
**Office of Superintendent of Public
Instruction**

**Overview of K–12 Funding in
Washington**

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School Apportionment and Financial Services

◆**Note:**

Page numbers refer to the January 2006

Organization and Financing of Washington

Public Schools, available at

www.k12.wa.us/safs/PUB/ORG/Org.asp.

◆**Disclaimer:**

This is a simplified presentation on K–12 funding in Washington State for informational overview purposes only. Specific authoritative technical details are contained in statute and rules and may not be fully represented here.

What is the State's Responsibility? Page 11

Washington State Constitution

Article IX

Section 1. "It is the **paramount duty** of the state to **make ample provision** for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex."

Section 2. "The legislature shall provide a **general and uniform system of public schools** . . . and such . . . normal and technical schools as may hereafter be established."

Washington's School Finance System

- ◆ Is a legislative response to three court decisions interpreting the “paramount duty” clause of the state constitution.
- ◆ These court decisions describe the state’s duty under the constitution.
 - 1977
 - 1983
 - 1988

Seattle Lawsuit - Doran I

- ◆ After a levy failure in 1976, Seattle School District sued the state, alleging that the state was not meeting its constitutional duty to make ample provision for education.
- ◆ On January 14, 1977, Judge Doran issued a declaratory judgment finding that:
 - State funding was insufficient to fund a basic program of education; therefore,
 - The Legislature must define and fully fund a program of basic education through regular and dependable tax sources and must not rely on local excess levies for that funding.

Doran II and IIB Decisions

- ◆ Subsequent decisions by Judge Doran expanded and clarified the state's responsibility for basic education.
- ◆ The 1983 decision included the following categorical programs to the state's basic responsibilities:
 - Special Education
 - Remediation (LAP)
 - Bilingual Education
 - Pupil Transp. (some students)
- ◆ The 1988 decision:
 - Supported state funding for special education based on averages.
 - Concluded some form of "safety net" was needed to supplement special education funding for districts demonstrating need.

Funding Principles

- ◆ The funding formula is not cast in concrete; it is the continuing obligation of the Legislature to review, define, and fund basic education.
- ◆ Local school levies may be allowed as long as:
 - they enrich programs outside of the legislative definition of basic education and
 - are not used to reduce the state's obligation to fund basic education.

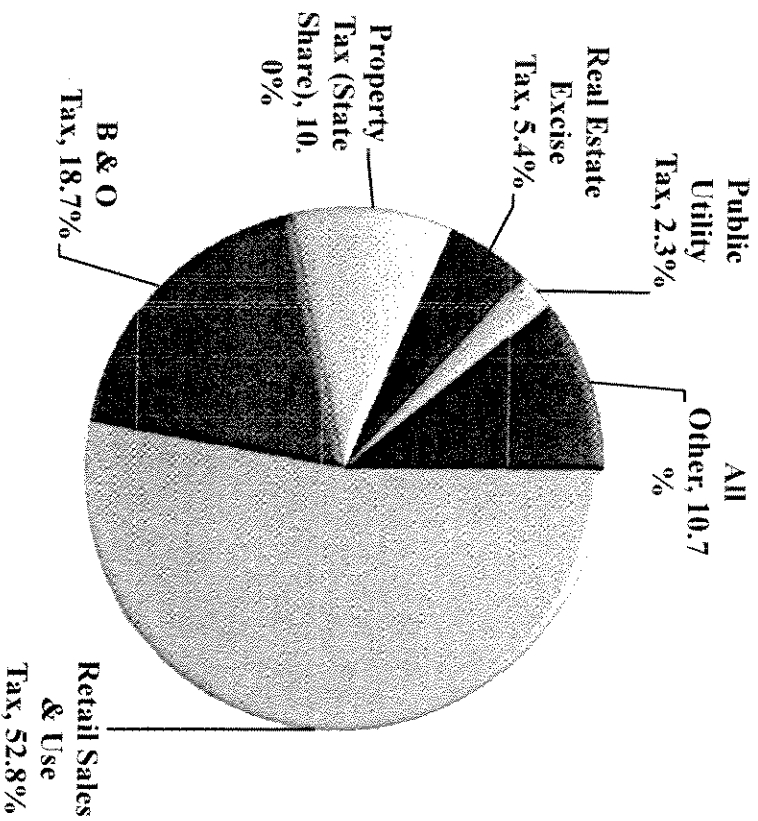
Contemporary Issues

- ◆ Lawsuits:
 - Special education.
 - K-12 adequacy.
 - Equity.
- ◆ K-12 Funding Task Force:
 - Recommendations due November 2008.

2007-09 Biennium State General Fund Revenues

(Dollars in Billions)

Retail Sales & Use Tax	\$ 15.8
B & O Tax	\$ 5.6
Property Tax (State Share)	\$ 3.0
Real Estate Excise Tax	\$ 1.6
Public Utility Tax	\$ 0.7
<u>All Other</u>	<u>\$ 3.2</u>
<u>Total</u>	<u>\$ 29.9</u>

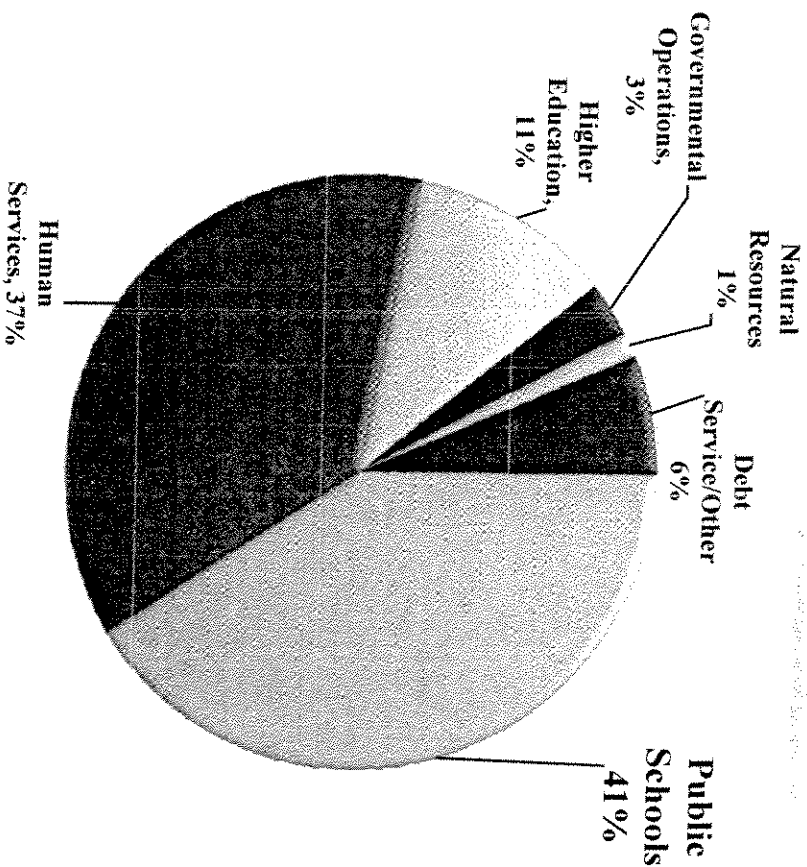


Source: Economic and Revenue Forecast, November 2007 (Cash Basis), reprinted from *A Citizen's Guide to the Washington State Budget*, p. 10

2007-09 Biennium State General Fund Expenditures

(Dollars in Billions)

Public Schools	\$ 12.1
Human Services	\$ 11.0
Higher Education	\$ 3.3
Governmental Operations	\$ 0.9
Natural Resources	\$ 0.4
<u>Debt Service/Other</u>	<u>\$ 1.9</u>
<u>Total</u>	<u>\$ 29.5</u>



Citizens Guide to the Budget, page 12: <http://www1.leg.wa.gov/Senate/Committees/WM/publications.htm>
 Columns may not add up due to rounding.

School District General Fund

Revenue per Student

2006–07 School Year

	Average Revenue per FTE Student	Percent
State	\$6,137	70.1
Local Tax	1,484	16.9
Federal	808	9.2
Other	329	3.8
Total	\$8,758	100.0

Source: Summary of all School Districts' F-196; 2006–07 is the latest available year.

State Average School District Expenditures 2006–07 School Year

Program	Statewide (millions)	Per Student
Basic Ed.	\$4,518	\$4,569
Special Ed.	900	810
Vocational/Skills Ctr.	293	297
Compensatory Ed.	842	852
Other Instruction	108	109
Community Service	45	46
District-wide Support	1,233	1,247
Food Services	299	302
<u>Transportation</u>	<u>356</u>	<u>360</u>
Total	\$8,594	\$8692

Source: Summary of all School Districts' F-196; 2006–07 is the latest available year.



**Apportionment
Funding**

General Apportionment Basic Funding Concepts

Enrollment



Formula Staff Units

(Teachers, Administrators, and Aides)



Salaries & Benefits



Nonemployee Related Costs (NERC)

State General Apportionment Allocation

Factor #1 Basic Education Enrollment –

- **Student FTEE based on “seat time.”**
 - Grade K: 2 hours per day = 0.5 FTEE
 - Grades 1–3: 4 hours per day = 1.0 FTEE
 - Grades 4–12: 5 hours per day = 1.0 FTEE
- Based on enrolled hours—not attendance.
- Nine monthly count dates—first school day of each month.
- All day kindergarten – is funded separately for up to 20% highest poverty buildings.
- Alternative Learning Experience, Work-based Learning, and Running Start provide exceptions to seat time FTE rule.

Factor # 2

Legislative Staffing Ratios –

1,000 FTE students generate:

- 4.0 Certificated Administrative Staff (CAS)
 - Superintendents, Principals etc.
- 46.0 Certificated Instructional Staff (CIS)
 - Teachers, Program Supervisors.
- 16.74 Classified Staff (1 for every 59.75 FTE students)
 - Business office, classroom aides.

Enhanced staffing (per 1,000 FTEs):

- K–3 FTEs = 49.0 – 53.2 CIS (use it or lose it.)
- 4th grade = 46.0 – 53.2 CIS (use it or lose it.)

Factor # 3
Instructional Staff – Salary Funding –

- ◆ The state determines the funding provided to each certificated position based upon the experience and education level of the staff hired. This is captured in a staff mix factor.
- ◆ Districtwide average mix factor determines the state funding provided for each funded certificated staff position in the district.

Staff Mix -

- ◆ The staff mix factor is a five-decimal number between 1.00000 and approximately 2.00000 that quantifies the educational and experience level of instructional staff of the district.
 - 1.00000 equals a new teacher with no experience.
 - The highest staff mix, current is 1.88482, equals a teacher with a Ph.D. and 16 or more years of experience.

Compensation

- ◆ Certificated staff are typically compensated as follows:
 - ◆ Base Contract – typically tied to state funding schedule.
 - ◆ Supplemental Contracts for additional time, responsibilities, and incentives (TRJ).
- ◆ The state assumes No responsibility for supplemental contracts. These are typically funded from local levy dollars.

Why do some districts get more state funding than others?

- ◆ Differences in base salary amounts.
- ◆ Different levels of staff experience and education.
- ◆ Different levels of students participating in:
 - Bilingual Programs.
 - Special Education.
 - Vocational Education.
 - Transportation.
- ◆ Different levels of poverty affect LAP funding.
- ◆ Differences in levy equalization funding.

2008–2009 General Apportionment Simplified Example – 1,000 Students

Staff Units and Salaries	Total
▶ 46 certificated instructional staff (CIS) X 1.62777 X 32,746	= \$ 2,451,936
▶ 46 CIS X 1.62777 X 34,426 - Maint	= 125,794
▶ 4 certificated administrative staff (CAS) X 57,986	= 231,944
▶ 17 classified staff (CLS) X 31,865	= 541,705
Mandatory Benefits	
▶ Maint: CIS & CAS - (0.1675 * (2,451,936 + 231,944))	= 449,550
▶ Inc: CIS (0.1611 * (125,794))	= 20,265
▶ Maint: Classified - (0.1872 * 541,705)	= 101,407
▶ Inc: Classified - (0.1522 * 0)	=
Health Benefits	
▶ 50 certificated staff X 12 months X	\$732.00 = 439,200
▶ 17 classified staff X 1.15 X 12 months X	\$732.00 = 171,727
Nonemployee Related Costs	
▶ 50 certificated staff X	\$10,178 = 508,900
TOTAL ALLOCATION	<u><u>\$ 5,042,429</u></u>

Per Student Allocation

\$ 5,042.43

General Apportionment—Fiscal Accountability

- ◆ Must maintain K–12 ratio of 46/1000 (CIS-per-student).
- ◆ Must use K–4 enhancement for K–4 staffing (more K–4 funding for more K–4 staff, up to 53.2/1000 ratio).
- ◆ Must add 2 learning improvement days to 180-day base contract year CIS.
- ◆ Must not pay district average CIS base salary that exceeds district allocated salary rate (Salary Compliance).
- ◆ Must use state accounting and program structure.