100)	BA+22.5* (200)	BA+45* (300)	BA+45* +MA (400)	BA+90* (500)	BA+90* +MA (600)	BA+135* (700)	BA+135* +MA (800)	BA+155* +MA (900)	Ph.D/DR (906)
Step 1	-	\$	35,305.00	\$ 35,566	\$ 35,566	\$ 42,466	\$ 35,566	\$ 42,639	\$ 35,566	\$ 42,639	\$ 42,639	\$ 42,690
2	1	\$	35,492	\$ 35,638	\$ 35,987	\$ 42,695	\$ 37,137	\$ 42,742	\$ 37,458	\$ 42,795	\$ 43,173	\$ 44,848
3	2	\$	35,492	\$ 35,638	\$ 37,160	\$ 42,695	\$ 38,733	\$ 42,742	\$ 39,230	\$ 42,822	\$ 44,889	\$ 46,544
4	3	\$	35,492	\$ 35,638	\$ 37,930	\$ 42,695	\$ 39,898	\$ 42,742	\$ 40,559	\$ 42,822	\$ 46,112	\$ 47,735
5	4	\$	35,492	\$ 36,245	\$ 39,037	\$ 42,695	\$ 41,407	\$ 43,239	\$ 42,235	\$ 44,069	\$ 47,732	\$ 49,338
6	5	\$	35,492	\$ 36,868	\$ 40,132	\$ 42,695	\$ 42,900	\$ 44,713	\$ 43,893	\$ 45,706	\$ 49,336	\$ 50,928
7	6				\$ 41,594	\$ 43,409	\$ 44,781	\$ 46,597	\$ 45,946	\$ 47,758	\$ 51,392	\$ 52,982
8	7				\$ 42,991	\$ 44,808	\$ 46,595	\$ 48,407	\$ 47,929	\$ 49,737	\$ 53,364	\$ 54,954
9	8				\$ 44,456	\$ 46,269	\$ 48,474	\$ 50,284	\$ 49,977	\$ 51,788	\$ 55,414	\$ 57,003
10	9				\$ 45,916	\$ 47,730	\$ 50,354	\$ 52,163	\$ 52,029	\$ 53,839	\$ 57,465	\$ 59,056
11	10				\$ 47,377	\$ 49,190	\$ 52,232	\$ 54,044	\$ 54,078	\$ 55,891	\$ 59,514	\$ 61,105
12	11				\$ 48,837	\$ 50,652	\$ 54,111	\$ 55,923	\$ 56,128	\$ 57,942	\$ 61,564	\$ 63,155
13	12						\$ 55,988	\$ 57,802	\$ 58,180	\$ 59,992	\$ 63,615	\$ 65,206
14	13						\$ 57,866	\$ 59,680	\$ 60,227	\$ 62,040	\$ 65,664	\$ 67,256
15	14						\$ 58,861	\$ 60,706	\$ 61,262	\$ 63,106	\$ 66,791	\$ 68,410

TRI Supplemental Contract Schedule (5 days per diem plus Responsibility Contract)

Sal Plan CN1	Yrs Serv	BA	(100)	BA+22.5* (200)	BA+45* (300)	BA+45* +MA (400)	BA+90* (500)	BA+90* +MA (600)	BA+135* (700)	BA+135* +MA (800)	BA+155* +MA (900)	Ph.D/DR (906)
Step 1	-	\$	11,423	\$ 11,691	\$ 11,953	\$ 12,667	\$ 13,519	\$ 14,237	\$ 14,563	\$ 15,281	\$ 16,325	\$ 16,850
2	1	\$	11,742	\$ 12,007	\$ 12,278	\$ 12,986	\$ 13,876	\$ 14,553	\$ 14,929	\$ 15,600	\$ 16,654	\$ 17,223
3	2	\$	12,055	\$ 12,320	\$ 12,623	\$ 13,299	\$ 14,233	\$ 14,867	\$ 15,292	\$ 15,914	\$ 17,015	\$ 17,583
4	3	\$	12,368	\$ 12,633	\$ 12,958	\$ 13,612	\$ 14,579	\$ 15,180	\$ 15,642	\$ 16,227	\$ 17,362	\$ 17,929
5	4	\$	12,681	\$ 12,964	\$ 13,302	\$ 13,926	\$ 14,934	\$ 15,507	\$ 16,001	\$ 16,574	\$ 17,721	\$ 18,288
6	5	\$	12,995	\$ 13,294	\$ 13,750	\$ 14,343	\$ 15,289	\$ 15,861	\$ 16,360	\$ 16,934	\$ 18,078	\$ 18,645
7	6				\$ 14,208	\$ 14,781	\$ 15,759	\$ 16,331	\$ 16,835	\$ 17,408	\$ 18,554	\$ 19,120
8	7				\$ 14,665	\$ 15,238	\$ 16,227	\$ 16,800	\$ 17,308	\$ 17,881	\$ 19,025	\$ 19,592
9	8				\$ 15,123	\$ 15,696	\$ 16,697	\$ 17,269	\$ 17,783	\$ 18,356	\$ 19,500	\$ 20,066
10	9				\$ 15,581	\$ 16,154	\$ 17,167	\$ 17,739	\$ 18,257	\$ 18,830	\$ 19,975	\$ 20,541
11	10				\$ 16,040	\$ 16,612	\$ 17,637	\$ 18,209	\$ 18,732	\$ 19,305	\$ 20,449	\$ 21,015
12	11				\$ 16,498	\$ 17,071	\$ 18,106	\$ 18,679	\$ 19,207	\$ 19,780	\$ 20,924	\$ 21,490
13	12						\$ 18,576	\$ 19,149	\$ 19,681	\$ 20,253	\$ 21,399	\$ 21,965
14	13						\$ 19,046	\$ 19,619	\$ 20,156	\$ 20,728	\$ 21,873	\$ 22,440
15	14						\$ 19,492	\$ 20,065	\$ 20,603	\$ 21,176	\$ 22,322	\$ 22,889



District Comparisons of TRI Pay

District	Beginning			Mid-Career			Veteran		
	Base	TRI	Total	Base	TRI	Total	Base	TRI	Total
Seattle	34,048	10,324	44,372	41,564	14,002	55,566	58,354	18,125	76,479
Spokane	34,048	2,772	36,820	43,948	3,562	47,510	57,925	4,745	62,670
Everett	34,590	11,103	45,693	47,556	18,158	65,714	62,557	24,629	87,186

It is unclear how TRI money is actually spent



- The state does not collect or report data on use of TRI pay contracts.
- Many stakeholders acknowledge TRI contracts are often used as a salary enhancement with no additional responsibilities required.

What basic education duties are expected of classroom teachers?



- Basic education duties are not defined in state law.
- The following are examples of duties some collective bargaining agreements consider NOT part of basic education:
 - Preparation for school opening
 - End of the year grading
 - Parent/teacher conferences
 - Analyzing data and evaluating student work
 - Participating in self-reflection, goal setting
 - Acquiring educational materials
 - Working with computers

Shortcomings of current salary structure



- Low starting salary
- Masters pay bump is substantial and not relevant to teaching assignment
- Not aligned to professional growth or additional responsibilities
- Does not take into consideration regional cost differences, hard to staff subjects, or difficult to staff schools
- Not aligned to student outcomes

Elements of a new compensation system could include:



- Competitive salary level to attract and retain effective educators
- Regional labor market adjustment
- Defining basic education duties
- Bonuses for advanced degrees, National Board Certification
- Ability to use local dollars to enhance state compensation
- Alignment with career continuum
- Consideration of hard to staff subjects and schools

The Compensation Technical Working Group



- CTWG made recommendations on:
 - Increased beginning teacher salary
 - Competitive wage
 - Alignment to career continuum
 - Additional duties/activities (PD, mentoring)
 - Limiting the use of levy dollars to increase teacher salary
- \$2.9 billion per biennium to implement proposed compensation structure



CTWG Recommended Salary Schedule

		Residency/Initial Certificate		Professional/Continuing Certificate		Professional/Continuing with NBPTS Certificate	
Year of Teaching	Minimum Years of Experience	Bachelor's Degree	Advanced Degree	Bachelor's Degree	Advanced Degree	Bachelor's Degree	Advanced Degree
1 st	0	\$48,687 1.0000	\$52,582 1.0800				
2 nd	1						
3 rd	2						
4 th	3						
5 th	4						
6 th	5			\$58,424 1.2000	\$63,098 1.2960	\$63,098 1.2960	\$68,146 1.3997
7 th	6						
8 th	7						
9 th	8						
10 th +	9+			\$70,109 1.4400	\$75,718 1.5552	\$75,718 1.5552	\$81,775 1.6796



Legislative Proposal on Teacher Compensation

- SB 6130 was introduced in 2015
 - Proposed plan to comply with McCleary
 - Included salary schedule similar to the CTWG
 - Defined basic education duties to be covered by state salary
 - \$3.5 billion biennial cost at full-implementation



SB 6130 Proposed Salary Schedule

Year of Teaching	Residency Certification		Professional Certification	
	Bachelor's Degree	Advanced Degree	Bachelor's Degree	Advanced Degree
1st	\$48,056	\$51,900		
2nd				
3rd				
4th				
5th			\$57,667	\$62,281
6th				
7th				
8th				
9th				
10th			\$69,201	\$74,737
11+				



OSPI Proposal to Fund Basic Education

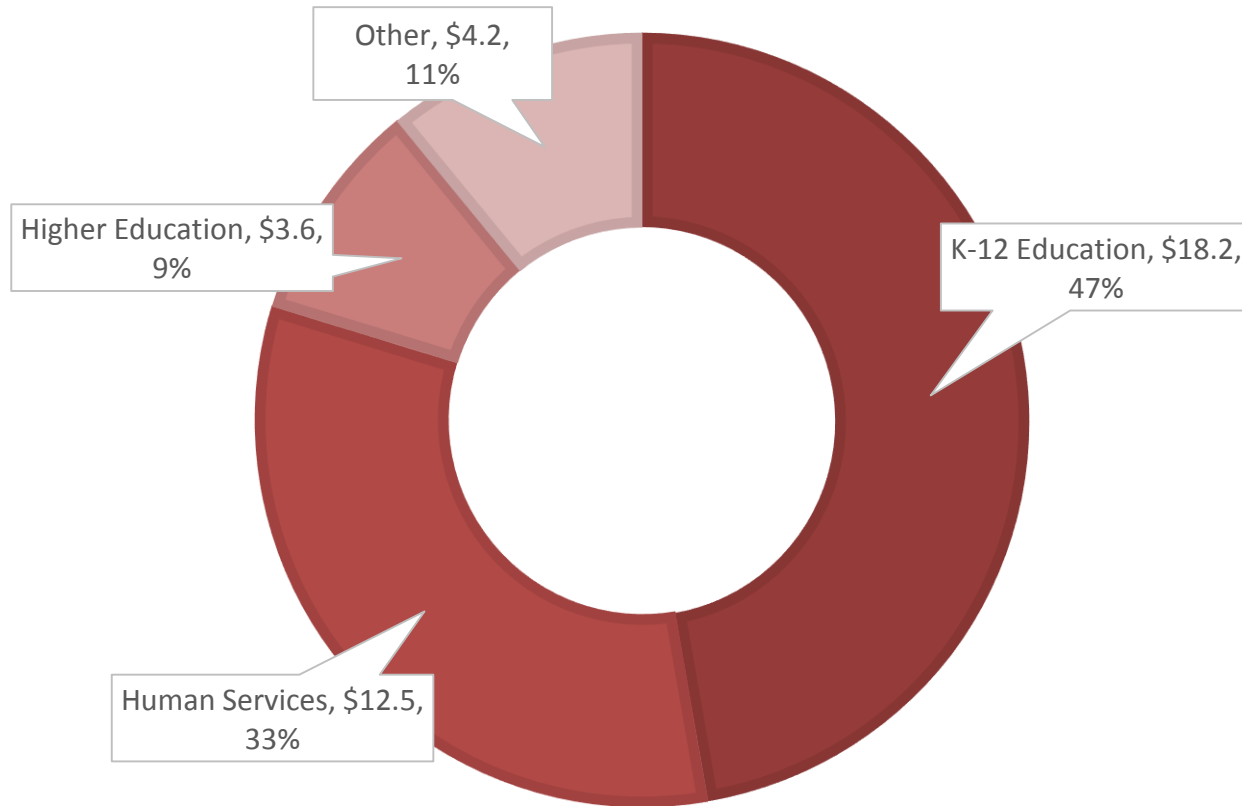
- \$4.3 billion per biennium in educational enhancements, including:
 - Smaller K-12 class sizes similar to I-1351
 - Increased staffing ratios
 - Increases in LAP, TBIP, & Highly Capable
 - Teacher professional development
 - Increased compensation using existing salary schedule
- \$2 billion in additional state support for new school construction

There are different approaches to funding McCleary



- SB 6130
 - Proposed in 2015, but did not pass
- OSPI Basic Education Funding Proposal
- Joint Taskforce on Basic Education Funding
- Future work of the Education Funding Taskforce (SB 6195)

State General Fund Spending by Sector 2015-17 Biennium (Billions)



Total Spending: \$38.5 Billion



How much will McCleary cost?

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QUESTIONS?

