

The Washington State Board of Education

Governance | Accountability | Achievement | Oversight | Career & College Readiness

Title:	Washington State Funding of K-12 Education – A historical overview	
As Related To:	<input type="checkbox"/> Goal One: Effective and accountable P-13 governance. <input type="checkbox"/> Goal Two: Comprehensive statewide K-12 accountability. <input type="checkbox"/> Goal Three: Closing achievement gap.	<input checked="" type="checkbox"/> Goal Four: Strategic oversight of the K-12 system. <input type="checkbox"/> Goal Five: Career and college readiness for all students. <input type="checkbox"/> Other
Relevant To Board Roles:	<input type="checkbox"/> Policy Leadership <input checked="" type="checkbox"/> System Oversight <input type="checkbox"/> Advocacy	<input type="checkbox"/> Communication <input type="checkbox"/> Convening and Facilitating
Policy Considerations / Key Questions:	<ol style="list-style-type: none"> 1. Has funding kept pace with inflation and student enrollment? 2. How much has funding increased, and why? 3. What drives increases in state funding programs? 	
Possible Board Action:	<input checked="" type="checkbox"/> Review <input type="checkbox"/> Adopt <input type="checkbox"/> Approve <input type="checkbox"/> Other	
Materials Included in Packet:	<input type="checkbox"/> Memo <input type="checkbox"/> Graphs / Graphics <input type="checkbox"/> Third-Party Materials <input checked="" type="checkbox"/> PowerPoint (Posted online)	
Synopsis:	<p>A review of timely and topical P-20 continuum data is regularly presented to the Board for its review.</p> <p>This presentation compares state funding of K-12 Education from 1993 to 2013.</p> <ul style="list-style-type: none"> • Budget totals are from www.fiscal.wa.gov. <ul style="list-style-type: none"> ○ Operating Budget ○ Near General Fund – State (NGFS) ○ Expenditures by Fund ○ By fiscal year • Inflation (1980 base year) is calculated from 1980 – 2013 using the Consumer Price Index (CPI) and the US Implicit Price Deflator for Personal Consumption (IPD). • Percent change in expenditures is calculated for the time period 1993 – 2013, because in 1993 the Washington state legislature passed the Student Learning and Improvement Act (HB 1209), also known as the Education Reform Act. This act shifted K-12 Education to a standards-based reform system and established the Essential Academic Learning Requirements (EALRs) as well as the Washington Assessment of Student Learning (WASL). • State funding programs showing the greatest percentage increases are: <ul style="list-style-type: none"> ○ Education Reform ○ Transitional Bilingual Instructional Program (TBIP) ○ Levy Equalization, or Local Effort Assistance (LEA) ○ Learning Assistance Program (LAP) ○ Special Education ○ School Food Services ○ General Apportionment ○ Pupil Transportation 	

State Funding of K-12 Education

Ms. Emily Persky, Research Analyst

Policy Questions

Through a lens of advocacy for full funding of K-12 Education:

- Has funding kept pace with inflation and student enrollment?
- How much has funding increased and why?
- What drives increases in state funding categories?

Corresponds to SBE Strategic Plan Goals 3B1 and 5A2.

Overview

Total Public Schools
Operating Budget
adjusted for inflation,
1980 – 2013

- Has funding kept pace with inflation?

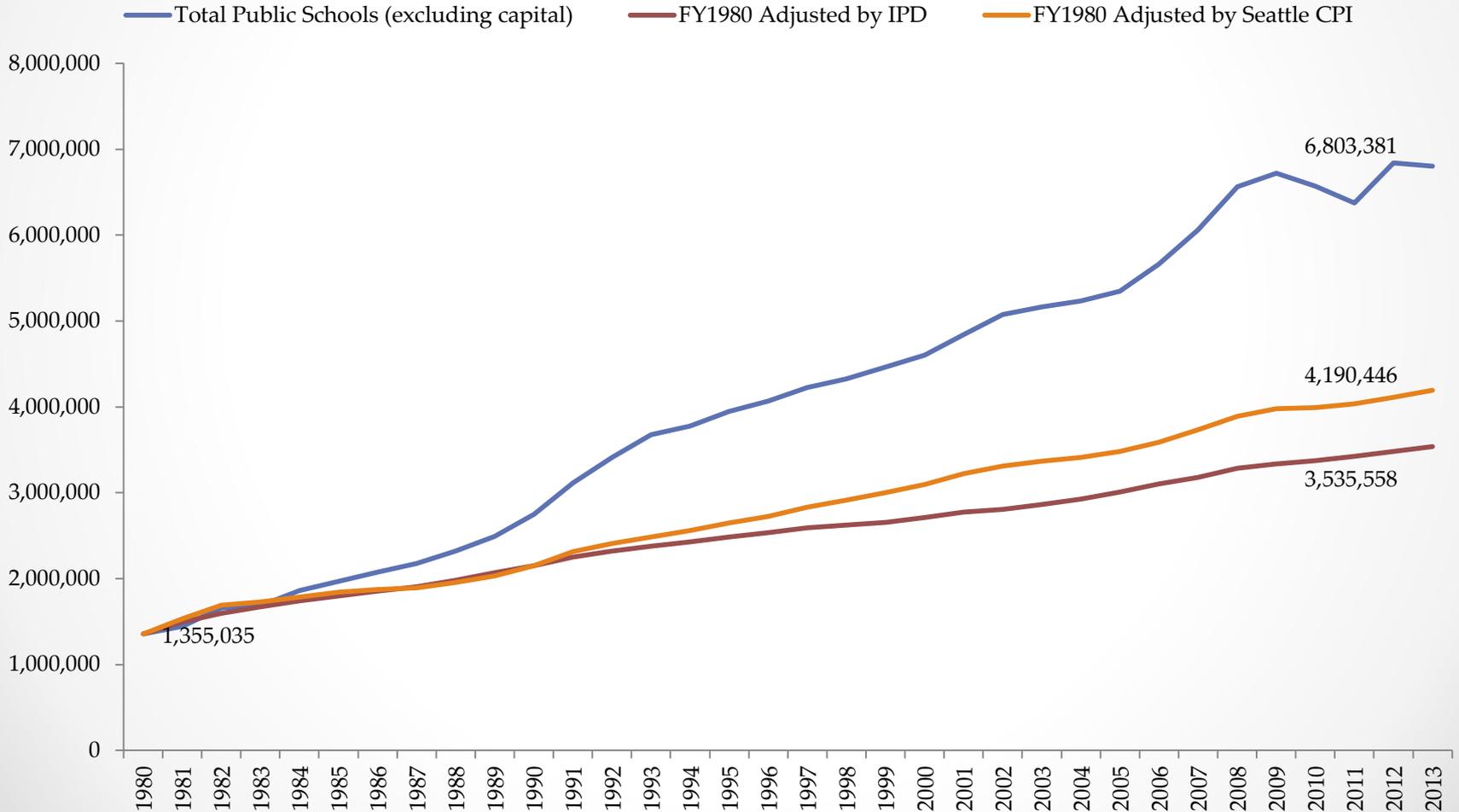
State public schools
expenditures by fund,
1993 – 2013

- How much has funding increased?
- Has funding kept pace with inflation?

Analysis of funding
increases, 1993 – 2013

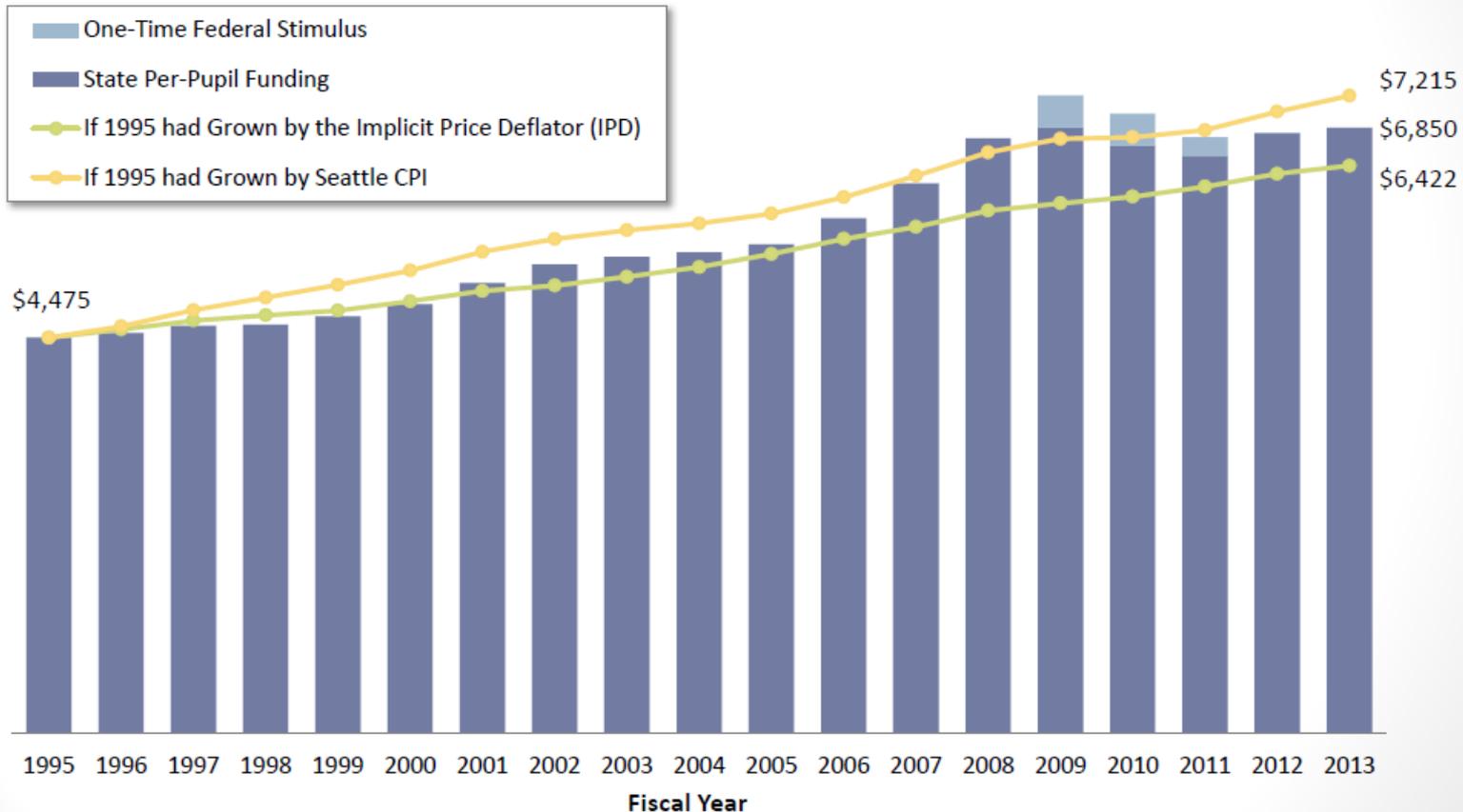
- Enrollments
- Earmarks
- Categorical Programs

Total Public Schools Operating Budget – Adjusted for Inflation, 1980-2013 (NGFS Expenditures, dollars in thousands)



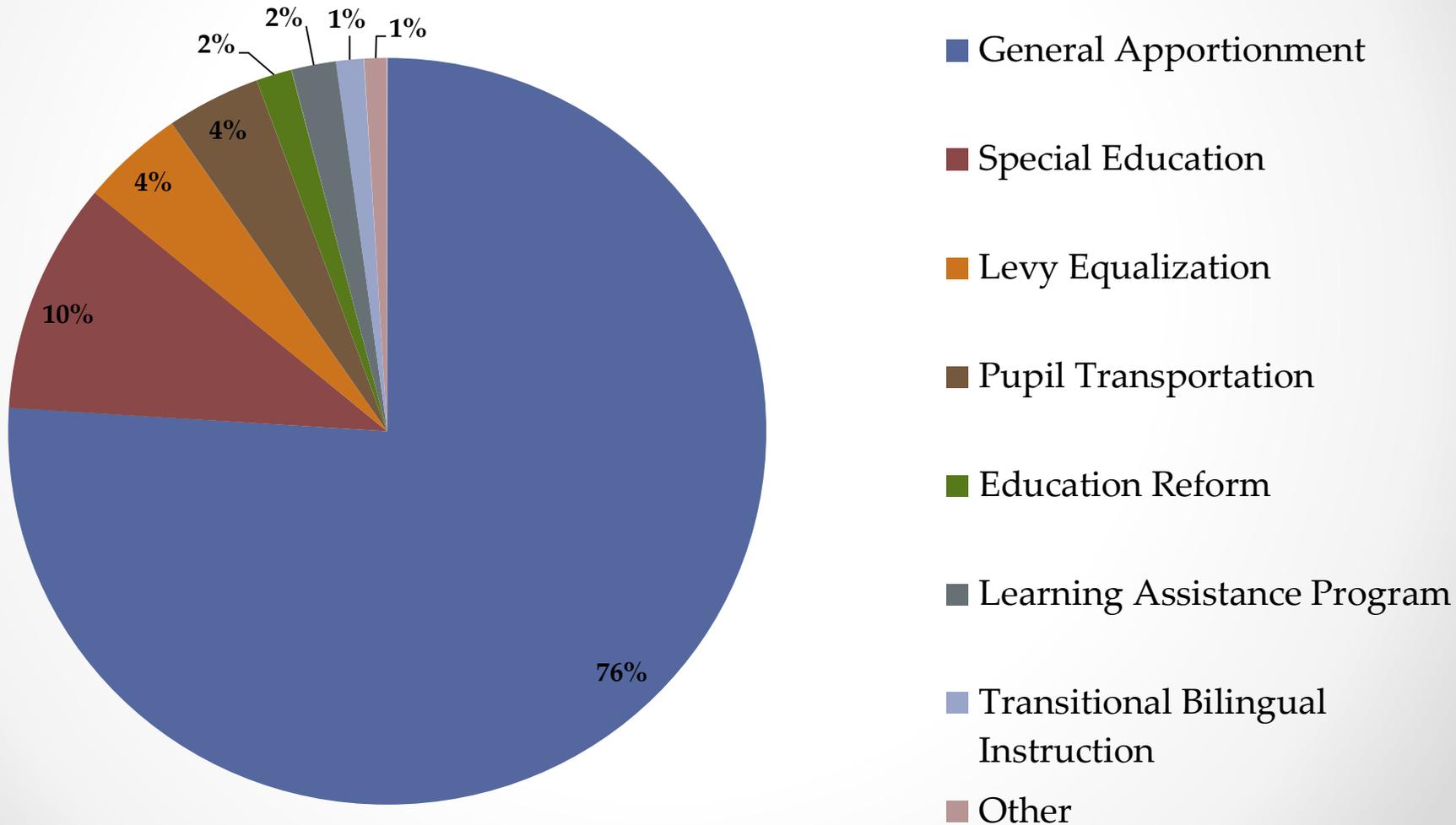
Per-Pupil Funding Compared to Inflation Adjustments

Includes one-time federal stimulus funds (ARRA Direct & Education Jobs)



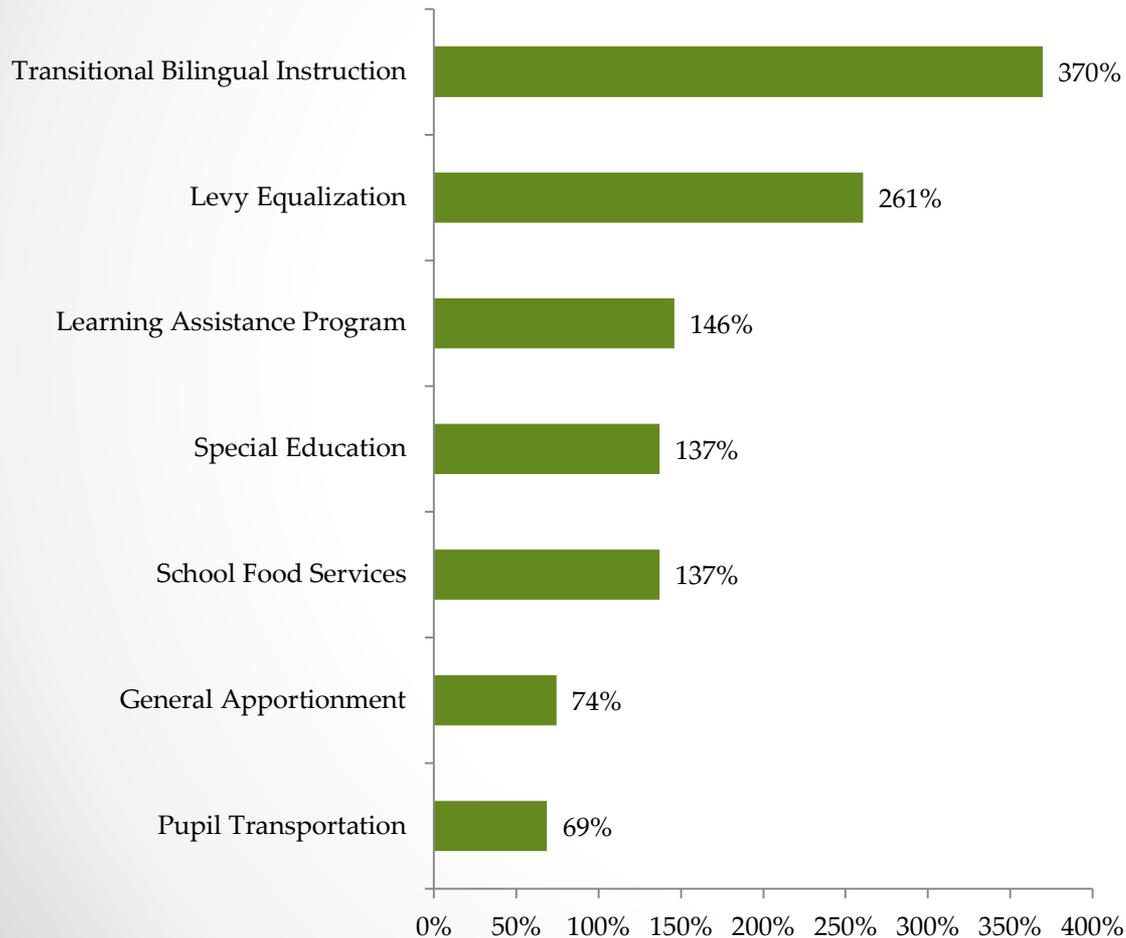
Note: \$115M net apportionment shift between fiscal years 2011 and 2012 reversed for the purposes of this chart.

Public Schools Operating Budget – 2013 Expenditures



Percent Change

NGFS Expenditures by Program (nominal dollars)

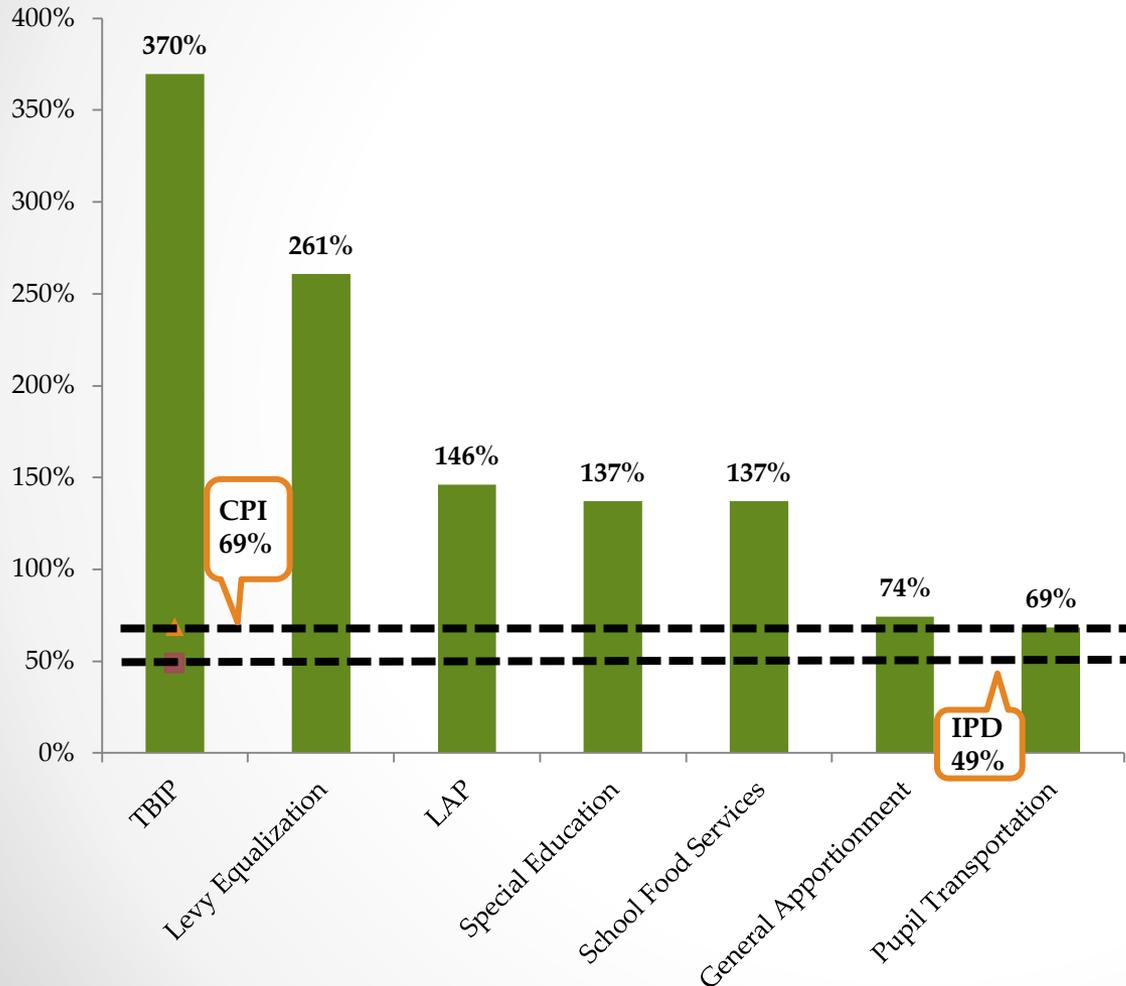


How much has state funding increased since 1993?

- Education Reform, not shown on this graph, was funded at \$104,253,000 in 2013, reflecting an increase by a factor of almost 14 since 1993.

Percent Change & Inflation, 1993-2013

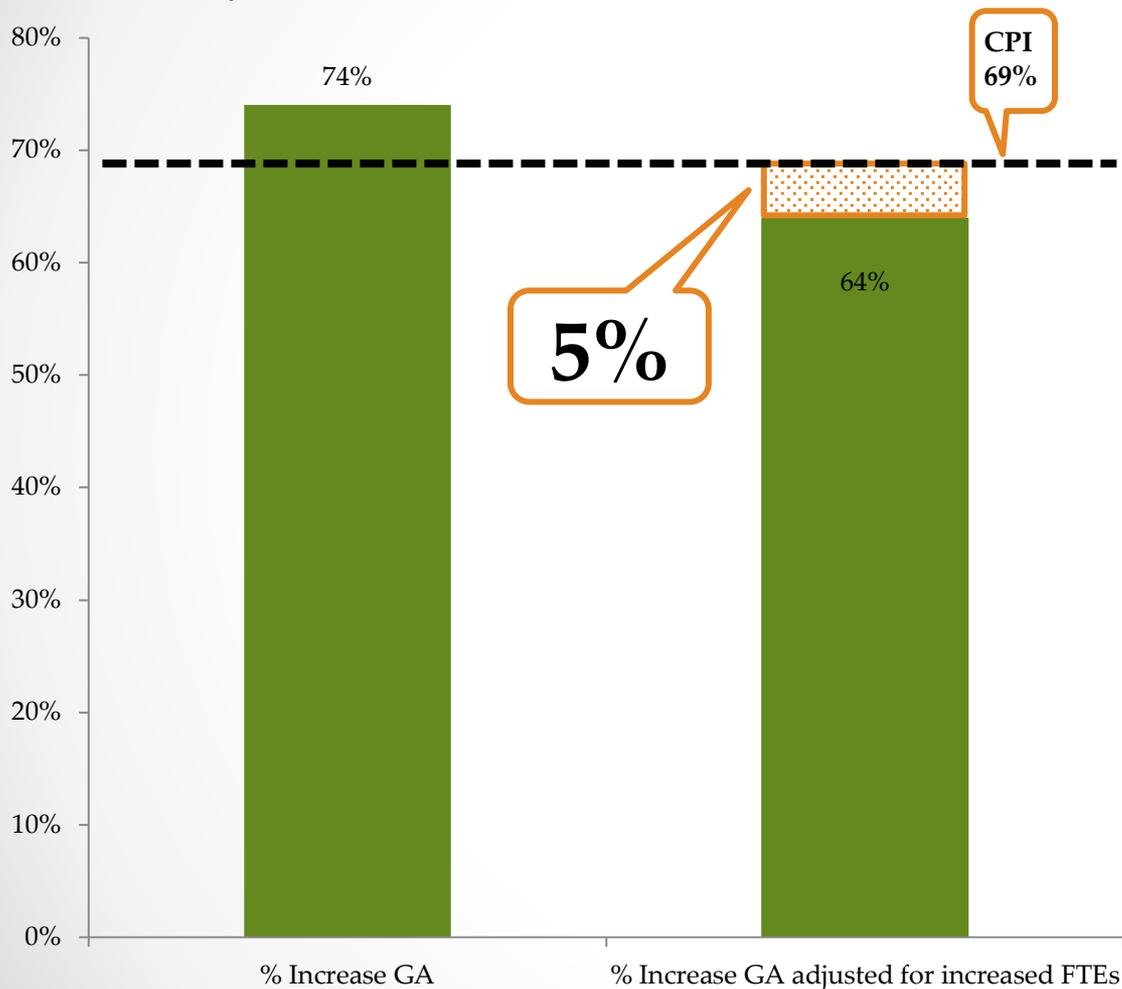
(NGFS Expenditures by Program , CPI & IPD)



Has program funding kept pace with inflation?

- Pupil transportation has kept pace with CPI.
- General Apportionment – the largest program expenditure in the public schools operating budget – has only slightly outpaced the CPI.
- **BUT we have more students than we did in 1993 – average annual enrollment increased 10%.**

Percent Increase in General Apportionment (1993-2013) Adjusted for Inflation & Enrollments



Has General Apportionment funding kept pace with inflation and enrollments?

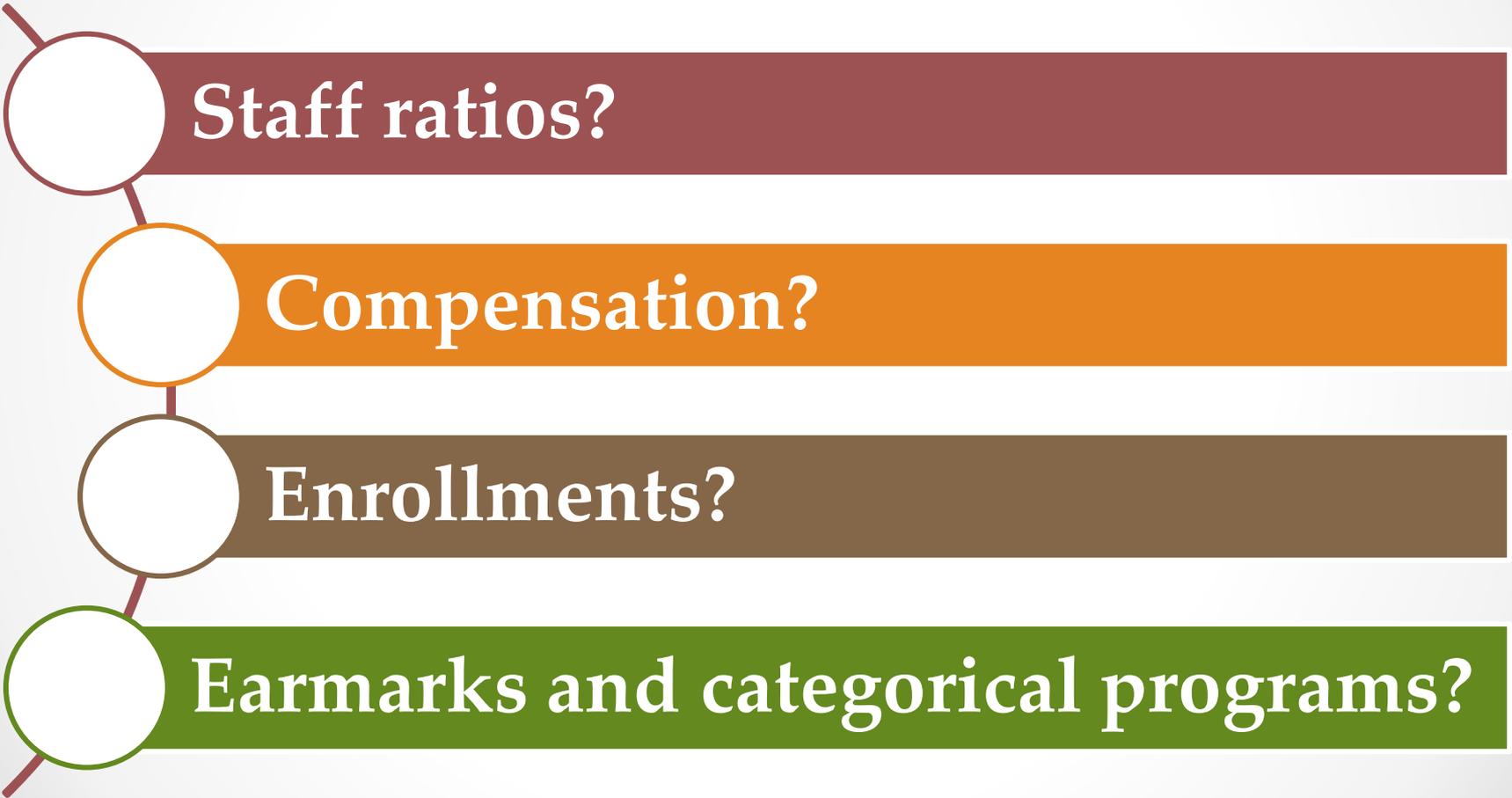
No.

After adjusting for:

- 10% increase in FTEs
- 69% increase in inflation (CPI)

We are 5 percentage points short of keeping pace with 1993 funding levels.

What is driving increases?



Staff ratios?

Compensation?

Enrollments?

Earmarks and categorical programs?

Grades & Staff	Staff per 1,000 Full Time Enrollments (FTEs)	
	1993 1993-1995 Operating Budget	2013 2012 Supplemental Operating Budget
K-3 CIS	49	49
4-12 CIS	46	46
K-12 CAS	4	4
K-12 CS	60	59

Have general apportionment staffing ratios gone up since 1993?

No.

Staff ratios haven't changed.

In fact, there are slightly fewer classified staff per 1,000 FTEs.

CIS=Certificated Instructional Staff
 CAS=Certificated Administrative Staff
 CS=Classified Staff

Have staff costs gone up since 1993?

Staff Costs	1993	2013	Percent Change
District-wide staff mix	1.68966	1.56874	-7%
Health Benefits	\$4,203	\$9,215	+119%

Staff mix, which takes into account teachers' experience and level of education, has actually decreased since 1993.

Health benefits costs have increased 119%; however, 69% of that is inflation.

- Keep in mind that the cost of health benefits has increased in all sectors.

If staff ratios and costs aren't going up, what is?



Staff ratios?

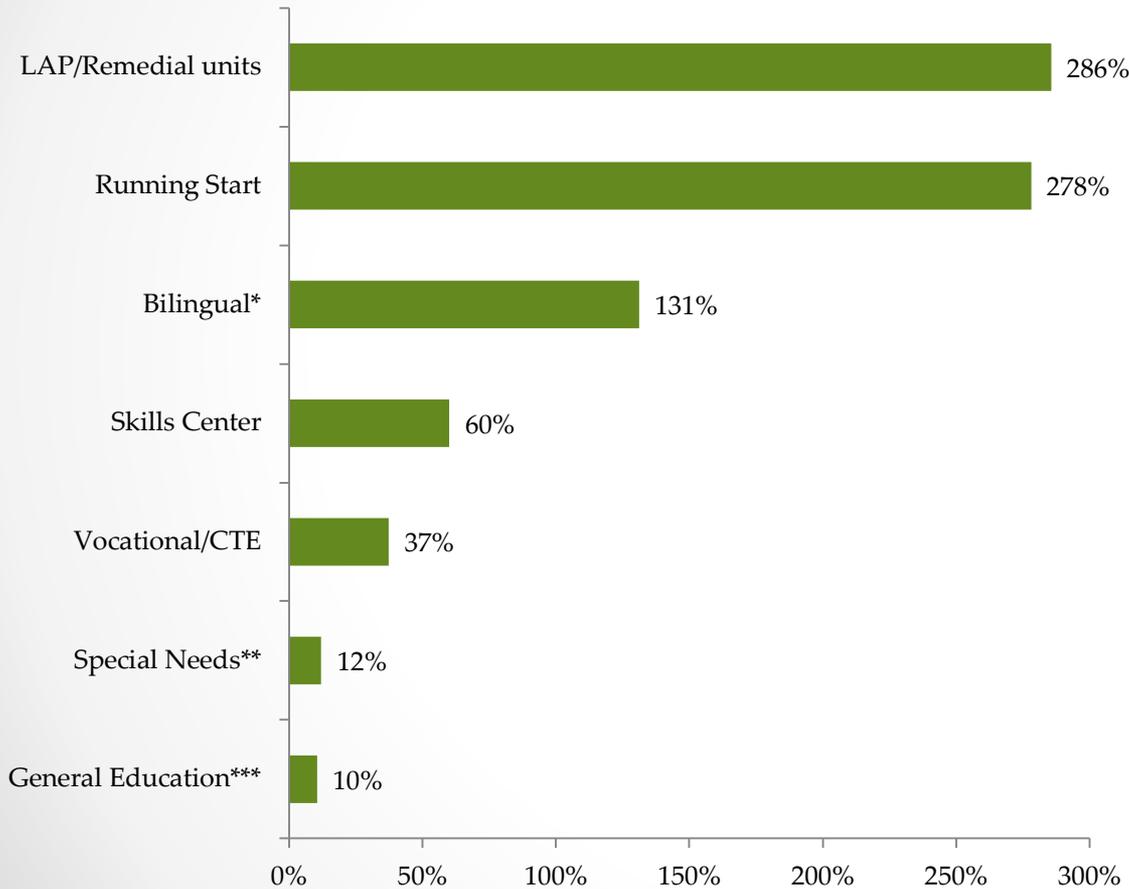
Staff costs?

Enrollments?

Earmarks and categorical programs?

Percent Change in Full Time Enrollments/Units

1994-95 and 2012-13



Have enrollments in higher cost programs increased since the 1994-95 school year?

Yes.

- More students are enrolled in higher cost programs.
- The same student can be enrolled in multiple programs.

Earmarks and categorical programs?

Levy Equalization up 261%.

- Went from \$82,651,000 in 1993 to \$298,166,000 in 2013.

Education Reform multiplied by a factor of almost 14.

- \$50 million on all day Kindergarten in 2013.
 - **Didn't exist in 1993.**
- \$40 million on assessment system in 2013.
 - **We allocated \$1,683,000 for the 1993-95 biennium.**
- \$40 million on National Board Certified Teacher bonuses in 2013.
 - **Didn't exist in 1993.**

\$34 million on special education safety net in 2013.

- **Didn't exist in 1993.**

Key Takeaways & Questions

1. General apportionment has not kept pace with inflation and enrollments.
2. Enrollments in and state funding for higher cost programs have increased dramatically since 1993.
 - a. The achievement outcomes for many students served in some of these programs – such as TBIP, LAP, and Special Education – reflect an inequitable opportunity gap.
3. **How might ample general apportionment funding impact:**
 - a. **Achievement outcomes for students served by higher cost programs?**
 - b. **The number of students who require the additional support of higher cost programs?**

Note: School districts have more flexibility when it comes to spending general apportionment funds, allowing them to more strategically allocate resources.