

# I Can See McClear-ly Now

A look at the education  
funding debate in  
Washington

Part 1 of 2

LEV Policy Team



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?



# Agenda

- What is “basic education?”
- What are some of the proposals on how to expand basic education?
- How has the definition of “basic education” changed in recent years?
- What did the Supreme Court say in their ruling?
- What has the state funded post-McCleary?
- What are the differing interpretations of the McCleary ruling?
- What is the future of Initiative 1351?

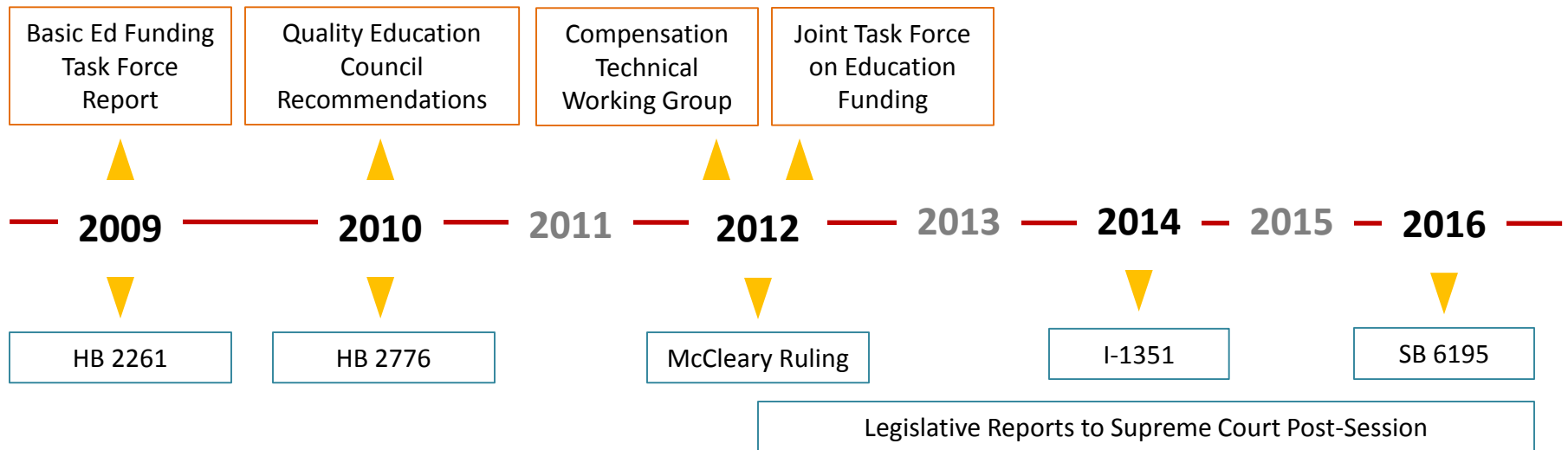


# Big Picture Takeaways

- 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. (e.g. money allocated to be spent on materials does not have to be spent that way.)
- 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.



# McCleary Timeline





# What is basic education?

- According to the WA Supreme Court's interpretation, education is:

*“The basic knowledge and skills needed to compete in today's economy and meaningfully participate in the state's democracy” (McCleary Opinion, p. 2).*

- The legislature is given the responsibility to translate this intent into a program of basic education.



# The Program of Basic Education

- 1,000 hours of instruction for grades K-6
- 1,080 hours of instruction for grades 7-12
- At least 180 school days
- The opportunity to complete 24 credits for high school graduation
- Learning Assistance Program
- Transitional Bilingual Instructional Program
- Special Education
- Highly Capable Program





# Education Funding Reports Commissioned by the Legislature

- Washington Learns (2006)
- Joint Task Force on Basic Education Finance (2009)
- Quality Education Council Report (2010)
- Compensation Technical Working Group (2012)
- Joint Task Force on Education Funding (2012)
- Education Funding Taskforce (**Due 2017**)

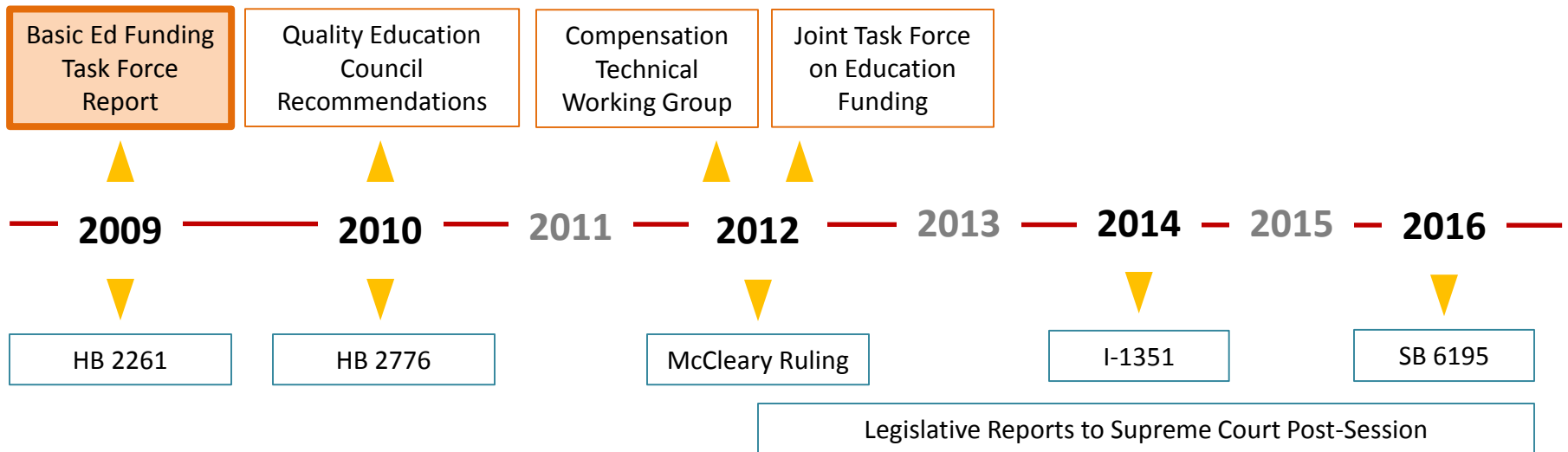
# Education Funding Proposals Adopted by the Legislature



- Prototypical funding model
  - Washington Learns
- Smaller K-3 class sizes
  - Washington Learns, Basic Education Finance
- Materials Supplies & Operating Costs (MSOC) increases
  - Basic Education Finance



# McCleary Timeline



# January 2009: Basic Education Finance Task Force Report to the Legislature



- Created to develop a funding system that connects goals of basic education with the resources provided.
- Proposed a new funding formula called the prototypical school funding model.
  - Provided recommendations for increased funding levels
- Recommended changes to staff compensation structure and local levies



# What is a prototypical school?

- 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

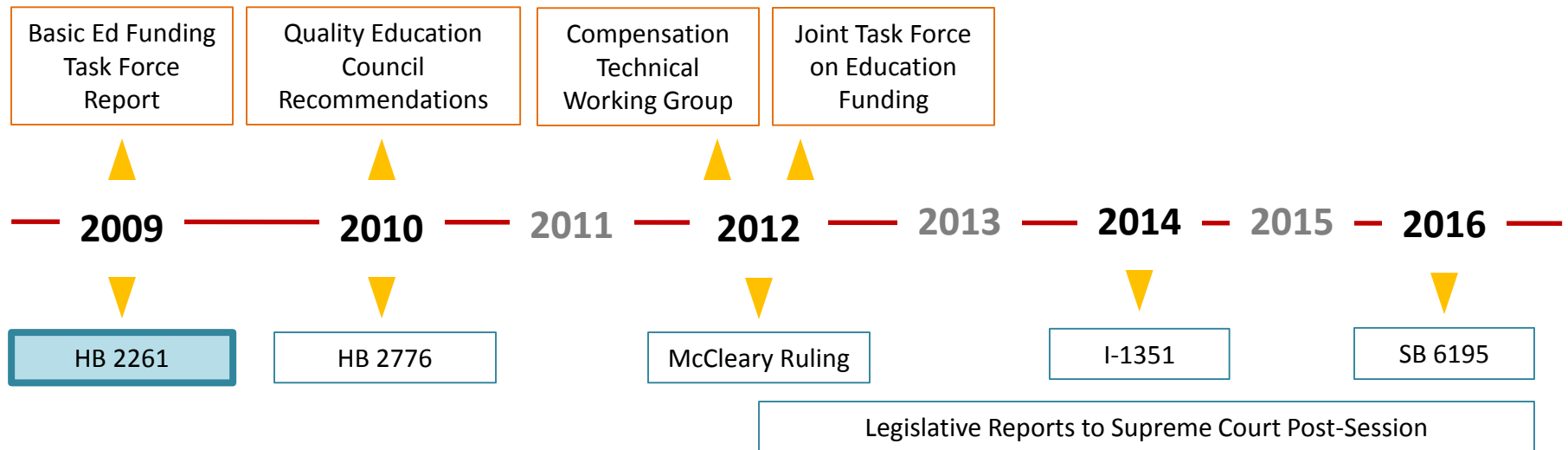
# Recommendations on Teacher Compensation and Local Levies



- Recommended the Legislature create a workgroup to examine local levies
  - Proposed a per-student model, rather than current property value model
- Recommended new staff compensation system that takes into consideration certificate level and career ladder



# McCleary Timeline





**2009:**

## **The Legislature Passes HB 2261**

- HB 2261 set up a framework for an expanded program of basic education. This includes:
  - Full-day kindergarten
  - Increased allocations for Materials, Supplies, and Operating Cost (MSOC)
  - Increased instructional hours for grades 7-12
  - 24-credit high school diploma
  - A new and enhanced student transportation funding formula



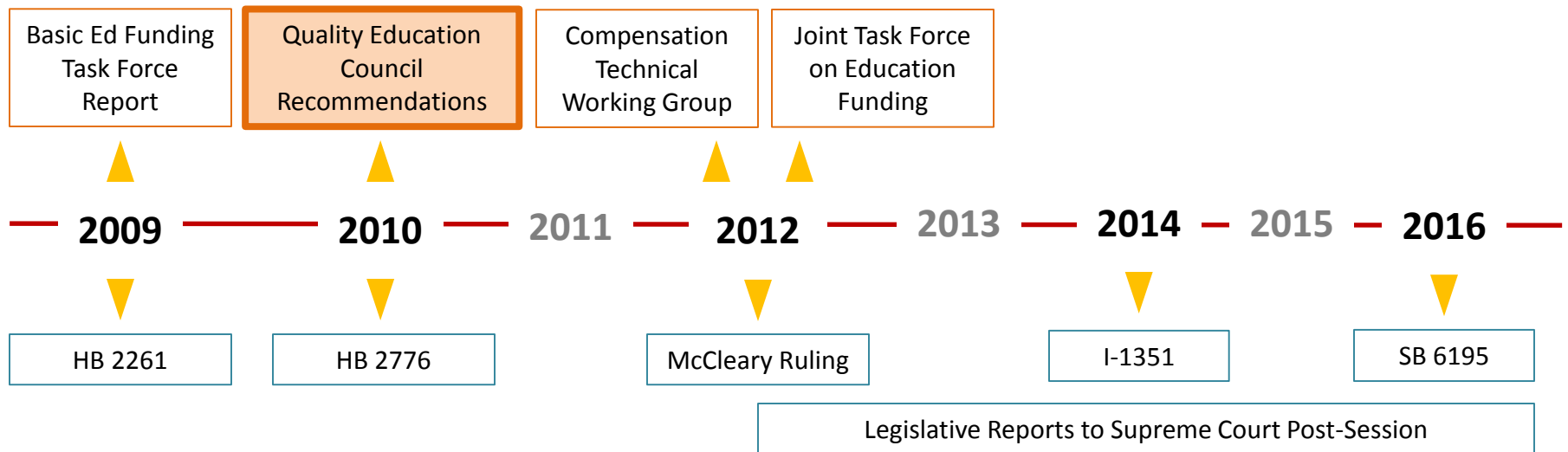


# HB 2261, Continued

- Established a new framework for funding schools
  - Prototypical model, but no values assigned
  - QEC created to establish values and enhancements to the program of basic ed
- Intent for the state to pay a higher teacher salary
  - Created compensation technical working group



# McCleary Timeline



# January 2010: Quality Education Council Report to the Legislature



- Recommended:
  - Increases in the number of staff for all positions in the prototypical school model
    - Still only for distributing money, districts can spend in other ways
  - Reducing class size
    - Created different class sizes for high-poverty and non-high-poverty schools

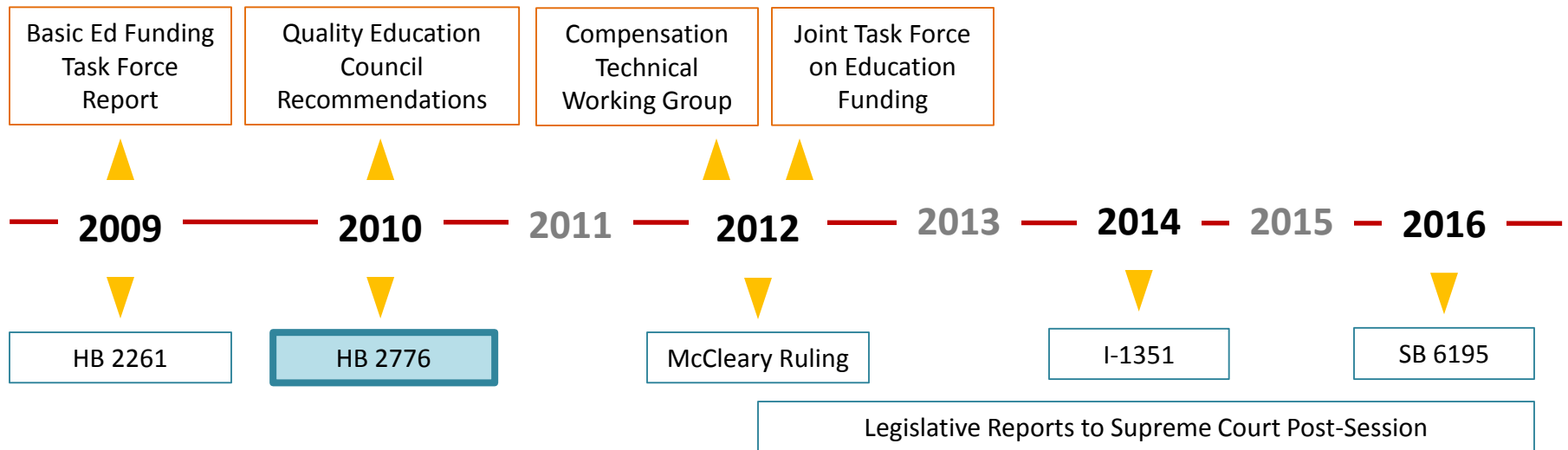


# Class Size Comparisons

Grade	Status Quo (Funding level equivalent)		QEC Recommendations (Aspirational goals)	
	Non-High Poverty School Class Size	High Poverty School Class Size	Non-High Poverty School Class Size	High Poverty School Class Size
K-3	25.23	25.23	15	15
4	27	27	25	22
5-6	27	27	25	23
7-8	28.53	28.53	25	23
9-12	28.74	28.74	25	23



# McCleary Timeline





## 2010: The Legislature Passes HB 2776

- HB 2776 is passed by the Legislature operationalizing HB 2261, including:
  - Establishing values for the prototypical school model
    - Status quo, maintaining current staff levels rather than using aspirational QEC recommendations
  - Reducing K-3 class sizes
  - Funding amounts for Materials, Supplies, and Operating Costs (MSOC)
  - Set a deadline of 2018 for full implementation

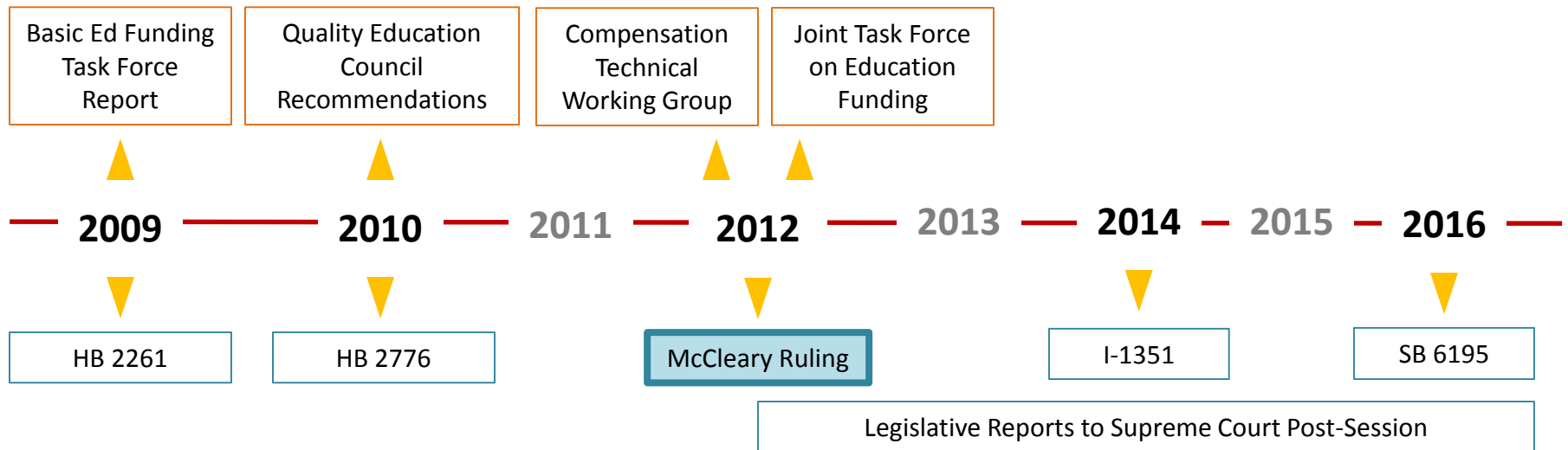
# Staffing Levels for Prototypical High School of 600 Students



	HB 2776 (2010)	Current law (2016 Supplemental Budget)	QEC aspirational funding levels (by 2018)
Student Enrollment	600	600	600
Principals, assistant principals, and other certificated admin	1.880	1.880	1.9
Teacher Librarians	0.523	0.523	1.0
School Nurses	0.096	0.096	1.0
Social Workers	0.015	0.015	
Psychologists	0.007	0.007	
Guidance Counselors	1.909	1.909	3.5
Teaching Assistance, classified staff	0.652	0.652	1.0
Office Support	3.269	3.269	3.5
Custodians	2.965	2.965	3.0
Student Safety Staff	0.141	0.141	1.3
Parent Involvement Coordinators	0	0	---



# McCleary Timeline





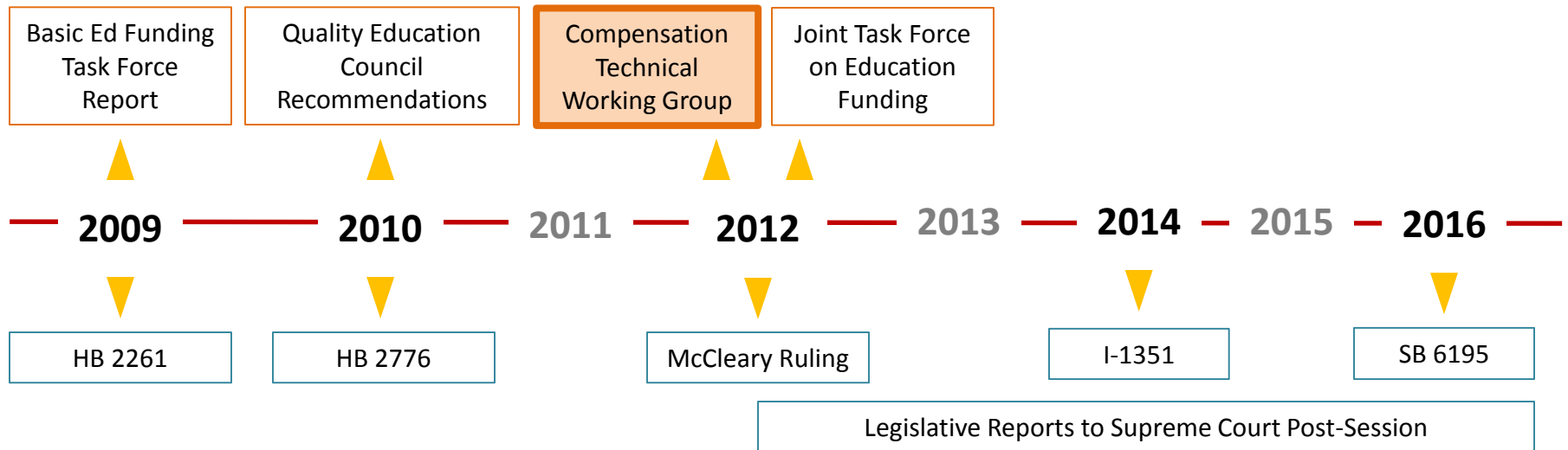
# January 2012: McCleary Supreme Court Ruling



- The Court ruled that the state needs to fund education ‘fully, sufficient [sic], and considerably more than just adequate’
- The Court said fully funding HB 2261 ‘would remedy deficiencies in the K-12 funding system.’
- Used the 2018 deadline from HB 2776



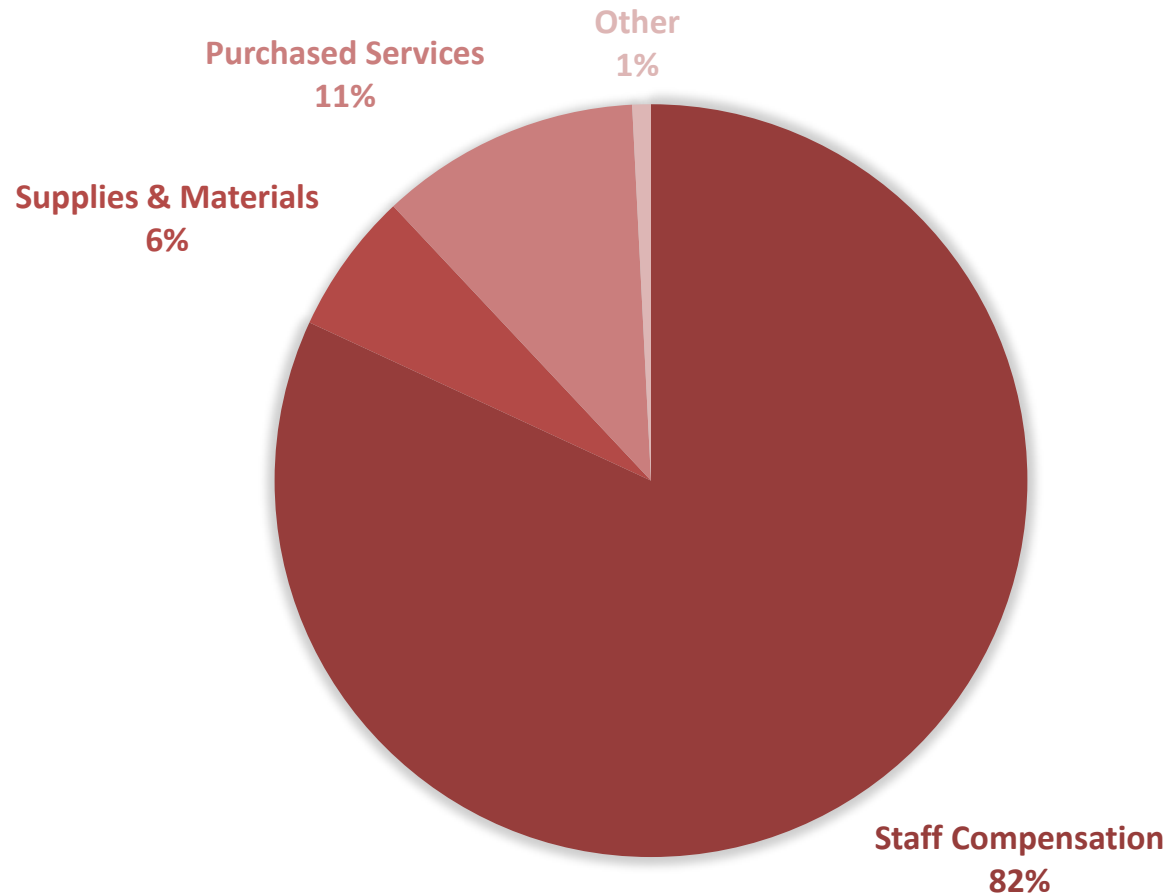
# McCleary Timeline



# Staff compensation accounts for most of school district budgets



## DISTRICT EXPENDITURES



# Teacher salary varies significantly from district to district



- Additional teacher salary provided by districts ranges from \$0 in additional salary per full-time teacher to over \$23,000

District	State Funded Salary	Additional Salary	Total Salary
Everett	\$58,001	\$23,981	\$81,982
Wapato	\$50,495	\$72	\$50,567
<b>State Average</b>	<b>\$53,767</b>	<b>\$11,080</b>	<b>\$64,847</b>

- State funded beginning salary is \$35,069

# June 2012: Compensation Technical Working Group



- Recommendations included:
  - A new educator salary schedule
  - Increased K-12 staff salaries
  - Additional educational enhancements.
  - New teacher salary structure
- Would cost \$4 billion annually
  - As of 2010 districts are supplementing teacher salary by approximately \$780 million annually.



## Looking ahead to next session

- How far has the state come in funding McCleary?
- What has the Court said in response to the legislative action on McCleary?
- What are the remaining barriers to developing consensus on McCleary?

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



- The table below chronicles the progress made by the legislature since the 2012 court ruling. (Not including facilities cost)

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%
<b>K-3 Class Size Reduction</b>	\$329	\$575	\$246	57%
MSOC	\$660	\$660	\$0	100%
Transportation	\$97	\$97	\$0	100%
<b>K-12 Staff Compensation*</b>	\$0	\$780	\$780	0%
<b>Total</b>	<b>\$1,261</b>	<b>\$2,287</b>	<b>\$1,026</b>	<b>55%</b>

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



# Substantial resources are needed to implement Initiative 1351

- \$7 billion per biennium for implementation
  - \$4 billion per biennium for the state
  - \$3 billion per biennium for school districts
- I-1351 did not include salary increases for any staff positions





# Different Goals for Lowering Class Size

- QEC Recommendations on class size:
  - Smaller K-12 class sizes, lower for high-poverty schools
  - Increase staffing ratios for all staff positions
- McCleary (HB 2776) on class size:
  - Smaller K-3 class sizes
  - No changes to staffing ratios
- Initiative 1351 on class size:
  - Smaller K-12 class sizes, lower for high-poverty schools
  - Increase staffing ratios for all staff positions

# What has the Court said in response to the Legislature's most recent action?



- The Court said the state must account for the actual cost to districts for K-3 class size reductions & full-day kindergarten.
- The state still must pay for the cost of hiring 'competent' K-12 staff.
- The state has a deadline of the 2017-18 school year.



# Remaining Significant Challenges on Fulfilling McCleary

- Who is responsible for paying for additional classroom space needed for K-3 class size reduction?
- What is an appropriate salary level for K-12 staff?
- Will there be accountability measures attached to additional funding?



# No one knows what the Court will do

- This is uncharted territory for WA.
- The Court has already fined the Legislature.
- Courts in other states have shutdown schools or threatened to do so.
  - New Jersey Supreme Court shut down schools for 8 days in 1976.
  - Kansas Supreme Court threatened to shut down schools in January 2016.

# Education Funding Task Force (SB 6195)



- Will make recommendations regarding:
  - Competitive salary for K-12 staff
  - Local labor market adjustments
  - Additional support for implementation of smaller K-3 class sizes
  - Recruitment and retention of teachers
  - Local school district levies
  - Clarifying what constitutes basic education



## What will be covered in part 2:

- What components does the state need to fund in the program of basic education to comply with McCleary?
- How much additional funding is needed?
- Where do the cost projections come from?
- How do districts enhance teacher salaries?



## Essential Questions

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

# QUESTIONS?

