



## Quality Education Council releases recommendations

The 2009 Legislature adopted ESHB 2261 to redefine basic education and restructure Washington's education finance system. This was the first comprehensive education reform legislation since 1993's Education Reform Act, embodied in HB 1209. ESHB 2261 was also the Legislature's first major redefinition of Basic Education since the Basic Education Act was adopted in 1977 following the court's declaration that the state had failed its "paramount duty" to make ample provision for the education of all children as required by the state constitution.

Unfortunately, ESHB 2261 does not by itself revamp Basic Education or its accompanying finance system. The bill simply lays out a blueprint—a foundation—for a new Basic Education finance system. And given the state's budget woes, that system isn't slated to be fully funded and fully implemented until 2018.

ESHB 2261 established a series of three working groups to hammer out details and make recommendations on funding formulas, local levy funding and educator compensation. It also created the Quality Education Council—a new, ongoing education reform implementation and oversight body.

The purpose of the QEC, a 13-member body comprised of legislators and education agency representatives, is to "recommend and inform the ongoing implementation by the Legislature of an evolving program of Basic Education and the financing necessary to support such a program." Statewide strategic recommendations are to be updated by the Council every four years, with the intent of informing the Legislature and the governor's educational policy and funding decisions, identifying measurable goals and priorities for

the state's educational system for a ten-year period and enabling the state to continue to implement an evolving program of Basic Education.

ESHB 2261 required the QEC to report to the Legislature and the governor in January 2010. On Jan. 13, the Quality Education Council released its initial report. The report includes 13 recommendations, as follows:

### **Recommendation #1: K-12 Funding**

The 2010 Legislature is urged not to reduce the overall K-12 funding level in the 2010 Supplemental Operating Budget, including both Basic and non-Basic Education allocations. Additionally, the Legislature should allocate at least 50% of any new state revenue to the implementation of the Basic Education program as established in ESHB 2261.

### **Recommendation #2: New Funding System**

The 2010 Legislature should enact a law replacing current funding formulas with the new prototypical school funding formulas and the baseline values designed by the Funding Formula Technical Working Group. The new formulas should be implemented effective September 1, 2011; the baseline values should reflect the 2009-10 operating budget level (adjusted for typical inflationary measures). To the extent that districts need training for staff or system changes to implement the new prototypical funding model, the 2010 Legislature shall provide the necessary funding to assist with transfer to the new system.

### **Recommendation #3: Working Groups**

The 2010 Legislature should:

- Amend current law to start the work of the Compensation Working Group immediately, with a

report due November 30, 2010 and change the lead staff agency to OSPI.

- Start the work of the Local Finance Working Group immediately, with a report due November 30, 2010.
- Continue the Funding Formula Technical Working Group to monitor early implementation of the prototypical school formula and provide technical advice to the QEC and OSPI.

In addition to its currently assigned tasks, the Local Finance Working Group should be required to: (1) examine local capacity to address facility needs associated with full-day kindergarten and K-3 class size recommendations, and (2) provide the QEC with an analysis on the productive use of local funds that become available due to the phase-in of state funding for pupil transportation and Maintenance, Supplies and Operating Costs (MSOC, formerly known as Non-Employee Related Costs or NERC) funding.

The 2010 Legislature should also adequately fund the study and analysis costs for the working groups and the QEC so that work can be completed in time for consideration by the 2011 Legislature.

### **Recommendation #4: Pupil Transportation**

The 2010 Legislature should amend current law (RCW Chapter 28A.160) to implement the new Pupil Transportation funding formula starting in September 1, 2011, not 2013. In addition, the Legislature should phase in full funding of the new pupil transportation funding formula over a three-year period beginning in 2011 and adopt this schedule in statute.

### **Recommendation #5: MSOC Funding**

The 2010 Legislature should increase the Maintenance, Supplies, and Operating Costs factors in the prototypical school funding formula based on data collected by OSPI about costs incurred by school districts, phased in over a three-year period beginning in the 2011-12 school year. MSOC values should be adopted in statute.

As part of the new statute, the 2010 Legislature should adopt intent to keep allocations current based

on inflation indices that are aligned with the items districts must purchase with MSOC resources and should adopt intent to update allocations for improvements in textbooks and curriculum and technology to represent the cost of textbooks aligned with state standards, with emphasis on science improvements, and keeping use of technology in schools current with job market skills.

### **Recommendation #6: New Teacher Support**

The QEC and the Legislature should closely monitor the outcomes of the new Beginning Educator Support Team (BEST) program. The QEC will evaluate the effectiveness of the BEST pilot program following the submission of the November 1, 2010 program status report. If the program proves effective, sufficient funds should be phased in beginning in school year 2011-12 to cover all first year teachers.

### **Recommendation #7: Early Learning**

The Legislature should include a Program of Early Learning for at-risk children aged three and four as part of the definition of Basic Education. In implementation of this recommendation, the Legislature should consider the recent opinion of the State Attorney General, AGO 2009 No.8.

### **Recommendation #8: Full-day Kindergarten**

The Legislature should continue incremental phase-in of full-day kindergarten according to the current statutory schedule (high poverty schools first).

### **Recommendation #9: K-3 Class Size Reductions**

The Legislature should prioritize class size reductions in the primary grades by providing a K-3 class size allocation of 15 students per classroom teacher in the prototypical school funding formula. The phase-in of class size reduction should begin in the 2011-12 school year and be targeted to high poverty schools first.

Further, as future Legislatures phase in the recommendations for Early Learning, Full-day Kindergarten, and K-3 Class Size Reduction, the phase-in should be designed to create a continuum of primary education age three through third grade. The Department of Early Learning and OSPI should create performance expecta-

tions for these early intervention resources and identify the data that will be used to monitor performance.

### **Recommendation #10: Education Data**

The 2010 Legislature should continue implementation of Part II of ESHB 2261 (Education Data Improvement System) to assure availability of robust and high quality data.

The QEC will monitor progress of the K-12 Data Governance Group during 2010 so that the final report fully addresses the data needed for financial and program accountability. The QEC will also supplement the group's recommendations as needed.

Finally, the QEC will develop and recommend a process for how to adequately fund and use research-based, empirical data analysis to analyze and drive evidence-based practices through the Education Research and Data Center (ERDC) and Data Governance Group.

### **Recommendation #11: Struggling Schools**

The 2010 Legislature, in adopting the new prototype school funding formulas should include a new component not contemplated in ESBH 2261 or by the Funding Formula Technical Working Group. The formulas should include a "Struggling Schools Oversight Fund" or "SOS Fund" to provide funding for school districts designated as requiring action by the State Board of Education to support transformation efforts in persistently low performing schools.

### **Recommendation #12: Technical Corrections**

The Legislature should consider correcting several technical issues of ESHB 2261:

- Correct statutory references to Certificated Instructional Staff.
- Correct effective dates for Pupil Transportation sections of the statute that are not sequenced with QEC recommendations to transfer to the new formula in 2011 instead of 2013.
- Correct references to the funding base that drives Special Education funding so that there is no

change in Special Education funding (increase or decrease).

### **Recommendation #13: QEC 2010 Work Plan**

The QEC Work Plan for 2010 should focus on the following topics and result in recommendations to the 2011 Legislature:

- The 2018 staffing and funding values for class size, school staff, district-wide support, Career and Technical Education, and MSOC in the prototypical school funding model.
- Program delivery reforms and alternative funding methods for Learning Assistance Program and Bilingual Programs.
- Increased instructional hours as required under ESHB 2261.
- Opportunity for 24 credits for graduation based on State Board of Education recommendations.
- Research-based professional development.
- Possible innovations to support student/school health.
- Study and discuss the pros and cons of different forms of collective bargaining, including local, regional, and statewide collective bargaining.
- Review local levy authority and uses.
- Consider and take advantage of work being done on the state's Race to the Top application.
- Ongoing analysis of costs, expected results, supplanting policy, capacity, and a revenue or funding plan associated with the QEC recommendations.

Although the QEC report and recommendations were broadly supported, one member of the Council, Sen. Rosemary McAuliffe, submitted a minority report. In her minority report, she states that she strongly supports many of the goals expressed in the full QEC report; however, she does have concerns with some of the

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recommendations. She highlighted her greatest concerns in the minority report, which include:

#### Recommendation #1: Pupil Transportation

Given the current economic climate, McAuliffe expressed concern that now is not the time to implement a new Pupil Transportation funding formula. She states that “we must prioritize directing limited state funds to the classroom” before addressing infrastructure needs.

#### Recommendation #7: Early Learning

While McAuliffe strongly supports early learning programs, she explains that she is uncomfortable including a recommendation to make early learning programs a part of the definition of Basic Education “until we understand all the ramifications of such an act.” McAuliffe believes it is premature to move forward with this recommendation prior to a full review of a recent Attorney General opinion.

Sen. McAuliffe closes her minority report relaying her concern that “many issues are untouched or only partially discussed” in the full report. The most significant issue left incomplete is how to pay for the reforms. She specifically requested that a recommendation be included in the report that the QEC have a full discussion of the Funding Formula Technical Working Group’s recommended potential revenue options and “potentially other revenue source options in 2010.”