Recommendations of the Washington Association of School Administrators
To the Washington State Legislature’s Education Funding Task Force
July 2016

Executive Summary

The Washington Association of School Administrators appreciates the opportunity to provide input to the Education Funding Task Force regarding their assignment. Our recommendations are listed below, organized around the specific task force responsibilities as defined in E2SSB 6195, Section 2.

1. The education funding task force is established to ... make recommendations to the legislature on implementing the program of basic education as defined in statute.

Recommendation:

Implement the prototypical school funding model as defined in the QEC 2010 Report and maintain the statutory expectation that such funds are for allocation purposes only.

In his 2016 budget request, State Superintendent of Public Instruction Randy Dorn used the QEC recommended values as a starting point but made proposed modifications in some of the staffing levels. WASA supports the rationale used by Superintendent Dorn in making those adjustments. We would support either the 2010 QEC recommendation, or the 2016 OSPI budget request. Whichever target is selected by the Legislature, full funding should be achieved within four years.

Steps should also be taken immediately to provide ample allocations for programs that aren’t part of the prototypical formula such as special education, certificated and classified substitute costs, free/reduced meal costs, professional development, and any other areas of underfunding not fully addressed by the prototypical model.

2. Using the data and analysis provided by the consultant and the previous body of work provided to the legislature, the task force must, at a minimum, make 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.

**Recommendation:**

Begin implementation of the salary allocation model proposed by the Compensation Technical Working Group with values adjusted to reflect cost of living increases that have occurred since the study was completed. Balancing the urgency of addressing inadequate educator salaries with the time needed to implement such a significant change, we recommend that the new model be implemented over four years. That would also provide ample time during the transition period to review and adjust any of the recommendations which may not make sense in the current context. Such a review should involve both legislators and representatives of the groups who will be impacted by the new system.

(2) The recommendations must also include provisions indicating whether:

(a) A system for future salary adjustments should be incorporated into the salary allocation model and if so, the method for providing the adjustment;

**Recommendation:**

Implement the Compensation Technical Working Group proposal found on page 14 of their Final Report:

*To ensure that the K–12 salary allocations keep pace with the wages of comparable occupations, the CTWG recommends that the comparable wage analysis be conducted every four years and allocations be adjusted accordingly, if necessary. In the interim, state allocations should be adjusted annually with the Seattle-Tacoma-Bremerton Consumer Price Index as per the provisions of Initiative 732.*

(2) The recommendations must also include provisions indicating whether:

(b) A local labor market adjustment formula should be incorporated into the salary allocation model and if so, the method for providing the adjustment. This must include considerations for rural and remote districts and districts with economic and distressing factors that affect recruitment and retention.

**Recommendation:**

A labor market adjustment should be utilized which includes two elements—an index that reflects cost-of-living differences, and one that addresses the needs of school districts in hard to recruit and retain areas. Both indices should rely on district-level data rather than factors at a county or regional level.
For cost of living differences, the US Census provides district-level median home values and the data is updated every few years. That would provide a reasonable proxy for cost-of-living differences. To address needs of districts in hard to recruit areas, we propose an index based on a multi-year average of district staff mix factors. Both indices should be calculated for each district and the higher of the two should be applied to each district’s salary allocation.

(3) The task force must review available information to determine whether additional state legislation is needed to help school districts to support state-funded, all-day kindergarten and class-size reduction in kindergarten through third grade.

Recommendation:

To ensure all school districts have the resources to secure additional facility space necessary to accommodate all-day kindergarten and K–3 class size reduction, WASA urges the Legislature to:

1. Advance a constitutional amendment to the people authorizing school district bond issues to be approved with a simple majority vote;
2. Enhance the State’s investment in K–12 construction by updating the current, outdated funding formulas for the Construction Cost Allowance and Student Space Allocation to ensure funding more closely reflects actual construction costs and educational space needs; and
3. Provide a significant increase in capital funds to assist school districts with necessary new construction or modernization.

(5) The task force must also make recommendations regarding:

(a) Local maintenance and operation levies and local effort assistance;

Recommendation:

Local levies can be reduced after state funding has increased to cover basic education costs formerly paid with those local dollars. Such reductions should only occur after the new state funding is fully integrated into school district operating costs.

Even with a reduced levy, there would still be a need for LEA due to the dramatic disparity in district property values and related levy rates. We stand ready to work with the Legislature to review and revise the current LEA formula as long as any changes create an equitable learning opportunity for all students regardless of their zip code.

(5) The task force must also make recommendations regarding:

(b) Local school district collective bargaining;
Recommendation:

RCW 28A.400.200 should be amended to eliminate current TRI provisions and to only allow for locally funded salaries related to:

- Additional recorded time needed to implement student programs outside of the state-funded contract school day.
- Additional duties not funded by the state basic education allocation (e.g., instructional coaches, department chairs, etc.).
- Additional recorded time for staff professional development outside of the state-funded contract school day or school year.

With this statutory change, collective bargaining should continue to occur at the local level except for state-funded salaries and insurance benefits. Those compensation elements should be bargained at the state level with a panel composed of the unions who represent staff impacted by the state-level compensation decisions.

(5) The task force must also make recommendations regarding:

(c) Clarifying the distinction between services provided as part of the state’s statutory program of basic education and services that may be provided as local enrichment;

Recommendation:

Assign a task force to study this issue and make legislative recommendations after a fully developed basic education funding plan is adopted by the Legislature. The task force should be made up of equal numbers of legislative and school district representatives who have extensive knowledge and expertise in this area.

(5) The task force must also make recommendations regarding:

(d) District reporting, accounting, and transparency of data and expenditures;

Recommendation:

Work with OSPI and WASBO, the school business officials’ association, to collaboratively design an efficient system to provide the data necessary to evaluate school districts’ use of funds from state, local, and federal sources. After the system is defined it should only be launched after the Legislature fully funds the cost of implementation at both the state and district levels.

(5) The task force must also make recommendations regarding:

(e) The provision and funding method for school employee health benefits;
Recommendation:
Work with OSPI and representatives from all categories of K–12 employees to design and implement a unified employee health benefit system similar to PEBB.

(5) The task force must also make recommendations regarding:
(f) Sources of state revenue to support the state's statutory program of basic education.

Recommendation:
We strongly support an expansion of state revenues to ensure the Legislature is able to fully comply with the constitutional paramount duty with “regular and dependable” sources of funding.

We do not claim to be tax experts and do not feel qualified to determine the “best option” to secure ample funding for basic education. Even the legislators serving on the Joint Task Force of Education Funding were unable to recommend a single proposal. We suggest that the Education Funding Task Force follow their lead and advance a list of potential choices, so your colleagues will have a full menu of options from which to choose.

While we do not suggest any specific sources of revenue, there are three guiding principles we strongly advocate the Legislature follow in deciding on any new revenue package:

(1) The revenue system should be designed to provide ample and dependable full funding of basic education, rather than adjusting basic education to fit the revenue package;
(2) Any new taxes or changes to existing taxes should result in a system that is less regressive for the Washington citizens; and
(3) Any proposal to fund basic education that simply “swaps” state and local property tax authority without providing significant new state funding will not result in ample funding and, therefore, cannot be supported.

The Washington Association of School Administrators appreciates the opportunity to share these recommendations related to the Education Funding Task Force’s legislative proposal. We stand ready to provide any additional input that would be helpful in completing your assignment.

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