



# THE WASHINGTON STATE BOARD OF EDUCATION

*A high-quality education system that prepares all students for college, career, and life.*

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## Title: Executive Director Update

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- As Related To:**
- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Goal One: Develop and support policies to close the achievement and opportunity gaps.                           | <input checked="" type="checkbox"/> Goal Three: Ensure that every student has the opportunity to meet career and college ready standards. |
| <input checked="" type="checkbox"/> Goal Two: Develop comprehensive accountability, recognition, and supports for students, schools, and districts. | <input checked="" type="checkbox"/> Goal Four: Provide effective oversight of the K-12 system.  |
|   | <input type="checkbox"/> Other  |

- 
- Relevant To Board Roles:**
- |  |   |
|--|---|
| <input type="checkbox"/> Policy Leadership | <input checked="" type="checkbox"/> Communication   |
| <input type="checkbox"/> System Oversight  | <input type="checkbox"/> Convening and Facilitating |
| <input type="checkbox"/> Advocacy          |   |

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**Policy Considerations / Key Questions:** The Executive Director Update presents an opportunity to review a variety of timely policy issues impacting the Board's deliberations.

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- Possible Board Action:**
- |  |                                |
|--|--------------------------------|
| <input checked="" type="checkbox"/> Review | <input type="checkbox"/> Adopt |
| <input type="checkbox"/> Approve           | <input type="checkbox"/> Other |

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- Materials Included in Packet:**
- Memo
  - Graphs / Graphics
  - Third-Party Materials
  - PowerPoint

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- Synopsis:** During this segment, the Board will receive updates on the following topics
- Education System Health Report – Process & Timelines
  - Education Funding Task Force & *McCleary* Update
  - SBE Proposed 17-19 Core Agency Budget
  - Potential Rulemaking on 180-Day Waiver Criteria
  - Other Sundry Items as Time Allows
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## POLICY BRIEFING

### LEGISLATIVE EDUCATION FUNDING TASK FORCE (E2SSB 6195, 2016)

The 2016 Legislature created the Education Funding Task Force to continue the work of the Governor's informal work group on implementing the program of basic education.

#### **Work to-date:**

Since the legislative session ended, the Task Force has met four times. Task Force members discussed the Washington State Institute for Public Policy's (WSIPP) implementation of SB 6195's mandate to engage an independent consultant to collect and analyze school staff compensation and labor market data. WSIPP selected Third Sector Intelligence (3SI) in partnership with the Edunomics Lab at Georgetown University; WSIPP subsequently presented its the draft data collection plan for each of the required components of the study.

Task Force staff presented follow-up data on salary spending by school districts, focusing on regional differences in additional salary – striking, particularly for certificated and administrative staff. A school district panel made a presentation to the Task Force on basic and non-basic education spending and salary spending, and presentations on collective bargaining by school districts and health benefits.

The Task Force put forth a *Request for Proposed Solutions from the Public: Recommendations to the Legislature on Implementing the Program of Basic Education as Defined in Statute* and in response has received 87 pages of combined input from ten sources to-date. The initial July 31 deadline has been extended to September 11.

Supreme Court order 84362-7 stipulates that on September 7, the *McCleary* parties report to the Supreme Court, at which time the Court will determine whether further sanctions should be made. The Supreme Court ordered the State to provide specific and detailed answers to the following:

- a) Whether the State views the 2018 deadline as referring to the beginning of the 2017-2018 school year, to the end of the 2017-2018 fiscal year, to the end of 2018, or to some other date;
- b) Whether E2SSB 6195, when read together with ESHB 2261 and SHB 2776, satisfies this court's January 9, 2014, order for a plan and, if not, what opportunities, if any, remain for the legislature to provide the plan required by that January 9, 2014, order;
- c) The estimated current cost of full state funding of the program of basic education identified by ESHB 2261 (RCW 28A.150.220) and the implementation program established by SHB 2776, including, but not limited to, the costs of materials, supplies, and operating costs; transportation; and reduced class sizes for kindergarten through third grade and all-day kindergarten, with the costs of reduced class sizes and all-day kindergarten to include the estimated capital costs necessary to fully implement those components and the necessary level of staffing;
- d) The estimated cost of full state funding of competitive market-rate basic education staff salaries, including the costs of recruiting and retaining competent staff and professional development of instructional staff;
- e) The components of basic education, if any, the State has fully funded in light of the costs specified above;

- f) The components of basic education, including basic education staff salaries, the State has not yet fully funded in light of the costs specified above, the cost of achieving full state funding of the components that have not been fully funded by the deadline, and how the State intends to meet its constitutional obligation to implement its plan of basic education through dependable and regular revenue sources by that deadline;
- g) Whether this court should dismiss the contempt order or continue sanctions; and
- h) Any additional information that will demonstrate to the court how the State will fully comply with article IX, section 1 by 2018.

Supreme Court order 84362-7 allows for the State to submit a brief addressing the matters specified above by August 22; in which case, Plaintiffs could file an answer by August 29, and the State could file a reply by September 2. The State did indeed submit a brief on August 22. The State's brief finds that the state will need to increase expenditures by an estimated \$261.6 million in fiscal year 2018 (in the 2017-19 biennial budget) to make the expenditures necessary to fund the K-3 class size required by SHB 2776 in the 2017-18 school year. The brief contends that ESSB 6195 constitutes the plan required by the court for achieving compliance with the remaining requirement of *McCleary*, which is to determine the cost of fully funding competitive salaries for staff implementing the state's program of basic education and provide that funding. "The State has submitted a plan. It has purged contempt. There is no further plan to compel," it states, "and thus no justification for the sanction to continue. The Court should dissolve the contempt order and terminate the imposition of sanctions." Plaintiff filed a response on August 29. The State is expected to file a reply by September 2.

This same Supreme Court order required any motions to file amicus briefs be filed by August 3; four such motions were filed (Columbia Legal Services – which includes several organizations, ARC of WA – which includes ten organizations, OSPI, and Washington Paramount Duty). The Court approved amicus briefs by all but the first of these entities, and they were submitted to the Court on August 29.

**Pending work between now and the 2017 Legislative session:**

WSIPP's consultant(s) will, pursuant to E2SSB 6195, provide an interim report by September 1 and a final report by November 15. In September, the Task Force will meet twice; 6 and 21. The primary purpose of the September meetings is to give the members time to interact with the contractors as they present the preliminary information from school districts, and with PESB as it reports teacher shortage data.

During the final quarter of 2016, the Task Force will discuss, prioritize, and make final recommendations to the Legislature regarding implementing the program of basic education as defined in statute, including recommendations for compensation that is sufficient to hire and retain the staff funded under the statutory prototypical school funding model and an associated salary allocation model, including whether and how future salary adjustments and a local labor market adjustment should be incorporated. Other issues the Task Force is required to make recommendations on:

- Sources of state revenue to support the state's statutory program of basic education
- Whether additional state legislation is needed to help school districts to support increased facility and staffing costs of state funded all-day kindergarten and K-3 class size reduction;
- Improving or expanding existing educator recruitment and retention programs;
- Local maintenance and operations levies and local effort assistance;
- Local school district collective bargaining;
- Clarifying the distinction between basic education and local enrichment services;
- Required district reporting, accounting, and transparency of data and expenditures; and
- The provision and funding method for school employee health benefits.

Current back and forth between the Legislature and Supreme Court makes this iteration of an education funding “group” particularly unique compared to previous iterations. The Supreme Court, in its most recent order request for a September 7 briefing, clearly states that the 2017 session represents the last chance for the Legislature to devise a solution. Legislators are mixed on the Supreme Court’s involvement; some see the pressure as positive and others believe school funding is not the Court’s purview, rather the Legislature’s.

### **Policy Considerations**

The chief issue will likely be determining how to fund the Task Force’s recommendations. The final report is anticipated to focus heavily on employee compensation, particularly salary, and discussion as to whether the state should assume more of this cost. This is the primary perceived deficiency. Another key question will likely be how to address districts “grandfathered” in terms of local levy authority.

These issues are of import to the Board. The Board may wish to have conversations regarding what portions of salaries the state should pay to meet its constitutional obligation. The Board may also wish to have conversations regarding the likely benefits, i.e., what outcomes the public can expect if the Legislature more fully funds education, as well as what increased control or influence might the state have over school district expenditures. Another issue of possible import is whether funding educator professional development is a Board priority.

Staff will attend the Education Funding Task Force meeting on September 6 and *McCleary* oral arguments in the Supreme Court on September 7, and will update the Board during its retreat.

If you have questions regarding this memo, please contact Kaaren Heikes at [Kaaren.heikes@k12.wa.us](mailto:Kaaren.heikes@k12.wa.us).



## THE WASHINGTON STATE BOARD OF EDUCATION

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**DRAFT**

August 30, 2016

Rachelle Sharpe, Acting Director  
Washington Student Achievement Council  
917 Lakeridge Way SW  
Olympia, WA 98502

Dear Ms. Sharpe:

As you are aware, RCW 28A.150.550 ([ESSB 5491](#), C 282 L 2013) tasked the State Board of Education with working on statewide indicators of educational system health, with assistance from a number of peer agencies. The Board has undertaken this work in the past in collaboration with representatives through our Achievement and Accountability Workgroup (AAW). This group has met and discussed ambitious but achievable education goals for our system, and the funding and program challenges inherent in achieving them.

The legislation calls for a report in each even-numbered year outlining “the status of each indicator,” and annual progress toward goal attainment. When goals are not on track, the report must recommend “evidence-based reforms” to improve attainment in that area.

While our respective staff work on the data elements, I believe it is also important for the leadership of our boards and agencies to discuss the ultimate message we want to send with these goals – a message I hope will convey values of educational system alignment and an overall belief that all children can achieve college and career-readiness, given the right supports and resources. To prepare for this discussion, Board staff have assembled some data tables and graphics associated with the Report [here](#), and a copy of the 2014 report can be reviewed [here](#).

I would like to invite a representative of your Board to join the State Board of Education’s November 9 meeting in Vancouver, WA, where our Chair, Ms. Isabel Muñoz-Colón, hopes to facilitate a discussion about how our organizations wish to proceed with the messaging of this report. Your in-person attendance is preferred as the Vancouver facility is not ideal for conference call participation, but I can have staff explore other options in the event you are unable to send a representative. In advance of this date, I anticipate staff being able to collaborate early in the process to refine the data and seek general input. In advance of the November meeting, there should be draft outline for review, and a list of questions to frame our important discussion.

Isabel Munoz-Colon, *Chair* • Ben Rarick, *Executive Director*  
Mona Bailey • Kevin Lavery • Lindsey Salinas • Bob Hughes • Dr. Daniel Plung • Baxter Hershman • MJ Bolt  
Peter Maier • Holly Koon • Connie Fletcher • Judy Jennings • Janis Avery • Jeff Estes  
Randy Dorn, *Superintendent of Public Instruction*

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Please email Denise Ross, the Board's executive assistant, at [denise.ross@k12.wa.us](mailto:denise.ross@k12.wa.us) with information about who on your staff you wish to be involved in this work and who may be attending the November meeting on your Board's behalf. We look forward to this opportunity to collaborate with your agency.

Sincerely,



Ben Rarick  
Executive Director

Attachment

**Text from relevant section of RCW 28A.150.550 -- SB 5491 (2013)**

10           (5) (a) The state board of education, with assistance from the  
11 office of the superintendent of public instruction, the workforce  
12 training and education coordinating board, the educational opportunity  
13 gap oversight and accountability committee, and the student achievement  
14 council, shall submit a report on the status of each indicator in  
15 subsection (1) of this section and recommend revised performance goals  
16 and measurements, if necessary, by December 1st of each even-numbered  
17 year, except that the initial report establishing baseline values and  
18 initial goals shall be delivered to the education committees of the  
19 legislature by December 1, 2013.

20           (b) If the educational system is not on target to meet the  
21 performance goals on any individual indicator, the report must  
22 recommend evidence-based reforms intended to improve student  
23 achievement in that area.

24           (c) To the extent data is available, the performance goals for each  
25 indicator must be compared with national data in order to identify  
26 whether Washington student achievement results are within the top ten  
27 percent nationally or are comparable to results in peer states with  
28 similar characteristics as Washington. If comparison data show that  
29 Washington students are falling behind national peers on any indicator,  
30 the report must recommend evidence-based reforms targeted at addressing  
31 the indicator in question.

