

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>377.1</b>	<b>21,502,759</b>	<b>2,402,478</b>	<b>23,905,237</b>
<b>Maintenance Other Changes:</b>				
1. Safety Net Adjustments	0.0	4,865	0	4,865
2. National Board Bonus Costs	0.0	7	0	7
3. Staff Mix	0.0	3,465	6	3,471
4. Small School Factor	0.0	(1,939)	521	(1,418)
5. Prior School Year Adjustments	0.0	62,792	(42)	62,750
6. Enrollment/Workload Adjustments	0.0	(73,852)	(12,383)	(86,235)
7. Bus Depreciation	0.0	3,521	0	3,521
8. Student Transportation	0.0	1,491	(656)	835
9. Federal Funding Adjustment	0.0	0	45,500	45,500
10. K-12 Inflation	0.0	(226)	0	(226)
11. Reduce Early Elementary Class Size	0.0	(19,679)	(26)	(19,705)
12. Madison v. OSPI	0.0	582	0	582
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(18,973)</b>	<b>32,920</b>	<b>13,947</b>
<b>Maintenance Comp Changes:</b>				
13. Move Pension Fund Shift to Agencies	0.0	(2,915)	2,915	0
14. Updated PEBB Rate	0.0	(144)	(95)	(239)
15. Paid Family Leave--Employer Premium	0.0	12	8	20
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>(3,047)</b>	<b>2,828</b>	<b>(219)</b>
<b>Maintenance Central Services Changes:</b>				
16. Audit Services	0.0	30	0	30
17. Legal Services	0.0	(3)	(1)	(4)
18. Administrative Hearings	0.0	(1)	0	(1)
19. CTS Central Services	0.0	(5)	0	(5)
20. DES Central Services	0.0	12	0	12
21. OFM Central Services	0.0	9	0	9
22. Workers' Compensation	0.0	3	0	3
23. DES Rate Compensation Changes	0.0	52	0	52
<b>Maintenance -- Central Svcs Total</b>	<b>0.0</b>	<b>97</b>	<b>(1)</b>	<b>96</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(21,923)</b>	<b>35,747</b>	<b>13,824</b>
<b>2017-19 Maintenance Level</b>	<b>377.1</b>	<b>21,480,836</b>	<b>2,438,225</b>	<b>23,919,061</b>

KINDERGARTEN THROUGH GRADE 12 EDUCATION

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**Public Schools (cont.)**

**Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>Policy Other Changes:</b>				
24. Strategic Science Investment	0.0	500	0	500
25. Grant Management System Upgrade	0.0	1,268	513	1,781
26. Data Center Migration	0.0	1,451	0	1,451
27. Suicide Prevention Training	0.0	65	0	65
28. High School & Beyond Plan Support	0.0	17,427	113	17,540
29. Website Upgrade for ADA Compliance	0.0	565	0	565
30. Bilingual Educator Initiative	0.0	1,000	0	1,000
31. Higher Education Readiness Outreach	0.0	290	0	290
32. College Bound Outreach	0.0	100	0	100
33. Career-Connected Learning	0.7	156	0	156
34. Retiree Remittance Adjustment	0.0	5,276	15	5,291
35. Safety Net	0.0	1,250	0	1,250
36. Apportionment Schedule Revision	0.0	(602,660)	(1,815)	(604,475)
37. Science Standards Pro Learning	0.0	6,000	0	6,000
38. Align Career & Technical Education	0.5	150	0	150
39. K-12 Salary Allocations	0.0	759,249	2,173	761,422
40. Equity in Student Discipline	0.0	236	0	236
41. K-8 Redesign Study	0.0	100	0	100
42. National History Day	0.0	150	50	200
<b>Policy -- Other Total</b>	<b>1.2</b>	<b>192,573</b>	<b>1,049</b>	<b>193,622</b>
<b>Policy Comp Changes:</b>				
43. PERS & TRS Plan 1 Benefit Increase	0.0	13,795	52	13,847
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>13,795</b>	<b>52</b>	<b>13,847</b>
<b>Policy Transfer Changes:</b>				
44. ELA Coordinators	0.0	330	0	330
<b>Policy -- Transfer Total</b>	<b>0.0</b>	<b>330</b>	<b>0</b>	<b>330</b>
<b>Policy Central Services Changes:</b>				
45. Legal Services	0.0	4	1	5
46. Administrative Hearings	0.0	13	0	13

**KINDERGARTEN THROUGH GRADE 12 EDUCATION**

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**Public Schools (cont.)**

**Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
47. CTS Central Services	0.0	27	0	27
48. DES Central Services	0.0	70	0	70
49. OFM Central Services	0.0	25	0	25
50. CTS Fee for Service Adjustment	0.0	15	0	15
<b>Policy -- Central Svcs Total</b>	<b>0.0</b>	<b>154</b>	<b>1</b>	<b>155</b>
<b>Total Policy Changes</b>	<b>1.2</b>	<b>206,852</b>	<b>1,102</b>	<b>207,954</b>
<b>2017-19 Policy Level</b>	<b>378.2</b>	<b>21,687,688</b>	<b>2,439,327</b>	<b>24,127,015</b>

**POLICY CHANGES**

**1. Safety Net Adjustments**

The special education safety net is available for districts demonstrating extraordinary special education program costs exceeding state and federal funding allocations. This item reflects adjustments to safety net allocations based on historical trends. (General Fund-State)

**2. National Board Bonus Costs**

Washington offers a bonus to all eligible K-12 public National Board-certified teachers. Bonuses are paid at the end of each school year in the following fiscal year. Assumptions reflect an increase in National Board-certified teachers beyond the projection in the biennial budget. (General Fund-State)

**3. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State; WA Opportunity Pathways Account-State)

**4. Small School Factor**

The 2018 supplemental budget adjusts allocations for the small school factor. The allocation for small schools' certificated instructional staff and certificated administrative staff units are assumed to decrease slightly for the 2017-18 and 2018-19 school years. (General Fund-State; WA Opportunity Pathways Account-State)

**5. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State; WA Opportunity Pathways Account-State)

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**Public Schools (cont.)****Recommendation Summary****6. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments for the most recent forecast of the charter school enrollment caseload for the 2017-18 and 2018-19 school years. Charter school K-12 full-time equivalent enrollment is projected to be 547 students less than anticipated in the biennial budget for the 2017-18 school year and 793 less for the 2018-19 school year. (General Fund-State; WA Opportunity Pathways Account-State)

**7. Bus Depreciation**

OSPI makes payments to school districts for district-owned school buses based on a 13-year or 8-year depreciation cycle. The 2018 supplemental budget reflects updates to projected bus depreciation payments since the passage of the biennial budget. (General Fund-State)

**8. Student Transportation**

The 2018 supplemental budget reflects adjustments in the allocations for student transportation in the 2017-18 and 2018-19 school years. OSPI distributes operations funding using the Student Transportation Allocation Reporting System (STARS). STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system. (General Fund-State; WA Opportunity Pathways Account-State)

**9. Federal Funding Adjustment**

The 2018 supplemental budget includes increased federal authority of \$1,500,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)

**10. K-12 Inflation**

The maintenance level budget reflects adjustments to inflation provided for the 2018-19 school year. Based on the Economic Revenue and Forecast Council's November forecast, the Seattle Consumer Price Index is forecast to be 2.9 percent for the 2018-19 school year. This is an increase of 0.2 percent from the assumption in the 2017-19 biennial budget. (General Fund-State)

**11. Reduce Early Elementary Class Size**

Chapter 236, Laws of 2010 (fund distribution formulas for K-12 education) established new formulas that require class sizes of 17 students for grades kindergarten through three by the 2017-18 school year. Distribution of funds for lower class sizes is contingent upon demonstration of actual class size reductions. This adjustment reflects the expectation that it will take some time for districts to achieve full class size reduction and the state will realize some savings in the 2018-19 school year. (General Fund-State; WA Opportunity Pathways Account-State)

**12. Madison v. OSPI**

The American Civil Liberties Union (ACLU) filed a class action complaint against the Office of the Superintendent of Public Instruction (OSPI) on behalf of students who require special education services and reside in the Pasco or Yakima school districts. The 2018 supplemental budget funds the Attorney General's Office estimates of legal services costs of \$269,000 in fiscal year 2018 and \$313,000 in fiscal year 2019. (General Fund-State)

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**Public Schools (cont.)****Recommendation Summary****13. Move Pension Fund Shift to Agencies**

In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

**14. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

**15. Paid Family Leave--Employer Premium**

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal; Educator Certification Processing Account-Non-Appr; other accounts)

**16. Audit Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State)

**17. Legal Services**

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; WA Opportunity Pathways Account-State)

**18. Administrative Hearings**

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State)

**19. CTS Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

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## Public Schools (cont.)

### Recommendation Summary

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#### 20. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

#### 21. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

#### 22. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

#### 23. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State)

#### 24. Strategic Science Investment

Funding is provided to strategically address statewide climate and environmental sustainability literacy in all grades. Activities will include (1) development of statewide professional learning in climate and environmental sustainability aligned with the educational learning and academic requirements, (2) building of frameworks for earth- and climate-focused science lessons and activities that can translate between classroom-based and outdoor learning environments, (3) creation of short formative classroom-based assessment tasks for each of the elementary grade levels and (4) expansion of the science fellows network. (General Fund-State)

#### 25. Grant Management System Upgrade

The Washington Every Student Succeeds Act (ESSA) Consolidated Plan emphasizes greater cross-program coordination, planning and service delivery. Funding is provided to upgrade the statewide grant management system to allow districts to take advantage of this new flexibility and use a big picture approach to meet student needs by combining federal, state and local dollars. (General Fund-State; General Fund-Federal)

#### 26. Data Center Migration

Funding is provided to migrate the OSPI data center to the State Data Center (SDC) in compliance with the OCIO policy that all agencies locate servers at the SDC by June 30, 2019. (General Fund-State)

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## Public Schools (cont.)

### Recommendation Summary

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#### 27. Suicide Prevention Training

Suicide is the second leading cause of death for youth ages 15-19 in Washington. Funding is provided for evidence-based training and relevant referral resources to help identify struggling students and direct these students to appropriate care. All school staff will have access to online suicide prevention training and students will have access to a text-based crisis hotline. (General Fund-State)

#### 28. High School & Beyond Plan Support

Beginning with the 2017-18 school year, students must create High School and Beyond plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (General Fund-State; WA Opportunity Pathways Account-State)

#### 29. Website Upgrade for ADA Compliance

The Office for Civil Rights of the U.S. Department of Education determined that the current OSPI website has barriers to access for people with disabilities. Funding is provided to upgrade existing public website functionality with modern accessibility functionality. (General Fund-State)

#### 30. Bilingual Educator Initiative

The Bilingual Educator Initiative is established in RCW 28A.180.120, subject to funding. Funding the initiative allows the Public Educator Standards Board to partner with two- and four-year colleges to plan and administer a pilot program to recruit, prepare and mentor bilingual high school students interested in becoming teachers or school counselors. Pilot projects will be implemented in one or two districts on each side of the state and support students from middle school through college on their paths to become educators. (General Fund-State)

#### 31. Higher Education Readiness Outreach

The Higher Education Readiness Outreach program supports low-income students through the transition from 8th grade into high school using advising, academic and attendance monitoring, and leadership development. Funding supports the expansion of the program into two high schools in Spokane. (General Fund-State)

#### 32. College Bound Outreach

The Washington College Bound program provides support and guidance for low-income students as they progress through high school and into the College Bound scholarship. Funding supports one regional officer at a nonprofit focused on College Bound student success to serve the coast and peninsula regions where a low percentage of eligible students stay on track and complete the steps to receive the scholarship. (General Fund-State)

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## Public Schools (cont.)

### Recommendation Summary

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#### 33. Career-Connected Learning

Funding is provided for staff at the State Board for Community and Technical Colleges, Workforce Training Board, Employment Security Department, Department of Labor and Industries and the Office of Superintendent of Public Instruction to assist the Office of the Governor in developing a strategic plan for youth apprenticeship and career-connected learning. The agencies will engage with business and education stakeholders to inventory existing state and local systems and programs, analyze barriers and propose policies that support statewide implementation of registered youth apprenticeships. (General Fund-State)

#### 34. Retiree Remittance Adjustment

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State; WA Opportunity Pathways Account-State)

#### 35. Safety Net

OSPI is directed to work with the Office of Financial Management and the Legislature to expand the safety net program by lowering the safety net threshold beginning with the 2018-19 school year. Funding provides ten additional staff for the Special Education program, primarily to support the expansion of the safety net program. These staff will support the work of the safety net committee, provide training and support to districts applying for safety net awards, and support compliance with the federal Every Student Succeeds Act. Increased funding for safety net payments begins in fiscal year 2020 because safety net funds are disbursed in August, the last month of the school year. (General Fund-State)

#### 36. Apportionment Schedule Revision

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State; WA Opportunity Pathways Account-State)

#### 37. Science Standards Pro Learning

Funding is provided for grants to school districts and educational service districts to support professional learning in the Next Generation Science Standards. Professional learning is funded for teachers in one grade level in each elementary, middle and high school and will include training on climate change literacy. (General Fund-State)

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## Public Schools (cont.)

### Recommendation Summary

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#### 38. Align Career & Technical Education

Funding is provided for staff at five separately governed state agencies to assist the Office of the Governor along with business, academia, and philanthropy in developing a strategic plan for youth apprenticeship and career-connected learning. The Office of the Superintendent of Public Instruction, the State Board for Community and Technical Colleges, the Workforce Training Board, the Department of Labor and Industries, and Employment Security Department will inventory the existing state and local systems and programs, analyze barriers and propose policies that support statewide implementation of registered apprenticeships. (General Fund-State)

#### 39. K-12 Salary Allocations

Legislation enacted in 2017 to address basic education funding increased state salary allocations for educators and school staff beginning in the 2018-19 school year. In addition, the bill committed the state to reaching full implementation of these salary increases in the 2019-20 school year, one year after the legislative deadline to fully fund basic education. Funding is provided to reach this full funding of state salary allocations in the 2018-19 school year. The minimum salary allocation is \$65,024 for certificated instructional staff, \$46,647 for classified staff, and \$96,520 for certificated administrative staff. (General Fund-State; WA Opportunity Pathways Account-State)

#### 40. Equity in Student Discipline

Funding is provided for additional staff at OSPI to develop and implement a targeted technical assistance and monitoring process to address concerns about equity in student discipline around the state. Students of color and students with disabilities are disproportionately impacted by the use of suspensions and expulsions. Additional program staff will provide districts the support they need to implement evidence-based practices to eliminate these disparities and maintain a safe, positive school climate. (General Fund-State)

#### 41. K-8 Redesign Study

Research shows that providing underserved students with more opportunities to access student supports can help close the achievement gap. Funding is provided for a study on the impact on student success of lengthening the school day and/or year in grades kindergarten through 8th grade to make time for additional academic and non-academic supports. (General Fund-State)

#### 42. National History Day

National History Day challenges students to conduct historical research using primary and secondary sources while exploring multiple perspectives and interpretations of American history. Declining sponsorship has caused participation fees to increase, creating an opportunity gap. Funding provides a statewide outreach campaign and program access for all students, including those whose families or districts cannot afford the participation fees. (General Fund-State; General Fund-Local)

#### 43. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal; WA Opportunity Pathways Account-State; other accounts)

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## Public Schools (cont.)

### Recommendation Summary

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#### 44. ELA Coordinators

Legislation enacted in 2013 to strengthen student outcomes provided a block of funding for one elementary English Language Arts (ELA) coordinator at each of the nine educational service districts. Funding is converted from a block grant in the Education Reform program to full-time equivalent staffing units in the Educational Services Districts program. This maintains the integrity of the funding stream by providing cost-of-living and other employee benefits adjustments. (General Fund-State)

#### 45. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; WA Opportunity Pathways Account-State)

#### 46. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State)

#### 47. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

#### 48. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

#### 49. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

#### 50. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
OSPI & Statewide Programs  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>330.4</b>	<b>97,732</b>	<b>85,119</b>	<b>182,851</b>
<b>Maintenance Other Changes:</b>				
1. Federal Funding Adjustment	0.0	0	15,000	15,000
2. Madison v. OSPI	0.0	582	0	582
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>582</b>	<b>15,000</b>	<b>15,582</b>
<b>Maintenance Comp Changes:</b>				
3. Move Pension Fund Shift to Agencies	0.0	(2,126)	2,126	0
4. Updated PEBB Rate	0.0	(104)	(62)	(166)
5. Paid Family Leave--Employer Premium	0.0	9	6	15
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>(2,221)</b>	<b>2,070</b>	<b>(151)</b>
<b>Maintenance Central Services Changes:</b>				
6. Audit Services	0.0	30	0	30
7. Legal Services	0.0	(3)	0	(3)
8. Administrative Hearings	0.0	(1)	0	(1)
9. CTS Central Services	0.0	(5)	0	(5)
10. DES Central Services	0.0	12	0	12
11. OFM Central Services	0.0	9	0	9
12. Workers' Compensation	0.0	3	0	3
13. DES Rate Compensation Changes	0.0	52	0	52
<b>Maintenance -- Central Svcs Total</b>	<b>0.0</b>	<b>97</b>	<b>0</b>	<b>97</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(1,542)</b>	<b>17,070</b>	<b>15,528</b>
<b>2017-19 Maintenance Level</b>	<b>330.4</b>	<b>96,190</b>	<b>102,189</b>	<b>198,379</b>
<b>Policy Other Changes:</b>				
14. Grant Management System Upgrade	0.0	1,268	513	1,781
15. Data Center Migration	0.0	1,451	0	1,451
16. Suicide Prevention Training	0.0	65	0	65
17. High School & Beyond Plan Support	0.0	886	0	886
18. Website Upgrade for ADA Compliance	0.0	565	0	565

KINDERGARTEN THROUGH GRADE 12 EDUCATION

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**Public Schools (cont.)  
OSPI & Statewide Programs  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
19. Bilingual Educator Initiative	0.0	1,000	0	1,000
20. Higher Education Readiness Outreach	0.0	290	0	290
21. College Bound Outreach	0.0	100	0	100
22. Career-Connected Learning	0.7	156	0	156
23. Science Standards Pro Learning	0.0	6,000	0	6,000
24. Align Career & Technical Education	0.5	150	0	150
25. Equity in Student Discipline	0.0	236	0	236
26. K-8 Redesign Study	0.0	100	0	100
27. National History Day	0.0	150	50	200
<b>Policy -- Other Total</b>	<b>1.2</b>	<b>12,417</b>	<b>563</b>	<b>12,980</b>
<b>Policy Comp Changes:</b>				
28. PERS & TRS Plan 1 Benefit Increase	0.0	13	7	20
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>13</b>	<b>7</b>	<b>20</b>
<b>Policy Central Services Changes:</b>				
29. Legal Services	0.0	4	0	4
30. Administrative Hearings	0.0	13	0	13
31. CTS Central Services	0.0	27	0	27
32. DES Central Services	0.0	70	0	70
33. OFM Central Services	0.0	25	0	25
34. CTS Fee for Service Adjustment	0.0	15	0	15
<b>Policy -- Central Svcs Total</b>	<b>0.0</b>	<b>154</b>	<b>0</b>	<b>154</b>
<b>Total Policy Changes</b>	<b>1.2</b>	<b>12,584</b>	<b>570</b>	<b>13,154</b>
<b>2017-19 Policy Level</b>	<b>331.5</b>	<b>108,774</b>	<b>102,759</b>	<b>211,533</b>

**POLICY CHANGES**

**1. Federal Funding Adjustment**

The 2018 supplemental budget includes increased federal authority of \$15,000,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)

**Public Schools (cont.)**  
**OSPI & Statewide Programs**  
**Recommendation Summary**

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**2. Madison v. OSPI**

The American Civil Liberties Union (ACLU) filed a class action complaint against the Office of the Superintendent of Public Instruction (OSPI) on behalf of students who require special education services and reside in the Pasco or Yakima school districts. The 2018 supplemental budget funds the Attorney General's Office estimates of legal services costs of \$269,000 in fiscal year 2018 and \$313,000 in fiscal year 2019. (General Fund-State)

**3. Move Pension Fund Shift to Agencies**

In the enacted 2017-19 budget, the Legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

**4. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

**5. Paid Family Leave--Employer Premium**

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal; Educator Certification Processing Account-Non-Appr; other accounts)

**6. Audit Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State)

**7. Legal Services**

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

**8. Administrative Hearings**

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State)

**Public Schools (cont.)**  
**OSPI & Statewide Programs**  
**Recommendation Summary**

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**9. CTS Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

**10. DES Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

**11. OFM Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

**12. Workers' Compensation**

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

**13. DES Rate Compensation Changes**

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (General Fund-State)

**14. Grant Management System Upgrade**

The Washington Every Student Succeeds Act (ESSA) Consolidated Plan emphasizes greater cross-program coordination, planning and service delivery. Funding is provided to upgrade the statewide grant management system to allow districts to take advantage of this new flexibility and use a big picture approach to meet student needs by combining federal, state and local dollars. (General Fund-State; General Fund-Federal)

**15. Data Center Migration**

Funding is provided to migrate the OSPI data center to the State Data Center (SDC) in compliance with the OCIO policy that all agencies locate servers at the SDC by June 30, 2019. (General Fund-State)

**16. Suicide Prevention Training**

Suicide is the second leading cause of death for youth ages 15-19 in Washington. Funding is provided for evidence-based training and relevant referral resources to help identify struggling students and direct these students to appropriate care. All school staff will have access to online suicide prevention training and students will have access to a text-based crisis hotline. (General Fund-State)

**Public Schools (cont.)**  
**OSPI & Statewide Programs**  
**Recommendation Summary**

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**17. High School & Beyond Plan Support**

Beginning with the 2017-18 school year, students must create High School and Beyond plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (General Fund-State)

**18. Website Upgrade for ADA Compliance**

The Office for Civil Rights of the U.S. Department of Education determined that the current OSPI website has barriers to access for people with disabilities. Funding is provided to upgrade existing public website functionality with modern accessibility functionality. (General Fund-State)

**19. Bilingual Educator Initiative**

The Bilingual Educator Initiative is established in RCW 28A.180.120, subject to funding. Funding the initiative allows the Professional Educator Standards Board to partner with two- and four-year colleges to plan and administer a pilot program to recruit, prepare and mentor bilingual high school students interested in becoming teachers or school counselors. Pilot projects will be implemented in one or two districts on each side of the state and support students from middle school through college on their paths to become educators. (General Fund-State)

**20. Higher Education Readiness Outreach**

The Higher Education Readiness Outreach program supports low-income students through the transition from 8th grade into high school using advising, academic and attendance monitoring, and leadership development. Funding supports the expansion of the program into two high schools in Spokane. (General Fund-State)

**21. College Bound Outreach**

The Washington College Bound program provides support and guidance for low-income students as they progress through high school and into the College Bound scholarship. Funding supports one regional officer at a nonprofit focused on College Bound student success to serve the coast and peninsula regions where a low percentage of eligible students stay on track and complete the steps to receive the scholarship. (General Fund-State)

**22. Career-Connected Learning**

Funding is provided for staff at the State Board for Community and Technical Colleges, Workforce Training Board, Employment Security Department, Department of Labor and Industries and the Office of Superintendent of Public Instruction to assist the Office of the Governor in developing a strategic plan for youth apprenticeship and career-connected learning. The agencies will engage with business and education stakeholders to inventory existing state and local systems and programs, analyze barriers and propose policies that support statewide implementation of registered youth apprenticeships. (General Fund-State)

**Public Schools (cont.)**  
**OSPI & Statewide Programs**  
**Recommendation Summary**

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**23. Science Standards Pro Learning**

Funding is provided for grants to school districts and educational service districts to support professional learning in the Next Generation Science Standards. Professional learning is funded for teachers in one grade level in each elementary, middle and high school and will include training on climate change literacy. (General Fund-State)

**24. Align Career & Technical Education**

Funding is provided for staff at five separately governed state agencies to assist the Office of the Governor along with business, academia, and philanthropy in developing a strategic plan for youth apprenticeship and career-connected learning. The Office of the Superintendent of Public Instruction, the State Board for Community and Technical Colleges, the Workforce Training Board, the Department of Labor and Industries, and Employment Security Department will inventory the existing state and local systems and programs, analyze barriers and propose policies that support statewide implementation of registered apprenticeships. (General Fund-State)

**25. Equity in Student Discipline**

Funding is provided for additional staff at OSPI to develop and implement a targeted technical assistance and monitoring process to address concerns about equity in student discipline around the state. Students of color and students with disabilities are disproportionately impacted by the use of suspensions and expulsions. Additional program staff will provide districts the support they need to implement evidence-based practices to eliminate these disparities and maintain a safe, positive school climate. (General Fund-State)

**26. K-8 Redesign Study**

Research shows that providing underserved students with more opportunities to access student supports can help close the achievement gap. Funding is provided for a study on the impact on student success of lengthening the school day and/or year in grades kindergarten through 8th grade to make time for additional academic and non-academic supports. (General Fund-State)

**27. National History Day**

National History Day challenges students to conduct historical research using primary and secondary sources while exploring multiple perspectives and interpretations of American history. Declining sponsorship has caused participation fees to increase, creating an opportunity gap. Funding provides a statewide outreach campaign and program access for all students, including those whose families or districts cannot afford the participation fees. (General Fund-State; General Fund-Local)

**28. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal; Educator Certification Processing Account-Non-Appr; other accounts)

**Public Schools (cont.)**  
**OSPI & Statewide Programs**  
**Recommendation Summary**

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**29. Legal Services**

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

**30. Administrative Hearings**

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State)

**31. CTS Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (General Fund-State)

**32. DES Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State)

**33. OFM Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (General Fund-State)

**34. CTS Fee for Service Adjustment**

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (General Fund-State)

Agency 350

**Public Schools (cont.)  
SPI-Charter Schools Apportionment  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>0</b>	<b>62,713</b>	<b>62,713</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	0	6	6
2. Small School Factor	0.0	0	521	521
3. Prior School Year Adjustments	0.0	0	(42)	(42)
4. Enrollment/Workload Adjustments	0.0	0	(12,383)	(12,383)
5. Student Transportation	0.0	0	(656)	(656)
6. Reduce Early Elementary Class Size	0.0	0	(26)	(26)
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>0</b>	<b>(12,580)</b>	<b>(12,580)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>0</b>	<b>(12,580)</b>	<b>(12,580)</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>0</b>	<b>50,133</b>	<b>50,133</b>
<b>Policy Other Changes:</b>				
7. High School & Beyond Plan Support	0.0	0	113	113
8. Retiree Remittance Adjustment	0.0	0	15	15
9. Apportionment Schedule Revision	0.0	0	(1,815)	(1,815)
10. K-12 Salary Allocations	0.0	0	2,173	2,173
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>0</b>	<b>486</b>	<b>486</b>
<b>Policy Comp Changes:</b>				
11. PERS & TRS Plan 1 Benefit Increase	0.0	0	42	42
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>0</b>	<b>42</b>	<b>42</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>0</b>	<b>528</b>	<b>528</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>0</b>	<b>50,661</b>	<b>50,661</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (WA Opportunity Pathways Account-State)

**Public Schools (cont.)**  
**SPI-Charter Schools Apportionment**  
**Recommendation Summary**

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**2. Small School Factor**

The 2018 supplemental budget adjusts allocations for the small school factor. The allocation for small schools' certificated instructional staff and certificated administrative staff units are assumed to increase slightly for the 2017-18 and 2018-19 school years. (WA Opportunity Pathways Account-State)

**3. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (WA Opportunity Pathways Account-State)

**4. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments for the most recent forecast of the charter school enrollment caseload for the 2017-18 and 2018-19 school years. Charter school K-12 full-time equivalent enrollment is projected to be 547 students less than anticipated in the biennial budget for the 2017-18 school year and 793 less for the 2018-19 school year. (WA Opportunity Pathways Account-State)

**5. Student Transportation**

The 2018 supplemental budget reflects adjustments in the allocations for student transportation in the 2017-18 and 2018-19 school years. OSPI distributes operations funding using the Student Transportation Allocation Reporting System (STARS). STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system. (WA Opportunity Pathways Account-State)

**6. Reduce Early Elementary Class Size**

Chapter 236, Laws of 2010 (regarding fund distribution formulas for K-12 education) established new formulas that require class sizes of 17 students for grades kindergarten through three by the 2017-18 school year. Distribution of funds for lower class sizes is contingent upon demonstration of actual class size reductions. This adjustment reflects the expectation that it will take some time for districts to achieve full class size reduction and the state will realize some savings in the 2018-19 school year. (WA Opportunity Pathways Account-State)

**7. High School & Beyond Plan Support**

Beginning with the 2017-18 school year, students must create High School and Beyond plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (WA Opportunity Pathways Account-State)

**8. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (WA Opportunity Pathways Account-State)

**Public Schools (cont.)**  
**SPI-Charter Schools Apportionment**  
**Recommendation Summary**

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**9. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (WA Opportunity Pathways Account-State)

**10. K-12 Salary Allocations**

Legislation enacted in 2017 to address basic education funding increased state salary allocations for educators and school staff beginning in the 2018-19 school year. In addition, the bill committed the state to reaching full implementation of these salary increases in the 2019-20 school year, one year after the legislative deadline to fully fund basic education. Funding is provided to reach this full funding of state salary allocations in the 2018-19 school year. The minimum salary allocation is \$65,024 for certificated instructional staff, \$46,647 for classified staff, and \$96,520 for certificated administrative staff. (WA Opportunity Pathways Account-State)

**11. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (WA Opportunity Pathways Account-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Pupil Transportation  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>1,000,539</b>	<b>0</b>	<b>1,000,539</b>
<b>Maintenance Other Changes:</b>				
1. Prior School Year Adjustments	0.0	9,854	0	9,854
2. Bus Depreciation	0.0	3,521	0	3,521
3. Student Transportation	0.0	885	0	885
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>14,260</b>	<b>0</b>	<b>14,260</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>14,260</b>	<b>0</b>	<b>14,260</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>1,014,799</b>	<b>0</b>	<b>1,014,799</b>
<b>Policy Other Changes:</b>				
4. Apportionment Schedule Revision	0.0	(22,124)	0	(22,124)
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>(22,124)</b>	<b>0</b>	<b>(22,124)</b>
<b>Policy Comp Changes:</b>				
5. PERS & TRS Plan 1 Benefit Increase	0.0	214	0	214
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>214</b>	<b>0</b>	<b>214</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(21,910)</b>	<b>0</b>	<b>(21,910)</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>992,889</b>	<b>0</b>	<b>992,889</b>

**POLICY CHANGES**

**1. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)

**2. Bus Depreciation**

OSPI makes payments to school districts for district-owned school buses based on a 13-year or 8-year depreciation cycle. The 2018 supplemental budget reflects updates to projected bus depreciation payments since the passage of the biennial budget. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Pupil Transportation**  
**Recommendation Summary**

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**3. Student Transportation**

The 2018 supplemental budget reflects adjustments in the allocations for student transportation in the 2017-18 and 2018-19 school years. OSPI distributes operations funding using the Student Transportation Allocation Reporting System (STARS). STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system. (General Fund-State)

**4. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

**5. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Special Education  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>2.0</b>	<b>1,945,339</b>	<b>525,367</b>	<b>2,470,706</b>
<b>Maintenance Other Changes:</b>				
1. Safety Net Adjustments	0.0	4,865	0	4,865
2. Staff Mix	0.0	332	0	332
3. Prior School Year Adjustments	0.0	5,441	0	5,441
4. Enrollment/Workload Adjustments	0.0	(8,817)	0	(8,817)
5. Federal Funding Adjustment	0.0	0	9,000	9,000
6. Reduce Early Elementary Class Size	0.0	(1,927)	0	(1,927)
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(106)</b>	<b>9,000</b>	<b>8,894</b>
<b>Maintenance Comp Changes:</b>				
7. Move Pension Fund Shift to Agencies	0.0	(20)	20	0
8. Updated PEBB Rate	0.0	(1)	(11)	(12)
9. Paid Family Leave--Employer Premium	0.0	0	1	1
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>(21)</b>	<b>10</b>	<b>(11)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(127)</b>	<b>9,010</b>	<b>8,883</b>
<b>2017-19 Maintenance Level</b>	<b>2.0</b>	<b>1,945,212</b>	<b>534,377</b>	<b>2,479,589</b>
<b>Policy Other Changes:</b>				
10. High School & Beyond Plan Support	0.0	1,491	0	1,491
11. Retiree Remittance Adjustment	0.0	567	0	567
12. Safety Net	0.0	1,250	0	1,250
13. Apportionment Schedule Revision	0.0	(49,337)	0	(49,337)
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>(46,029)</b>	<b>0</b>	<b>(46,029)</b>
<b>Policy Comp Changes:</b>				
14. PERS & TRS Plan 1 Benefit Increase	0.0	1,035	1	1,036
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>1,035</b>	<b>1</b>	<b>1,036</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(44,994)</b>	<b>1</b>	<b>(44,993)</b>
<b>2017-19 Policy Level</b>	<b>2.0</b>	<b>1,900,218</b>	<b>534,378</b>	<b>2,434,596</b>

Agency 350

**Public Schools (cont.)  
Special Education  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>POLICY CHANGES</b>				
<b>1. Safety Net Adjustments</b>				
The special education safety net is available for districts demonstrating extraordinary special education program costs exceeding state and federal funding allocations. This item reflects adjustments to safety net allocations based on historical trends. (General Fund-State)				
<b>2. Staff Mix</b>				
Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)				
<b>3. Prior School Year Adjustments</b>				
The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)				
<b>4. Enrollment/Workload Adjustments</b>				
The 2018 supplemental budget reflects adjustments for the most recent forecast of the public school enrollment caseload for the 2017-18 and 2018-19 school years. Special education enrollment is projected to be 2,027 higher than anticipated in the biennial budget for the 2017-18 school year and 2,127 higher for the 2018-19 school year. Special education enrollment is capped at 13.5 percent of general education enrollment. The special education enrollment increases align with the caseload forecast council projected enrollment for the program. (General Fund-State)				
<b>5. Federal Funding Adjustment</b>				
The 2018 supplemental budget includes increased federal authority of \$9,000,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)				
<b>6. Reduce Early Elementary Class Size</b>				
Chapter 236, Laws of 2010 (fund distribution formulas for K-12 education) established new formulas that require class sizes of 17 students for grades kindergarten through three by the 2017-18 school year. Distribution of funds for lower class sizes is contingent upon demonstration of actual class size reductions. This adjustment reflects the expectation that it will take some time for districts to achieve full class size reduction and the state will realize some savings in the 2018-19 school year. (General Fund-State)				

Agency 350

**Public Schools (cont.)**  
**Special Education**  
**Recommendation Summary**

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**7. Move Pension Fund Shift to Agencies**

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

**8. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)

**9. Paid Family Leave--Employer Premium**

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-Federal)

**10. High School & Beyond Plan Support**

Beginning with the 2017-18 school year, students must create High School and Beyond Plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (General Fund-State)

**11. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

**12. Safety Net**

OSPI is directed to work with the Office of Financial Management and the Legislature to expand the safety net program by lowering the safety net threshold beginning with the 2018-19 school year. Funding provides ten additional staff for the Special Education program, primarily to support the expansion of the safety net program. These staff will support the work of the safety net committee, provide training and support to districts applying for safety net awards, and support compliance with the federal Every Student Succeeds Act. Increased funding for safety net payments begins in fiscal year 2020 because safety net funds are disbursed in August, the last month of the school year. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Special Education**  
**Recommendation Summary**

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**13. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

**14. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Educational Service Districts  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>17,092</b>	<b>0</b>	<b>17,092</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	2	0	2
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>17,094</b>	<b>0</b>	<b>17,094</b>
<b>Policy Other Changes:</b>				
2. Strategic Science Investment	0.0	500	0	500
3. Retiree Remittance Adjustment	0.0	7	0	7
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>507</b>	<b>0</b>	<b>507</b>
<b>Policy Comp Changes:</b>				
4. PERS & TRS Plan 1 Benefit Increase	0.0	11	0	11
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>11</b>	<b>0</b>	<b>11</b>
<b>Policy Transfer Changes:</b>				
5. ELA Coordinators	0.0	1,105	0	1,105
<b>Policy -- Transfer Total</b>	<b>0.0</b>	<b>1,105</b>	<b>0</b>	<b>1,105</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>1,623</b>	<b>0</b>	<b>1,623</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>18,717</b>	<b>0</b>	<b>18,717</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Educational Service Districts**  
**Recommendation Summary**

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**2. Strategic Science Investment**

Funding is provided to strategically address statewide climate and environmental sustainability literacy in all grades. Activities will include (1) development of statewide professional learning in climate and environmental sustainability aligned with the educational learning and academic requirements, (2) building of frameworks for earth- and climate-focused science lessons and activities that can translate between classroom-based and outdoor learning environments, (3) creation of short formative classroom-based assessment tasks for each of the elementary grade levels and (4) expansion of the science fellows network. (General Fund-State)

**3. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

**4. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

**5. ELA Coordinators**

Legislation enacted in 2013 to strengthen student outcomes provided a block of funding for one elementary English Language Arts (ELA) coordinator at each of the nine educational service districts. Funding is converted from a block grant in the Education Reform program to full-time equivalent staffing units in the Educational Services Districts program. This maintains the integrity of the funding stream by providing cost-of-living and other employee benefits adjustments. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Elementary/Secondary School Improv  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	0.0	0	4,802	4,802
<b>Maintenance Other Changes:</b>				
1. Federal Funding Adjustment	0.0	0	1,000	1,000
<b>Maintenance -- Other Total</b>	0.0	0	1,000	1,000
<b>Total Maintenance Changes</b>	0.0	0	1,000	1,000
<b>2017-19 Maintenance Level</b>	0.0	0	5,802	5,802
<b>2017-19 Policy Level</b>	0.0	0	5,802	5,802

**KINDERGARTEN THROUGH GRADE 12 EDUCATION**

Agency 350

**Public Schools (cont.)  
Institutional Education  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>27,254</b>	<b>0</b>	<b>27,254</b>
<b>Maintenance Other Changes:</b>				
1. Prior School Year Adjustments	0.0	70	0	70
2. Enrollment/Workload Adjustments	0.0	993	0	993
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>1,063</b>	<b>0</b>	<b>1,063</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>1,063</b>	<b>0</b>	<b>1,063</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>28,317</b>	<b>0</b>	<b>28,317</b>
<b>Policy Other Changes:</b>				
3. Retiree Remittance Adjustment	0.0	5	0	5
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Policy Comp Changes:</b>				
4. PERS & TRS Plan 1 Benefit Increase	0.0	16	0	16
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>16</b>	<b>0</b>	<b>16</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>21</b>	<b>0</b>	<b>21</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>28,338</b>	<b>0</b>	<b>28,338</b>

**POLICY CHANGES**

**1. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)

**2. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments for the most recent forecast of the institutional enrollment caseload for the 2017-18 and 2018-19 school years. Institutional education full-time equivalent enrollment is projected to increase in prisons and jails, the institutions with the fewest juveniles, and therefore, the most expensive per student FTE. (General Fund-State)

**3. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Institutional Education**  
**Recommendation Summary**

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**4. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Ed of Highly Capable Students  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>45,571</b>	<b>0</b>	<b>45,571</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	13	0	13
2. Prior School Year Adjustments	0.0	137	0	137
3. Enrollment/Workload Adjustments	0.0	(167)	0	(167)
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(17)</b>	<b>0</b>	<b>(17)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(17)</b>	<b>0</b>	<b>(17)</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>45,554</b>	<b>0</b>	<b>45,554</b>
<b>Policy Other Changes:</b>				
4. Retiree Remittance Adjustment	0.0	16	0	16
5. Apportionment Schedule Revision	0.0	(1,210)	0	(1,210)
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>(1,194)</b>	<b>0</b>	<b>(1,194)</b>
<b>Policy Comp Changes:</b>				
6. PERS & TRS Plan 1 Benefit Increase	0.0	35	0	35
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>35</b>	<b>0</b>	<b>35</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(1,159)</b>	<b>0</b>	<b>(1,159)</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>44,395</b>	<b>0</b>	<b>44,395</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)

**2. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Ed of Highly Capable Students**  
**Recommendation Summary**

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**3. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments to the public school enrollment caseload for the 2017-18 and 2018-19 school years. Funding for the Highly Capable program is based on 2.237 percent of general K-12 enrollment for expected decreases of 55 students in fiscal year 2018 and 175 students in fiscal year 2019 from what was anticipated in the biennial budget. (General Fund-State)

**4. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

**5. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

**6. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Education Reform  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>39.7</b>	<b>290,205</b>	<b>96,390</b>	<b>386,595</b>
<b>Maintenance Other Changes:</b>				
1. National Board Bonus Costs	0.0	7	0	7
2. Federal Funding Adjustment	0.0	0	1,500	1,500
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>7</b>	<b>1,500</b>	<b>1,507</b>
<b>Maintenance Comp Changes:</b>				
3. Move Pension Fund Shift to Agencies	0.0	(765)	765	0
4. Updated PEBB Rate	0.0	(38)	(16)	(54)
5. Paid Family Leave--Employer Premium	0.0	3	1	4
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>(800)</b>	<b>750</b>	<b>(50)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(793)</b>	<b>2,250</b>	<b>1,457</b>
<b>2017-19 Maintenance Level</b>	<b>39.7</b>	<b>289,412</b>	<b>98,640</b>	<b>388,052</b>
<b>Policy Comp Changes:</b>				
6. PERS & TRS Plan 1 Benefit Increase	0.0	5	2	7
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>5</b>	<b>2</b>	<b>7</b>
<b>Policy Transfer Changes:</b>				
7. ELA Coordinators	0.0	(1,110)	0	(1,110)
<b>Policy -- Transfer Total</b>	<b>0.0</b>	<b>(1,110)</b>	<b>0</b>	<b>(1,110)</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(1,105)</b>	<b>2</b>	<b>(1,103)</b>
<b>2017-19 Policy Level</b>	<b>39.7</b>	<b>288,307</b>	<b>98,642</b>	<b>386,949</b>

**POLICY CHANGES**

**1. National Board Bonus Costs**

Washington offers a bonus to all eligible K-12 public National Board-certified teachers. Bonuses are paid at the end of each school year in the following fiscal year. Assumptions reflect an increase in National Board-certified teachers beyond the projection in the biennial budget. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Education Reform**  
**Recommendation Summary**

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**2. Federal Funding Adjustment**

The 2018 supplemental budget includes increased federal authority of \$1,500,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)

**3. Move Pension Fund Shift to Agencies**

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

**4. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

**5. Paid Family Leave--Employer Premium**

A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (General Fund-State; General Fund-Federal)

**6. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State; General Fund-Federal)

**7. ELA Coordinators**

Legislation enacted in 2013 to strengthen student outcomes provided a block of funding for one elementary English Language Arts (ELA) coordinator at each of the nine educational service districts. Funding is converted from a block grant in the Education Reform program to full-time equivalent staffing units in the Educational Services Districts program. This maintains the integrity of the funding stream by providing cost-of-living and other employee benefits adjustments. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Transitional Bilingual Instruction  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>305,692</b>	<b>92,244</b>	<b>397,936</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	85	0	85
2. Prior School Year Adjustments	0.0	453	0	453
3. Enrollment/Workload Adjustments	0.0	(577)	0	(577)
4. Federal Funding Adjustment	0.0	0	5,000	5,000
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(39)</b>	<b>5,000</b>	<b>4,961</b>
<b>Maintenance Comp Changes:</b>				
5. Move Pension Fund Shift to Agencies	0.0	(4)	4	0
6. Updated PEBB Rate	0.0	(1)	(3)	(4)
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>(5)</b>	<b>1</b>	<b>(4)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(44)</b>	<b>5,001</b>	<b>4,957</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>305,648</b>	<b>97,245</b>	<b>402,893</b>
<b>Policy Other Changes:</b>				
7. Retiree Remittance Adjustment	0.0	103	0	103
8. Apportionment Schedule Revision	0.0	(7,890)	0	(7,890)
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>(7,787)</b>	<b>0</b>	<b>(7,787)</b>
<b>Policy Comp Changes:</b>				
9. PERS & TRS Plan 1 Benefit Increase	0.0	230	0	230
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>230</b>	<b>0</b>	<b>230</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(7,557)</b>	<b>0</b>	<b>(7,557)</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>298,091</b>	<b>97,245</b>	<b>395,336</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)

Agency 350

## **Public Schools (cont.)**

### **Transitional Bilingual Instruction**

### **Recommendation Summary**

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#### **2. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)

#### **3. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments for the most recent forecast of the Transitional Bilingual Instructional Program (TBIP) caseload. The increase in TBIP student headcount is projected to be less than anticipated in the biennial budget in both school years for a decrease of 380 students in 2017-18 and 2,553 students in 2018-19. Projected enrollment in the After Exit TBIP is projected to increase in the 2017-18 school year by 2,407 students and 2,559 students in the 2018-19 school year. (General Fund-State)

#### **4. Federal Funding Adjustment**

The 2018 supplemental budget includes increased federal authority of \$5,000,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)

#### **5. Move Pension Fund Shift to Agencies**

In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)

#### **6. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal)

#### **7. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Transitional Bilingual Instruction**  
**Recommendation Summary**

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**8. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

**9. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Learning Assistance Program (LAP)  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>681,866</b>	<b>505,487</b>	<b>1,187,353</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	197	0	197
2. Prior School Year Adjustments	0.0	1,908	0	1,908
3. Enrollment/Workload Adjustments	0.0	(15,639)	0	(15,639)
4. Federal Funding Adjustment	0.0	0	14,000	14,000
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(13,534)</b>	<b>14,000</b>	<b>466</b>
<b>Maintenance Comp Changes:</b>				
5. Updated PEBB Rate	0.0	0	(3)	(3)
<b>Maintenance -- Comp Total</b>	<b>0.0</b>	<b>0</b>	<b>(3)</b>	<b>(3)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(13,534)</b>	<b>13,997</b>	<b>463</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>668,332</b>	<b>519,484</b>	<b>1,187,816</b>
<b>Policy Other Changes:</b>				
6. Retiree Remittance Adjustment	0.0	226	0	226
7. Apportionment Schedule Revision	0.0	(17,424)	0	(17,424)
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>(17,198)</b>	<b>0</b>	<b>(17,198)</b>
<b>Policy Comp Changes:</b>				
8. PERS & TRS Plan 1 Benefit Increase	0.0	508	0	508
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>508</b>	<b>0</b>	<b>508</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>(16,690)</b>	<b>0</b>	<b>(16,690)</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>651,642</b>	<b>519,484</b>	<b>1,171,126</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Learning Assistance Program (LAP)**  
**Recommendation Summary**

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**2. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (General Fund-State)

**3. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments in the funded units for the Learning Assistance Program (LAP) for the 2017-18 and 2018-19 school years. LAP-funded units are based on districts' prior year free and reduced price lunch percentage multiplied by the district's total average FTE enrollment for grades K-12 in the prior year. This reduction is primarily driven by decreases in free and reduced price lunch rates. (General Fund-State)

**4. Federal Funding Adjustment**

The 2018 supplemental budget includes increased federal authority of \$14,000,000 to allow OSPI to access anticipated increases in federal grant awards. (General Fund-Federal)

**5. Updated PEBB Rate**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-Federal)

**6. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (General Fund-State)

**7. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

**8. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
SPI-Charter Schools Apportionment  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>0</b>	<b>62,713</b>	<b>62,713</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	0	6	6
2. Small School Factor	0.0	0	521	521
3. Prior School Year Adjustments	0.0	0	(42)	(42)
4. Enrollment/Workload Adjustments	0.0	0	(12,383)	(12,383)
5. Student Transportation	0.0	0	(656)	(656)
6. Reduce Early Elementary Class Size	0.0	0	(26)	(26)
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>0</b>	<b>(12,580)</b>	<b>(12,580)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>0</b>	<b>(12,580)</b>	<b>(12,580)</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>0</b>	<b>50,133</b>	<b>50,133</b>
<b>Policy Other Changes:</b>				
7. High School & Beyond Plan Support	0.0	0	113	113
8. Retiree Remittance Adjustment	0.0	0	15	15
9. Apportionment Schedule Revision	0.0	0	(1,815)	(1,815)
10. K-12 Salary Allocations	0.0	0	2,173	2,173
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>0</b>	<b>486</b>	<b>486</b>
<b>Policy Comp Changes:</b>				
11. PERS & TRS Plan 1 Benefit Increase	0.0	0	42	42
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>0</b>	<b>42</b>	<b>42</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>0</b>	<b>528</b>	<b>528</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>0</b>	<b>50,661</b>	<b>50,661</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (WA Opportunity Pathways Account-State)

Agency 350

**Public Schools (cont.)**  
**SPI-Charter Schools Apportionment**  
**Recommendation Summary**

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**2. Small School Factor**

The 2018 supplemental budget adjusts allocations for the small school factor. The allocation for small schools' certificated instructional staff and certificated administrative staff units are assumed to increase slightly for the 2017-18 and 2018-19 school years. (WA Opportunity Pathways Account-State)

**3. Prior School Year Adjustments**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. The 2018 supplemental budget reflects final adjustments for actual expenditures in the 2016-17 school year. (WA Opportunity Pathways Account-State)

**4. Enrollment/Workload Adjustments**

The 2018 supplemental budget reflects adjustments for the most recent forecast of the charter school enrollment caseload for the 2017-18 and 2018-19 school years. Charter school K-12 full-time equivalent enrollment is projected to be 547 students less than anticipated in the biennial budget for the 2017-18 school year and 793 less for the 2018-19 school year. (WA Opportunity Pathways Account-State)

**5. Student Transportation**

The 2018 supplemental budget reflects adjustments in the allocations for student transportation in the 2017-18 and 2018-19 school years. OSPI distributes operations funding using the Student Transportation Allocation Reporting System (STARS). STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system. (WA Opportunity Pathways Account-State)

**6. Reduce Early Elementary Class Size**

Chapter 236, Laws of 2010 (regarding fund distribution formulas for K-12 education) established new formulas that require class sizes of 17 students for grades kindergarten through three by the 2017-18 school year. Distribution of funds for lower class sizes is contingent upon demonstration of actual class size reductions. This adjustment reflects the expectation that it will take some time for districts to achieve full class size reduction and the state will realize some savings in the 2018-19 school year. (WA Opportunity Pathways Account-State)

**7. High School & Beyond Plan Support**

Beginning with the 2017-18 school year, students must create High School and Beyond plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (WA Opportunity Pathways Account-State)

**8. Retiree Remittance Adjustment**

Remittance rates for retiree benefits will increase from \$64.39 to \$69.57 per month for the 2018-19 school year. (WA Opportunity Pathways Account-State)

Agency 350

**Public Schools (cont.)**  
**SPI-Charter Schools Apportionment**  
**Recommendation Summary**

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**9. Apportionment Schedule Revision**

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (WA Opportunity Pathways Account-State)

**10. K-12 Salary Allocations**

Legislation enacted in 2017 to address basic education funding increased state salary allocations for educators and school staff beginning in the 2018-19 school year. In addition, the bill committed the state to reaching full implementation of these salary increases in the 2019-20 school year, one year after the legislative deadline to fully fund basic education. Funding is provided to reach this full funding of state salary allocations in the 2018-19 school year. The minimum salary allocation is \$65,024 for certificated instructional staff, \$46,647 for classified staff, and \$96,520 for certificated administrative staff. (WA Opportunity Pathways Account-State)

**11. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (WA Opportunity Pathways Account-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
SPI-Charter School Commission  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>5.0</b>	<b>0</b>	<b>2,436</b>	<b>2,436</b>
<b>Maintenance Central Services Changes:</b>				
1. Legal Services	0.0	0	(1)	(1)
<b>Maintenance -- Central Svcs Total</b>	<b>0.0</b>	<b>0</b>	<b>(1)</b>	<b>(1)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>0</b>	<b>(1)</b>	<b>(1)</b>
<b>2017-19 Maintenance Level</b>	<b>5.0</b>	<b>0</b>	<b>2,435</b>	<b>2,435</b>
<b>Policy Other Changes:</b>				
2. Charter School Oversight	0.0	0	0	0
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Policy Central Service Changes:</b>				
3. Legal Services	0.0	0	1	1
<b>Policy -- Central Svcs Total</b>	<b>0.0</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>2017-19 Policy Level</b>	<b>5.0</b>	<b>0</b>	<b>2,436</b>	<b>2,436</b>

**POLICY CHANGES**

**1. Legal Services**

Agency budgets are adjusted to reflect each agency’s anticipated share of legal service charges. (WA Opportunity Pathways Account-State)

**2. Charter School Oversight**

The Charter School Commission is primarily funded through the Charter School Oversight Account which takes in 4 percent of the state apportionment to commission authorized charter schools. Charter school enrollment is projected to be lower in school year 2018-19 than was anticipated in the biennial budget leading to a decrease in available funds. The workload of the commission is expected to be the same. Funding is provided from the Opportunity Pathways account to maintain the commission’s ability to provide the same level of oversight. (Charter School Oversight Account-State)

**3. Legal Services**

Agency budgets are adjusted to reflect each agency’s anticipated share of legal service charges. (WA Opportunity Pathways Account-State)

KINDERGARTEN THROUGH GRADE 12 EDUCATION

Agency 350

**Public Schools (cont.)  
Compensation Adjustments  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2017-19 Original Appropriations</b>	<b>0.0</b>	<b>1,576,622</b>	<b>0</b>	<b>1,576,622</b>
<b>Maintenance Other Changes:</b>				
1. Staff Mix	0.0	255	0	255
2. Small School Factor	0.0	(189)	0	(189)
3. Enrollment/Workload Adjustments	0.0	(11,419)	0	(11,419)
4. Student Transportation	0.0	606	0	606
5. Reduce Early Elementary Class Size	0.0	(3,185)	0	(3,185)
<b>Maintenance -- Other Total</b>	<b>0.0</b>	<b>(13,932)</b>	<b>0</b>	<b>(13,932)</b>
<b>Total Maintenance Changes</b>	<b>0.0</b>	<b>(13,932)</b>	<b>0</b>	<b>(13,932)</b>
<b>2017-19 Maintenance Level</b>	<b>0.0</b>	<b>1,562,690</b>	<b>0</b>	<b>1,562,690</b>
<b>Policy Other Changes:</b>				
6. High School & Beyond Plan Support	0.0	3,812	0	3,812
7. Apportionment Schedule Revision	0.0	(125,980)	0	(125,980)
8. K-12 Salary Allocations	0.0	759,249	0	759,249
<b>Policy -- Other Total</b>	<b>0.0</b>	<b>637,081</b>	<b>0</b>	<b>637,081</b>
<b>Policy Comp Changes:</b>				
9. PERS & TRS Plan 1 Benefit Increase	0.0	3,768	0	3,768
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>3,768</b>	<b>0</b>	<b>3,768</b>
<b>Policy Transfer Changes:</b>				
10. ELA Coordinators	0.0	335	0	335
<b>Policy -- Transfer Total</b>	<b>0.0</b>	<b>335</b>	<b>0</b>	<b>335</b>
<b>Total Policy Changes</b>	<b>0.0</b>	<b>641,184</b>	<b>0</b>	<b>641,184</b>
<b>2017-19 Policy Level</b>	<b>0.0</b>	<b>2,203,874</b>	<b>0</b>	<b>2,203,874</b>

**POLICY CHANGES**

**1. Staff Mix**

Staff mix is adjusted for the 2017-18 school year to reflect changes in certificated instructional staff compensation due to changes in average teacher experience levels. (General Fund-State)

Agency 350

## Public Schools (cont.)

### Compensation Adjustments

### Recommendation Summary

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#### 2. Small School Factor

The 2018 supplemental budget adjusts allocations for the small school factor. The allocation for small schools' certificated instructional staff and certificated administrative staff units are assumed to decrease slightly for the 2017-18 and 2018-19 school years. (General Fund-State)

#### 3. Enrollment/Workload Adjustments

The 2018 supplemental budget reflects adjustments for the most recent forecast of the public school enrollment caseload for the 2017-18 and 2018-19 school years. General K-12 full-time equivalent enrollment is projected to be 2,444 students less than anticipated in the biennial budget for the 2017-18 school year and 7,828 less for the 2018-19 school year. (General Fund-State)

#### 4. Student Transportation

The 2018 supplemental budget reflects adjustments in the allocations for student transportation in the 2017-18 and 2018-19 school years. OSPI distributes operations funding using the Student Transportation Allocation Reporting System (STARS). STARS funding uses a regression analysis on individual school district characteristics to determine an expected cost of operations along with an efficiency rating system. (General Fund-State)

#### 5. Reduce Early Elementary Class Size

Chapter 236, Laws of 2010 (regarding fund distribution formulas for K-12 education) established new formulas that require class sizes of 17 students for grades kindergarten through three by the 2017-18 school year. Distribution of funds for lower class size is contingent upon demonstration of actual class size reductions. This adjustment reflects the expectation that it will take some time for districts to achieve full class size reduction and the state will realize some savings in the 2018-19 school year. (General Fund-State)

#### 6. High School & Beyond Plan Support

Beginning with the 2017-18 school year, students must create High School and Beyond Plans beginning in the 7th or 8th grade. Funding supports quality implementation of this work by allocating additional guidance counselors to middle schools and increasing resources and professional development. (General Fund-State)

#### 7. Apportionment Schedule Revision

The state operates on a fiscal year period of July 1 to June 30, and school districts operate on a fiscal year period of September 1 to August 31. OSPI makes monthly apportionment payments to school districts based on an allocation schedule that provides 20 percent of the school year funding in July and August. Funding is adjusted in fiscal year 2019 to reflect a permanent change in the allocation schedule. The July and August payments are increased to collectively account for 25 percent of the annual allocation. (General Fund-State)

Agency 350

**Public Schools (cont.)**  
**Compensation Adjustments**  
**Recommendation Summary**

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**8. K-12 Salary Allocations**

Legislation enacted in 2017 to address basic education funding increased state salary allocations for educators and school staff beginning in the 2018-19 school year. In addition, the bill committed the state to reaching full implementation of these salary increases in the 2019-20 school year, one year after the legislative deadline to fully fund basic education. Funding is provided to reach this full funding of state salary allocations in the 2018-19 school year. The minimum salary allocation is \$65,024 for certificated instructional staff, \$46,647 for classified staff, and \$96,520 for certificated administrative staff. (General Fund-State)

**9. PERS & TRS Plan 1 Benefit Increase**

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-State)

**10. ELA Coordinators**

Legislation enacted in 2013 to strengthen student outcomes provided a block of funding for one elementary English Language Arts (ELA) coordinator at each of the nine educational service districts. Funding is converted from a block grant in the Education Reform program to full-time equivalent staffing units in the Educational Services Districts program. This maintains the integrity of the funding stream by providing cost-of-living and other employee benefits adjustments. (General Fund-State)