Local Funding Workgroup
Talking Points

1) **How does this message differ from the principles of the McCleary decision?**

It doesn’t. We strongly support the McCleary decision and full funding of Basic Education under the principles outlined in the case. Our concern is about the sequencing of K-12 finance reforms that will be implemented by the Legislature to satisfy the requirements of McCleary. New state funding must first cover the actual cost of basic education labor relieving local school district taxpayers of this obligation.

2) **Why is it important to first cover the cost of basic education compensation?**

McCleary reaffirmed that basic education is the responsibility of the State. Yet, the State pays only a portion of the actual cost of compensation for basic education staff relying on local school district taxpayers to cover the shortfall. The table below compares the average State allocation to the average actual salary for different types of employee.

<table>
<thead>
<tr>
<th>Type of Employee</th>
<th>Average State Allocation</th>
<th>Average Actual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificated Instructional</td>
<td>$52,526</td>
<td>$64,843</td>
</tr>
<tr>
<td>Certificated Administrators</td>
<td>$57,986</td>
<td>$110,027</td>
</tr>
<tr>
<td>Classified</td>
<td>$31,865</td>
<td>$42,266</td>
</tr>
</tbody>
</table>

The Legislature has not addressed the State’s underfunding of market salaries and has failed to fund staff time for professional development; the problem continues to grow with an increasing amount of basic education salary paid from local levies. According to OSPI data, in SY 87-88 the State paid 99.1% of school district employee salaries. By SY 12-13 that number had fallen to 77.0%.
The issue is NOT a loss of salary growth due to the repeated suspension of I-732. Rather, the issue is the State’s underfunding of salaries currently being paid through a combination of State-provided allocations and local school district levies. School Districts pay 53% of their current levy dollars to support compensation.

While we support providing a COLA to educators, it is not a solution to the underfunding of current salaries. COLAs increase the amount school districts have to pay out of local levies to cover the funding gap for each state funded employee. Additionally, school districts must fund any COLA provided for all non-State funded employees – including those charged to federal programs and local levies. Under this current structure there is a burgeoning problem. Until the State pays the full cost of basic education labor costs, each new staff added to reduce class size, and each State-granted salary increase only escalates the system’s reliance on local school district taxpayer funding. Decreasing local levy authority without first addressing the compensation underfunding will seriously impact districts ability to meet their contractual obligations.

If we are going to continue to attract the best and brightest college students to the field of education, we must consider the recommendations of the Compensation Technical Workgroup. These recommendations are based on solid employment data. We ask that the data included in the Compensation Technical Workgroup report be updated and used as the basis for the State’s basic education salary allocations.

3) **Why is the system’s reliance on local levies to fund basic education a problem?**

Our State Supreme Court has ruled that the State must have a dependable tax source to pay for its K12 obligations. The Court has found that local excess levies do not meet that test and therefore are not a constitutionally compliant source of funding for basic education. School levies must be renewed at least every four years.
Even without the Court’s concerns reliance on local funding for basic education results in “poor and rich” districts because the amount of funds raised through local levies varies widely from district to district both in the amount raised per student and the extent of the burden to the local taxpayers.

4) **Are you asking for higher salaries for school district employees?**

We are asking first for the actual cost of basic education staffing to be fully funded; then for the state to address competitive, market rate salaries. We are emphasizing that this first step must be addressed prior to any changes that reduce current local levy authority.

5) **How does increasing compensation positively impact student learning?**

RCW 28A.400.201 states:

> The legislature recognizes that providing students with the opportunity to access a world-class educational system depends on our continuing ability to provide students with access to world-class educators. The legislature also understands that continuing to attract and retain the highest quality educators will require increased investments.

The Compensation Technical Workgroup identified comparative market salaries. The Compensation Technical Workgroup further found “that public school employees in our schools are fundamental in providing basic education to all students in the state, and as such, the state has a responsibility to establish an equitable and adequate allocation system for their compensation.”

6) **Why is it the State’s responsibility to fund Professional Development?**

Professional Development is critical to ensure that Washington’s educators are provided training on advanced subject matter and teaching strategies. The Compensation Technical Workgroup recommended ten (10) dedicated Professional Development days for instructional staff.
7) Can the Legislature concurrently address the State K-12 salary underfunding, lower class size, provide COLAS, and reduce levies?

It is possible with enough resources. Unfortunately, the sheer size of the price tag for each of these needs will probably preclude concurrent implementation. Nonetheless, the sequence of change remains critical and there must be a well thought out plan. Currently, the 28% levy lid is set to be reduced to 24% in 2018, which already creates great concern for many school districts and highlights the importance of solving the compensation problem in the upcoming session.

The problem under the current structure is growing every year. Washington’s school districts are required to supplement state basic education salary allocations from local levies in order to meet market demands.

Any loss of local levy authority will directly impact programs and classroom activities. Smaller class sizes, while best for our children, will exacerbate an already critical problem.

The cost of current and additional staff required by I-1351 or the McCleary decision must be fully funded before any reduction in local levy authority.

Local Funding Workgroup Levy Expenditure data provided by OSPI is available by clicking on the following link and then click on “Local District Levy Worksheet.”

To view information for your school district, go to the “pivot” tab at the bottom of the spreadsheet. Then go to B1 (Row 1, column B) and on the drop down menu, click on your school district and then click ok. This will provide the dollar amounts for your district. Next, go to G1 (row 1, column G) and, again, on the drop down menu find your school district and then click ok. Both the data sheet and the charts, located on the “chart” tab, will change when you change school districts on B1 and G1 on the “pivot” tab.

http://www.wasbo.org/?page=12