

ESHB 2261 : Basic Education Funding Reform

An Overview to ESHB 2261

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(thanks to OSPI for some of these slides)

ESHB 2261: Overarching Concepts

Public education has evolved since 1977—many studies identify the need to:

- Educate all students to a higher level.
- Focus on individualized instruction.
- Close achievement gap and reduce drop out rates.
- Prepare students for evolving work force and global economy.

ESHB 2261: Overarching Concepts

Redefine evolving program of basic education:

Provide students the opportunity to develop the knowledge and skills necessary to meet the state-established high school graduation requirements to graduate with a **meaningful diploma that prepares them for postsecondary education, gainful employment and citizenship.**

ESHB 2261: Overarching Concepts

Funding to support it will be phased in and fully implemented by Legislature by September 1, 2018 (revenue sources not yet identified).

Awaiting Governor action by May 19

ESHB 2261: Key Concepts

1. Expanded definition of basic education
2. Prototypical school funding formula
3. Transportation funding formula
4. Quality Education Council
5. Work Groups
6. Accountability
7. Teacher Standards and Certification

ESHB 2261: Expanded Definition of Basic Education

- Increased instructional hours for secondary education from 1000 to 1080.
- Opportunity to complete 24 high school credits.
- All day kindergarten (phase in highest poverty schools first).
- Highly capable (at 2.3% of student enrollment).
- Early learning for at-risk students.

Note: LAP, bilingual, and special education students will continue to be supported as categorical programs.

2261: Definition of Basic Education

	What We Know	What We Do Not Know
Full-day Kindergarten	<ul style="list-style-type: none"> ✓ Included in state's definition of basic education; ✓ Ultimately, 1,000 hours of instruction required 	Phased-in on dates to be determined
Early Learning for At-Risk Students	<ul style="list-style-type: none"> ✓ Included in state's definition of BE ✓ Legislature must design program ✓ Workgroup final report 9/1/2012 	<ul style="list-style-type: none"> ✓ Phased-in on dates to be determined ✓ Definition of "At Risk" ✓ Program design
Highly Capable	<ul style="list-style-type: none"> ✓ Included in state's definition of Basic Education ✓ Funded at 2.314% of K-12 pop ✓ Not constitute an individual entitlement ✓ Safety net 	Design of safety net process

2261: Instructional Changes

	What We Know	What We Do Not Know
Instructional Hours	<ul style="list-style-type: none">✓ Effective 9/1/2011, to the extent that the funding formulas are adopted and according to implementation schedule by Legislature✓ Broad understanding that cannot implement new requirements without new funding✓ Kindergarten increased to full-days starting with highest poverty✓ 1,000 hours grades K-6✓ 1,080 hours grades 7-12	<ul style="list-style-type: none">✓ No state established “starting” point✓ Phase-in not established yet

ESHB 2261: Prototypical Schools Funding Formula

- Describes the level of resources needed to operate a school of a certain student enrollment for elementary, middle, and high school in terms of class size, hours of instruction, various categories of school staff, and “NERCs” (e.g. materials, supplies and operating costs).

ESHB 2261: Prototypical Schools Funding Formula

- Plus enhancements for highly capable, CTE, AP and IB, LAP, Bilingual, and special education.
- For allocation purposes only.

2261: Funding System

	What We Know	What We Do Not Know
Prototype School Model	<ul style="list-style-type: none"> ✓ Is adopted as the finance system structure; ✓ School size values are set; ✓ General components are set; ✓ For allocation purposes only 	<ul style="list-style-type: none"> ✓ Values; ✓ Some categories are still squishy
RCW 28A.150.260	As of 9/1/2011, no longer includes current staffing ratios	Will values be adopted in statute; if not, determined in budget
Workgroup	LEAP, Districts/ESDs, All Associations	
Workgroup Task	<ul style="list-style-type: none"> ✓ Develop new funding formulas ✓ Propose concurrent phase-in of program requirements and increased funding ✓ Examine possible sources of revenue ✓ Recommendations submitted by 12/1/2009 	

2261: Salaries and Levies

	What We Know	What We Do Not Know
Levies Workgroup	<ul style="list-style-type: none"> ✓OFM, OSPI convene ✓Begins 7/1/2010 ✓DOR, LEAP, Districts,/ESDs, All Associations ✓Report to Legislature 12/1/2011 ✓Must include a phase-in plan of any changes so that no district loses resources 	
Compensation Workgroup	<ul style="list-style-type: none"> ✓OFM convenes 1/1/2011, initial report 12/1/2012 ✓Reducing tiers in Salary Allocation Model ✓Geographic and labor market analyses ✓Role and types of bonuses ✓Phase-in salary equalization ✓Estimate cost, including grandfathering of current staff 	

2261: System Capacity

	What We Know	What We Do Not Know
SPI Determines	<ul style="list-style-type: none"> ✓ Biennial capacity of system to accommodate increased resources ✓ Where capacity issues, recommendations to address 	
Legislature	<ul style="list-style-type: none"> ✓ Ensures that enhancements are not imposed that the system cannot accommodate 	
Capacity	<ul style="list-style-type: none"> ✓ Ability of schools to provide the capital facilities to support a particular component of instruction ✓ Staffing to support an instructional program ✓ Higher education's capacity to prepare the next generation of educators/staff ✓ Availability of data capable of helping state allocate its resources in an evidence-based manner consistent with improved student achievement 	

ESHB 2261: Transportation Formula

- New formula based on average predicted costs to school districts.
- Phase in no later than September 1, 2013.

2261: Transportation Funding

	What We Know	What We Do Not Know
2009-11 Biennium “Bridge”	\$12.5 annual million bridge to new formula is eliminated in 2009-10 and 2010-11 SYs	
2007-08 Basic Education deficit	\$125 million, including benefit of \$12.5 million	
Future Formula	Formula itself is determined, based on Advisory Committee recommendation	
Implementation Date	Begins phase-in no later than 2013-14; QEC recommends phase-in	How much how quickly
Apportionment and Reporting System Re-Tooling	Not funded by Legislature, but must find a way to have ready for 2011-12 SY so no barrier to implementing formula	

ESHB 2261: Quality Education Council (on-going group)

- **Representation:**
 - Eight legislators (four House/four Senate).
 - Gov Office, SBE, OSPI, PESB, and DEL.
- **Purpose:** Recommend and inform ongoing implementation by Legislature of evolving program of basic education and financing.
- **Reports:** Initial report on January 1, 2010 on:
 - Statewide teacher mentoring and support system.
 - Early learning program for at-risk children.
 - Implementation schedule for phase in of basic education program and funding.
 - New transportation formula phase-in.
 - Reports due every four years with “strategic “ focus

ESHB 2261: Working Groups

- **K-12 Data Governance** (OSPI, LEAP, SBE, PESB, and school district staff)– SBE will work with OFM data center to determine feasibility of using prototypical school funding allocation model to allocate and report expenditures.
- Report in 11/15/2009 on progress in developing gap analysis and cost estimates to implement expanded data system, including changes to financial data; final report 9/1/2010

ESHB 2261: SBE Accountability

SBE will develop:

1. An **accountability index** to identify schools and districts for recognition and additional state support.
2. A proposal and timeline for **voluntary state support and assistance** for schools and districts (changes that have a fiscal impact take effect only if formally authorized by the Legislature).

ESHB 2261: SBE Accountability

3. A proposal and timeline for implementation of a system for **challenged schools and districts** that do not improve through the voluntary system (which takes place only if formally authorized by the Legislature).
 - Peer audit.
 - Local school boards develop a corrective action plan.
 - SBE approves corrective action plan and it becomes binding.
 - OSPI monitors school district progress.

Report due to Legislature December 1, 2009

ESHB 2261: PESB Teacher Standards and Certification

The PESB will:

1. Adopt performance standards for effective teaching (include cultural competency standards).
2. Adopt a definition of a master teacher.
3. Update Legislature on ProCert assessment implementation.

ESHB 2261: PESB Teacher Standards and Certification

4. Begin awarding ProCert, based on minimum of two years successful teaching experience by September 1, 2011.
5. Recommend proposal for classroom based means for evaluating “student teacher” in field effectiveness.
6. Recommend length of time a residency certificate is valid.

Report due to Legislature January 1, 2010