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*Office of the Superintendent, Bremerton School District*

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**To:** Dan Grimm, Chair, Basic Education Finance Joint Task Force

**From:** Bette Hyde, Superintendent, Bremerton School District

**Date:** March 10, 2008

**Subj:** **Some "Drafty" Ideas**

Attached is a draft of at least some of my thoughts to date based on the input our Task Force has received. I have shared this information with Skip Priest, since he and I had discussed some of these items earlier. Consequently, I wanted you to be sure to in the loop as our Committee Chair.

See you later this month.

EH:tw

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# Basic Education Finance Joint Task Force

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## Basic Education Definition and Specifics (Draft)

### **Preface:**

The following is a hybrid proposal that draws upon input from many individuals and groups. Relevant references have been cited throughout this draft. Information contained herein was gathered through written and verbal input to the Basic Education Finance Joint Task Force.

### **Why Now?/The Urgency:**

1. “Paramount duty” is part of the Constitution of the State of Washington. No other state constitution is stronger.
2. There have been over 103 studies and task forces on this issue over a generation.
3. The state of compliance in the 1978 Court decision urged urgency over a generation ago. Additional court decisions since have confirmed the same set of criteria and principles (e.g., School Funding II and III; Tunskill, Magallan, Brown, Special Education Suit) (NEWS, November 29, 2007).
4. A recent issue of Education Week “Quality Counts” (January 10, 2008) reveals that Washington State gets a “C” ranking compared to all states in the union, but a “D+” in terms of our finance structure. In this recent analysis by Education Week, Washington State ranks sixth from the bottom of all states in terms of finance structure for K-12 education.
5. The charge of the two-year Washington Learns effort for a revised funding system for education has now been assumed as the assignment of the Basic Education Joint Task Force.

### **Basic Education Definition:**

Basic Education is already defined. The State program of Basic Education is defined in State law through the Basic Education Act and the Four State Goals (A. Jones, January 6, 2008).

1. This definition is expanded as per the work of Washington Learns. The work of Washington Learns is intentionally incorporated in the current charge given to the Basic Education Finance Joint Task Force. (See Appendix A.)
2. The Basic Education definition is further defined in terms of the Four State Goals, Essential Academic Learning Requirements (EALRs), Grade Level Equivalencies (GLEs), and graduation requirements.

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3. Legal proceedings over the past 30 years have helped identify components required in the Basic Education definition.
  - a. Both Assistant Attorney Generals (October 22, 2007), as well as attorneys for the Network For The Education Of Washington Schools (NEWS) (November 29, 2007) extract several descriptors required in the definition. These include:
    - Paramount – *superior, dominant, more important than all others*
    - Ample – *fully sufficient, more than enough*
    - All – *each and every one*
    - General and Uniform
    - Dependable and Regular
    - More than reading, writing, and math
4. The 1978 Court decision requires that the State must do two things: (1) further define the substantive content of Basic Education, and (2) develop a program for the delivery of this Basic Education (NEWS, November 19, 2007).
  - a. “Basic Education” is defined as providing all students access/opportunities to meet all State goals as defined in statute. These goals extend far beyond reading, writing, and math.
  - b. A program for the delivery of Basic Education is defined as the funding and services that a reasonable person would conclude increase the possibility of all students being able to meet these goals.

## Operationalization of this Definition:

1. Criteria needed to operationalize this definition include the following:
  - The focus must be on student achievement results –results/outcomes, not fiscal inputs (Bergeson, January 11, 2008; Jones, January 6, 2008). Since the definition of Basic Education is that all students reach established state goals, student achievement results are, therefore, the final measure of whether the finance system is working.
  - Future funding formulas must have a rational basis in fact (Porter, December 13, 2007; Jones, January 6, 2008). The Federal Way Fair School Funding Lawsuit findings to date clearly specify the need for a rational basis for funding levels.
  - Provision of funds for basic education by the State should result in an allocation model based on students’ needs. The allocation model of these funds is not synonymous with the spending model used by individual school districts, because of the importance of local control (Madson, December 13, 2007; A Way Forward Draft, January 2008).
  - The funding formula to support Basic Education should be accountable, research-based, and transparent (Washington Learns Final Report, November 2006).

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2. Since the system, as per legal findings, must be “rational,” and as per Washington Learns, it must be research-based and accountable, a “reasonable person” could support any of the following options in isolation or in concert:
  - a. Evidenced-based practices advocated by Odden and Picus (2006) or by Connolly (2007). This operationalization has the advantage of being based on specific services found to be effective on a nationwide scale.
  - b. Funding structures and expenditure formats found among the globally competitive states. This operationalization has the advantage of using the metric advanced by Washington Learns. In the most recent edition of Education Week “Quality Counts” (January 10, 2008), Massachusetts scores highest of all 50 states and was one of the globally competitive states referenced by Washington Learns.
  - c. Per student underfunding advanced by various Washington State lawsuits. This metric has the advantage of being exclusive to our own State. The Fair School Funding Lawsuit maintains that for equalization alone, the needed expenditure is \$375 million per year.
3. Since the State Legislature has not revised the K-12 funding system in over 30 years, it is safe to assume that the anticipated needed additional revenue will be large. Consequently, a reasonable person would understand the need to “phase in” the implementation of these changes. It is suggested that this be done by one-third each biennium over the next six years.
4. A reasonable person would also argue that one should begin with those additions funded that are most impactful to student achievement. When looking at Picus’ or Connolly’s work, the lists of most impactful interventions are quite similar. These include:
  - Tutoring for struggling students.
  - TOSA’s/coaches to improve instructional practices.
  - All-day kindergarten.
  - Focused professional development.

The State has already begun to implement some of these on a modest scale.

5. Transparency can be achieved by simplifying the current funding system. Two ways to implement transparency are:
  - a. A per student expenditure as advocated by Odden and Picus (2006). A reasonable person understands that the funding follows student need and that struggling students require more funds in order to succeed. For example, Jones (January 6, 2008), has taken the Picus work and translated it into staffing ratios, a small school factor, and enhanced staffing ratio to account for student needs. This is so simple, it can be outlined on one page (see Appendix B).

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b. Alternatively, revenue distribution could be simplified by dividing funding into two categories – Basic Education/Core Funding and Focused Support/Targeted Interventions Funding.

✓ Basic Education/Core Funding would include a uniform amount for every full time equivalent (FTE) K-12 grade student (A Way Forward, January 2008). Funds currently appropriated in the following programs include: (Jones, January 6, 2008)

- General Apportionment
- Highly Capable
- Transitional Bilingual
- Career and Technical Education
- LAP
- Student Learning Achievement
- Promoting academic success
- Professional education

*NERCs are part of the per student allocation under Basic Education/Core Funding.*

*NERCs are calculated on current expenditures needed in the 21<sup>st</sup> century, including technology, data management, and security, and are updated annually based on an inflation index.*

*(Jones, January 6,*

✓ Focused Support/Targeted Interventions Funding would include additional allocation for students eligible for free and reduced lunch, Special Education, and English language learners. In addition, earmarked monies would be available for pupil transportation, Skills Center, school facilities, and institutional programs. All are based on rational, measurable differences in student needs.

## **Accountability:**

1. There is plenty of accountability currently in place in the K-12 system (WASA, WSSDA, WEA, PSE, and PTA Panel Input (September 10, 2007).
2. Accountability measures currently include the following:
  - WASL performance per student at grades 3 – 10.
  - Student report cards at grades P-12.
  - Student graduation rates.
  - School specific annual report.
  - School specific annual comprehensive school improvement plan approved the local School Board.
  - School and district comparisons and AYP status.
  - School Board approval of annual goals, budgets, hiring, curricula adoptions.
  - Local community support of local bonds and levies.
3. Accountability exists at the student, school, district, and state levels.
  - a. Individual student accountability.
    - Student progress is measured by WASL, graduation rates, report cards, and other locally devised tracking metrics.

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- A clear scheme (see figure 1) is available for services to all, some, and a few students in all subject areas.
- For students who continue to struggle, State law requires an annual personalized Student Learning Plan (SLP) annually, in concert with teachers, students and parents.
- Struggling students may require extended learning opportunities around and beyond the school day and/or additional years in the K-12 system. The school cannot guarantee student success. However, the school must demonstrate that reasonable measures have been taken to permit success with available resources (Jones, January 6, 2008).

b. School and School District accountability.

- School and district accountability is delineated in the metrics listed in number 2 above.
- School accountability is assessed by the annual AYP status in all 36 cells.
- If a school falls below State standards, the school and school district are required to take increasing steps to improve. If schools cannot improve, the district gets increasingly involved with supportive resources.

c. State accountability.

- The State is responsible for providing adequate funding to every school district/school/student to reach State standards. If a school district fails, the State is responsible to provide additional support to correct deficiencies.
- The State is required as per the steps of AYP for federal oversight and eventual regulation.
- Legislative changes will need to be made in order to establish OSPI's regulatory role in this process.
- The No Child Left Behind Act has created an entitlement for students and a corresponding liability for states and schools. To manage that risk, it is imperative that the State establish standards, monitor carefully, distribute authority and responsibility, and provide ample resources (Jones, January 6, 2008).

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## Compensation:

Improving teacher quality is among the most cost effective ways to improve student outcomes (A Way Forward, January 2008). In addition to changing compensation to attract, develop, and reward high quality teachers, it is imperative that the State invest in on-going professional development. This investment would include the 10 additional days of professional development advocated by Picus and Odden, as well as the actual cost of State allocations for employee benefits for FICA, retirement, labor and industries, and unemployment compensation (Jones, January 6, 2008). Recommended improvements in compensation include the following:

1. The State develop an alternative salary schedule that addresses shortcomings in the existing compensation model. This alternative salary schedule would be voluntary through 2012. In 2012, the State would require all districts to adopt this schedule; however, districts that opt into the salary schedule would be issued a 5% increase in the general enrollment allocation for the higher costs (Odden and Picus, 2006; A Way Forward, January 2008).
2. The new schedule would be based on three levels of responsibilities and skills – novice, professional, and lead. This career ladder would recognize and reward high quality in teachers and provide more time and more money for higher skilled instructors (Odden and Picus, 2006; A Way Forward, January 2008).
3. It is recommended that additional funding be created for hard to staff positions, including high poverty districts, remote rural districts, as well as math and science positions (A Way Forward, January 2008).
4. Recent survey data by Davis, Hibbitz, and Midghall (July 2007) indicate that Washington residents respond that:
  - 80% believe that some teachers should earn more based on performance, assignments, and evaluation of their skills.
  - 68% indicate that the most important factor in teacher compensation should be the students' actual learning.
  - 73% strongly or somewhat support higher salaries for math and science teachers.

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Davis, Hibbitts, and Midghall. Washington Statewide Survey of Registered Voters – Summary Report, July 2007

Jones, A.H. “Proposed Basic Education Funding Framework.” January 6, 2008

Matson, D. WASBO Position Paper on OSPI Proposed Model for K-12 Funding Proposal. December 13, 2007.

NEWS. “Network for Excellence in Washington State.” Presentation to the Basic Education Finance Task Force, November 19, 2007.

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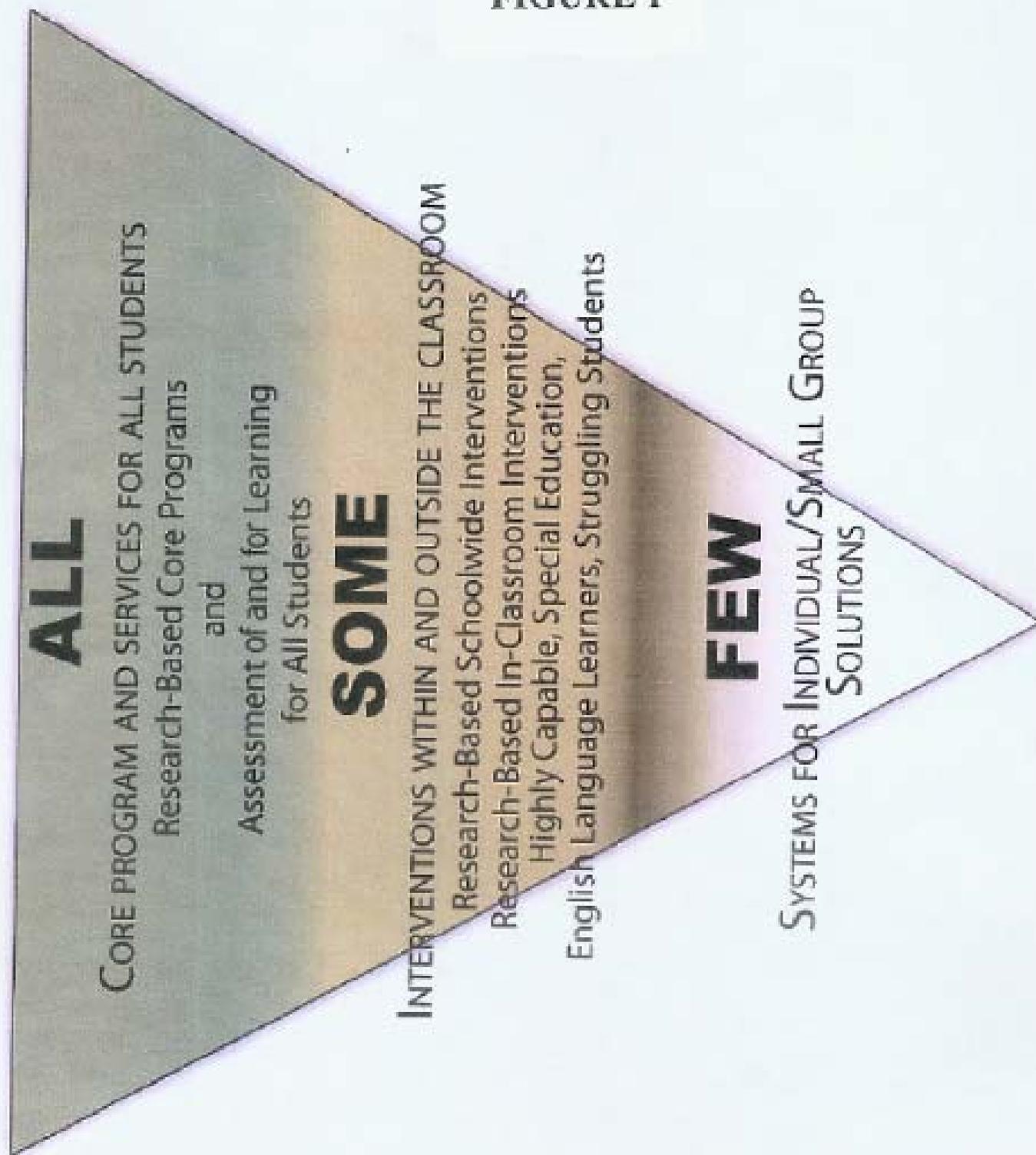
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“Quality Counts.” Education Week. January 10, 2008.

WASA, WSSDA, WEA, PSE, PTA Panel Presentation to the Basic Education Finance Task Force, September 10, 2007.

Washington Learns: World-Class, Learner-Focused, Seamless Education, November 2006

FIGURE 1



# TEN-YEAR GOALS FOR A WORLD-CLASS EDUCATION SYSTEM

1. Parents will be their children's first and best teachers, and will have the support they need to help their children "learn to learn" in their first years of life.
2. Families will have access to high-quality, affordable child care and early education programs staffed by providers and teachers who are adequately trained and compensated.
3. All children will enter kindergarten healthy and emotionally, socially and cognitively ready to succeed in school and in life.
4. All students will transition from third grade with the ability to read well and do basic math, and with the ability to actively participate in a learning environment.
5. All students will transition from eighth grade with demonstrated ability in core academic subjects, citizenship skills and an initial plan for high school and beyond.
6. All students will graduate from high school with an international perspective and the skills to live, learn and work in a diverse state and a global society.
7. All students will complete a rigorous high school course of study and demonstrate the abilities needed to enter a post-secondary education program or career path.
8. All Washingtonians will have access to affordable post-secondary education and workforce training opportunities that provide them with the knowledge and skills to thrive personally and professionally.
9. Washington will have a well-trained and educated workforce that meets the needs of our knowledge-based economy.
10. Academic research will fuel discoveries and innovations that allow Washington businesses to compete globally.

## APPENDIX B

### Staffing Ratios:

#### Base Certificated Instruction Staffing Ratios:

Grades K-3	80.0/1000 FTE students (derived from Picus & Odden) <sup>7</sup>
Grades 4-5	48.0/1000 " " " " "
Grades 6-12	53.3/1000 " " " " "

#### Certificated Instructional Staffing Ratio Enhancements:

Poverty Factor	38.3/1000 students eligible for free or reduced meals <sup>8</sup>
Non-English Factor	10.0/1000 English language learners (ELL students) <sup>9</sup>
Highly Capable Factor	\$25 per FTE student all grades (Picus & Odden) <sup>10</sup>
Substitute Teachers	\$1,100 per funded Teacher (Picus & Odden) <sup>11</sup>
Career & Tech Ed	62.6/1000 FTE CTE students <sup>12</sup>

#### Certificated Administrative Staffing Ratios

All Grades	4.00/1000 (current formula)
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#### Classified Staffing Ratios

Classified FTEs	1.0 FTE per 3.0 FTE funded certificate instructional FTE (current formula)
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#### Small School Factors

Current small school factors are needlessly complex. Enhanced funding for small schools can be simplified while preserving the current rationale and approximate funding levels. The simpler approach is to allocate staff units and NERC on the standard formula and define maximum enhancements that gradually decrease to zero as enrollment increases.

<sup>7</sup> Picus and Odden broke out funding for core teachers, specialist teachers, and instructional support. The ratios shown here combine these and convert to a staff to 1000 FTE student ratio.

<sup>8</sup> The poverty staffing ratio shown is derived from Picus and Odden combining tutor, extended day, and summer school support and assuming an average class size of 15 students.

<sup>9</sup> The ELL staffing ratio shown is derived from Picus and Odden assuming 1 teacher per 100 ELL students and an average class size of 15 students.

<sup>10</sup> The highly capable allocation would increase annually with teacher salaries and benefits.

<sup>11</sup> The substitute teacher allocation of ten days at \$110 per day would increase annually with teacher salaries and benefits.

<sup>12</sup> The CTE formula increases the certificated instructional staffing ratio for grades 9-12 by 18%, which is the current enhancement per FTE student provided by the current state formula.