



THE WASHINGTON STATE BOARD OF EDUCATION

A high-quality education system that prepares all students for college, career, and life.

Title:	Governor’s Proposed 2016 Supplemental Budget	
As Related To:	<input checked="" type="checkbox"/> Goal One: Develop and support policies to close the achievement and opportunity gaps. <input type="checkbox"/> Goal Two: Develop comprehensive accountability, recognition, and supports for students, schools, and districts.	<input checked="" type="checkbox"/> Goal Three: Ensure that every student has the opportunity to meet career and college ready standards. <input type="checkbox"/> Goal Four: Provide effective oversight of the K-12 system. <input type="checkbox"/> Other
Relevant To Board Roles:	<input checked="" type="checkbox"/> Policy Leadership <input type="checkbox"/> System Oversight <input checked="" type="checkbox"/> Advocacy	<input type="checkbox"/> Communication <input type="checkbox"/> Convening and Facilitating
Policy Considerations / Key Questions:	Does Gov. Inslee’s proposed 2016 Supplemental Budget meet the Board’s legislative priority for fulfilling the mandates of the McCleary decision on basic education funding? Does it help advance other board priorities?	
Possible Board Action:	<input checked="" type="checkbox"/> Review <input type="checkbox"/> Approve	<input type="checkbox"/> Adopt <input type="checkbox"/> Other
Materials Included in Packet:	<input type="checkbox"/> Memo <input checked="" type="checkbox"/> Graphs / Graphics <input checked="" type="checkbox"/> Third-Party Materials <input type="checkbox"/> PowerPoint	
Synopsis:	<p>The state’s two-year budget is amended each year of the biennium by a supplemental budget. Supplemental budgets make adjustments for changes in forecast enrollments, caseloads, and other budget drivers, address costs and circumstances not anticipated in the original budget, and typically also include new expenditures and savings from policy initiatives, whether through new legislation or the budget act alone.</p> <p>On December 17 Gov. Inslee released his proposed 2016 Supplemental Budget. The Public Schools portion of the budget makes necessary technical adjustments to support requirements in current law (called “maintenance level”) and proposes about \$2 million in net policy changes. In separate legislation, the governor proposes to appropriate \$85 million for a teacher shortage initiative consisting of \$80 million for salary increases for certificated, administrative and classified staff and \$5 million to expand the BEST program for mentoring of beginning teachers. The bill will include a set of tax increases to cover the cost of these proposals..</p> <p>In your packet you will find the governor’s summaries of his supplemental budget and teacher shortage initiative, public statements on his supplemental budget by SBE chair Isabel Munoz-Colon and Superintendent Dorn, and a table summarizing his proposed budget and Superintendent Dorn’s supplemental budget request.</p>	

EDUCATION

2016 Supplemental Budget Highlights

K-12 education

Jobs for Washington Graduates

\$500,000 General Fund-State

Expands the program to 25 more schools, districts or consortiums from the current total of 43. Jobs for Washington Graduates is an intervention program that supports traditionally vulnerable youth (such as those in foster care, served in the juvenile justice system or who are homeless) and students struggling to stay on track to graduation. The program includes graduation coaches who assist students in applying for jobs, exploring colleges and accessing other postsecondary options.

Core-Plus

\$500,000 GF-S

Expands the program to 10 new sites each year. Core-Plus, now operating in 45 schools statewide, is a direct school-to-career program that aligns school curriculum with the skills employers need while engaging students and motivating them to graduate. Schools partner with businesses in such high-demand industries as aerospace manufacturing, maritime, construction and agricultural mechanics.

Healthiest Next Generation

\$264,000 GF-S

Continues efforts by the Office of Superintendent of Public Instruction and the departments of Health and Early Learning related to children's nutrition services, physical education and health services. The agencies coordinate effective policies and programs, and encourage school, community and family involvement through shared information and communication.

CTE course equivalencies

\$250,000 GF-S

Expands career and technical education math and science course equivalency frameworks authorized in state law. This includes developing more equivalency course frameworks, course performance

assessments and professional development for districts implementing the new frameworks. These frameworks are guides that align national and industry standards to state core content standards, performance assessments and other elements. This will expand the options students have to meet the 24-credit graduation requirement.

Language access for parents

\$201,000 GF-S

Requires OSPI to translate essential information about educational services into the major languages spoken by Washington families. This includes translating the materials developed under a 2015-17 budget proviso which requires OSPI to develop materials for families about their rights to language assistance services. Provides funding for ongoing translation needs.

Equity in student discipline

\$170,000 GF-S

Provides a program supervisor to help districts and communities implement evidence-based practices to eliminate disparities, reduce the overall use of exclusionary discipline, and maintain safe and positive school climates. OSPI is directed to work with an external advisory committee to keep track of school and community needs, offer feedback and policy recommendations, and coordinate efforts.

Higher education

MESA community college program

\$450,000 GF-S

Brings six Mathematics, Engineering, Science Achievement pilot program sites to scale. MESA improves student math outcomes, degree completion rates and educational attainment, resulting in more underrepresented students entering careers in engineering and technology. With these resources, MESA will reach 350 more community college students.

"We are facing a serious teacher shortage across our state. At a time when we are asking so much of our teachers, we need to do more to give them the support they need to succeed. I am committed to making progress on improving teacher salaries and boosting mentorship programs — so we can recruit and retain the outstanding teachers our students need and deserve."

Governor Jay Inslee

December 2015

TACKLING WASHINGTON'S TEACHER SHORTAGE

Washington is experiencing a significant shortage of qualified teachers and substitutes. School districts across the state are struggling to recruit and retain enough qualified teachers, a problem that hurts our children's ability to succeed in the classroom. Governor Jay Inslee believes we cannot wait until the next biennium to begin tackling this problem. He is proposing legislation to boost the number of qualified teachers and to keep them in the profession longer.

BACKGROUND

A recent survey administered by the Office of Superintendent of Public Instruction and the Association of Washington School Principals shows that schools are struggling to find qualified teachers. Nearly a quarter of principals indicated they are in crisis mode. Of those responding:

- » Forty-four percent were not able to fill all their classroom teacher positions with fully certified teachers who met job qualifications.
- » Eighty percent had to employ individuals with emergency teaching certificates or with emergency substitute certificates as classroom teachers or as long-term substitutes.
- » Twenty-nine percent had unfilled classroom teacher positions.



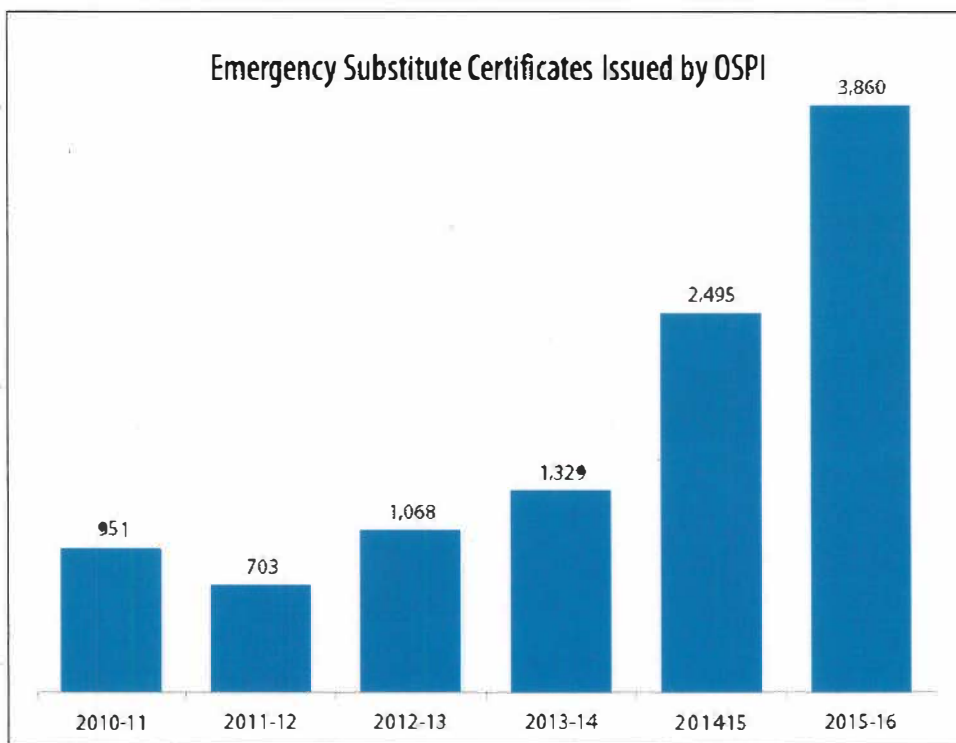
The push to get more permanent teachers in the classroom has depleted the pool of substitutes. Last school year, OSPI issued a total of 2,495 emergency substitute certificates. This year, it is on track to issue 3,860. Emergency substitute certificates require minimal teaching qualifications and can be used by districts as a last resort when no qualified substitutes are available. Emergency substitutes should be seen as short-term solutions.

Principals also report they have been pressed into service in the classroom as substitutes themselves, limiting their time handling administrative and other important responsibilities managing schools. In fact, 74 percent reported having to sub in the previous five days.

The teacher-shortage pinch is being felt most acutely in the areas of special education, math and science. Washington also faces an emerging shortage of elementary teachers.

This fairly recent trend can be traced, in part, to the freeze of Washington's teacher labor market during the Great Recession. Teachers who typically would have retired instead stayed on the job due to the uncertain economy and their ability to make ends meet. Now as the economy recovers, teachers are retiring at a high rate. Meanwhile, low starting wages and hiring freezes that school districts put in place to shrink their budgets during the recession dissuaded many college students from entering teacher preparation programs. All this is compounded by the state's recent efforts to shrink class sizes. The 2015–17 budget included \$530 million for 6,495 new teaching positions to shrink kindergarten-through-third-grade class sizes and staff full-day kindergarten.

Meanwhile, research shows that half of beginning teachers leave the profession in the first five years on the job, with 20 percent leaving after just one year. The primary reasons teachers leave are low pay and lack of support in the classroom.



GETTING STARTED ON A SOLUTION

Pay raises for educators, especially beginning teachers

Governor Inslee proposes raising the minimum teacher salary to \$40,000 per year. This represents a raise of \$4,300 in the 2016–17 school year from the already budgeted 4.8 percent cost-of-living adjustment in the 2015–17 biennial budget. An estimated 8,778 teachers will receive a raise ranging from \$1,000 to \$4,300.

The Governor believes we must also work to make all teacher salaries more competitive. In addition to increasing the base salary, his legislation will provide a minimum 1 percent salary adjustment beginning in the 2016–17 school year for all other teachers. Classified and administrative staff allocations will also receive 1 percent salary adjustments.

Mentoring for beginning teachers

We know that high-quality induction programs — programs that support beginning teachers in the classroom — have a strong positive effect on student learning. We know, too, that teachers often begin their careers in our more challenging schools. It is especially important that these new teachers receive the assistance and coaching they need to succeed in the classroom and meet the needs of a diverse student population. Strong mentoring programs keep good teachers on the job.

To this end, the Governor proposes investing \$5 million in the Beginning Educator Support Team mentoring program at OSPI. This funding will double the BEST resources available to pair new teachers with qualified mentors, help them develop a professional growth plan and provide time for beginning teachers to work with mentors and observe high-performing peers.

To cover the costs of this plan, Governor Inslee proposes closing or limiting several outdated tax breaks that are not as high a priority as our state's K-12 education system. His plan would raise about \$101 million in the next fiscal year by making the following tax and revenue changes effective July 1, 2016:

- [Repeal the use tax exemption for extracted fuel.](#)
- [Refund the state portion of sales tax to nonresidents.](#)
- [Repeal the sales tax exemption on bottled water.](#)
- [Limit the real estate excise tax exemption for banks.](#)

Table 1: New Salary Grid

2016-17 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
0	40,000	40,400	40,804	41,212	42,296	44,385	43,229	46,474	48,566
1	40,400	40,804	41,212	41,624	42,886	44,964	43,710	46,988	49,066
2	40,804	41,212	41,624	42,040	43,441	45,541	44,194	47,463	49,564
3	41,212	41,624	42,040	42,461	43,968	46,119	44,652	47,938	50,065
4	41,624	42,040	42,461	42,885	44,545	46,713	45,133	48,417	50,583
5	42,040	42,461	42,885	43,314	45,099	47,309	45,622	48,901	51,103
6	42,461	42,885	43,314	43,747	45,656	47,878	46,123	49,390	51,614
7	42,885	43,314	43,747	44,185	46,680	48,963	47,061	50,362	52,646
8	43,314	43,747	44,185	44,854	48,201	50,569	48,537	51,885	54,251
9	N/A	44,185	44,756	46,347	49,773	52,220	50,028	53,455	55,904
10	N/A	N/A	46,210	47,916	51,388	53,917	51,599	55,071	57,599
11	N/A	N/A	N/A	49,531	53,079	55,658	53,214	56,762	59,341
12	N/A	N/A	N/A	51,096	54,815	57,472	54,894	58,497	61,156
13	N/A	N/A	N/A	N/A	56,593	59,329	56,631	60,276	63,012
14	N/A	N/A	N/A	N/A	58,381	61,258	58,420	62,181	64,940
15	N/A	N/A	N/A	N/A	59,900	62,851	59,938	63,797	66,629
16 or more	N/A	N/A	N/A	N/A	61,098	64,107	61,137	65,073	67,961

Table 2: Salary Increase

2016-17 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
0	\$ 4,300	\$ 3,736	\$ 3,141	\$ 2,547	\$ 419	\$ 439	\$ 428	\$ 460	\$ 481
1	\$ 4,219	\$ 3,646	\$ 3,042	\$ 2,409	\$ 425	\$ 445	\$ 433	\$ 465	\$ 486
2	\$ 4,166	\$ 3,587	\$ 2,976	\$ 2,266	\$ 430	\$ 451	\$ 438	\$ 470	\$ 491
3	\$ 4,102	\$ 3,517	\$ 2,900	\$ 2,159	\$ 435	\$ 457	\$ 442	\$ 499	\$ 496
4	\$ 4,051	\$ 3,427	\$ 2,808	\$ 2,030	\$ 441	\$ 463	\$ 447	\$ 481	\$ 501
5	\$ 3,989	\$ 3,365	\$ 2,739	\$ 1,899	\$ 447	\$ 468	\$ 452	\$ 492	\$ 506
6	\$ 3,919	\$ 3,320	\$ 2,664	\$ 1,765	\$ 452	\$ 474	\$ 457	\$ 502	\$ 527
7	\$ 3,480	\$ 2,871	\$ 2,204	\$ 1,238	\$ 462	\$ 485	\$ 466	\$ 499	\$ 521
8	\$ 2,645	\$ 1,984	\$ 1,296	\$ 444	\$ 477	\$ 501	\$ 481	\$ 514	\$ 537
9	N/A	\$ 1,054	\$ 443	\$ 459	\$ 493	\$ 517	\$ 495	\$ 529	\$ 554
10	N/A	N/A	\$ 458	\$ 474	\$ 509	\$ 534	\$ 511	\$ 545	\$ 570
11	N/A	N/A	N/A	\$ 490	\$ 526	\$ 551	\$ 527	\$ 562	\$ 588
12	N/A	N/A	N/A	\$ 506	\$ 543	\$ 569	\$ 544	\$ 579	\$ 606
13	N/A	N/A	N/A	N/A	\$ 560	\$ 587	\$ 561	\$ 597	\$ 624
14	N/A	N/A	N/A	N/A	\$ 578	\$ 607	\$ 578	\$ 616	\$ 643
15	N/A	N/A	N/A	N/A	\$ 593	\$ 622	\$ 593	\$ 632	\$ 660
16 or more	N/A	N/A	N/A	N/A	\$ 605	\$ 635	\$ 605	\$ 644	\$ 673



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December 18, 2015

State Board of Education Statement Regarding Governor Inslee's Proposed Budget

OLYMPIA, Wash. – The State Board of Education is pleased Governor Inslee’s proposed budget makes meaningful enhancements to education spending, including important changes to address the emerging teacher shortages, but feels that bolder action is required at this time.

“This would be a solid supplemental budget under normal circumstances, but given the Supreme Court’s finding of contempt, and the imposition of daily fines on the legislature that continue to mount, these are clearly not normal times. The budget writers need to act with more urgency,” said Isabel Munoz-Colon, Chair of the State Board of Education.

Providing a high-quality education to all Washington students – including historically underserved populations – requires ample and equitable funding. The Legislature needs to provide greater clarity on the permissible uses of local levies and a budget with a reliable and dependable revenue source for our education budget. Legislators should use the 2016 legislative session to propose real and lasting changes to the state’s provision for basic education, and end reliance on levies to fund basic education.

Ample school funding remains the State Board of Education’s highest priority for the 2016 legislative session. Legislators have a unique opportunity in the 2016 legislative session to achieve full constitutional compliance before 2018. The board would like to see legislators act with urgency in the 2016 legislative session to fulfill the state’s duty to make ample provision for all Washington students.

2016 Supplemental Budgets

Near General Fund (\$000s)

Maintenance Level Changes	Supt. Dorn Request	Gov. Inslee Proposed	Comment
Enrollment, staff mix, LEA, other	7,260	7,260	Technical adjustments to support budget requirements at current law.
Policy Level Items			
Fully Funding Basic Education	172,879	0	FY 2017 costs of Supt. Dorn proposal for full funding, which funds I-1355 staffing ratios, the full costs of the report of the QEC compensation tech. work group, additional "days" for educator professional development and other enhancements, while extending the time by which full funding must be achieved to 2020-21.
Technology Literacy	77,977	0	Increased MSOC allocations for technology; staff support to update EdTech learning standards and support technology-enabled learning opportunities in districts.
CTE and Skill Center Funding	45,160	0	Increases Skill Center staff allocations and MSOCs, makes other funding changes.
Eliminate Graduation Testing Requirements	(14,667)	0	Obtains savings by eliminating assessment requirements for a high school diploma, together with alternatives to assessments.
Teacher Shortage	11,932	0	Addresses teacher shortages through both broad-based and targeted strategies.
Statewide Professional Learning Support	14,391	0	Professional learning support staff at ESDs, focused PD time for elementary teachers, workshops for principal capacity, teacher leader Fellows, other supports.
Dropout and Graduation Rates	2,449	0	\$1.0m for JAG, \$450K for Core Plus, \$720K for Career Guidance Washington.
Equity in Student Discipline	171	170	1.0 FTE for Program Supervisor and support for external advisory committee.
Assessment Adjustments	(2,339)	0	Aligns spending with contractor costs, takes savings from SB 6145 (Biology EOC).
Core Administration Support	537	0	4.0 FTE staff to support critical agency functions: LAP, TBIP, CEDARS, IT.
OSPI Security Infrastructure	374	0	Software, 0.5 FTE staff, contractor to improve security of data systems.
Highly Capable Program Staff	169	0	1.3 FTE staff for Highly Capable administration.
Language Access for Parents	201	201	One-time cost for translating essential OSPI materials into common languages.
Education Comm. of the States	90	0	Resume membership in Education Commission of the States.
Jobs for Wash. Graduates (JAG)		500	Expands intervention program for vulnerable youth to 25 more schools.
Core-Plus		500	Expands school-to-career program to 10 new sites each year.
Healthiest Next Generation		264	Joint effort by OSPI, DEL, DOH to coordinate nutrition service, health service, P.D.
CTE Course Equivalencies		250	Expands CTE math and science course equivalency frameworks.
Supp. Policy Items Subtotal	309,324	1,885	
Total 2016 Supplemental		9,145	
Teacher Shortage Legislation	0	85,000	Increases beginning teacher salary to \$40K, funds other increases for beginning teachers, 1% increases for all other certificated, admin., classified staff; Enhances BEST mentoring program by \$5m; Proposes revenue legislation to cover the costs.
Total Policy Level	309,324	86,885	

Statement from State Superintendent Randy Dorn on Gov. Jay Inslee's Proposed Education Budget

The Governor released his budget proposal regarding K-12 education. Below is a statement from Dorn on Inslee's inadequate plan.

OLYMPIA — December 18 — As we've seen in years past, and have come to expect from our state's "leaders," Gov. Jay Inslee's education budget proposal again falls far short of what is needed to comply with the orders issued by the Supreme Court in *McCleary v Washington*. It makes no substantial progress toward the full funding of basic education.


The Supreme Court has repeatedly demanded that the Legislature develop a plan for full funding. In fact, they [sanctioned the state](#) \$100,000 per day for failing to produce a plan that, by 2018, would fully fund basic education without the use of local levies. There is still no plan. And when session starts, the state will owe \$14 million in fines.

In April, I released a [complete plan](#) to fully fund basic education for all students. When I submitted my 2016 legislative budget request on November 2, [I proposed](#) the state increase funding by about \$173 million to stay on track to full funding.

Working without a plan, Inslee proposes an increase of about \$87 million.

Now, it's not all bad. Inslee does fund some increases to [Jobs for Washington's Graduates](#), [CorePlus](#), [Career and Technical Education](#), [Healthiest Next Generation initiative](#), language access for families and discipline equity. And he did raise beginning teacher salaries and increase funding for mentoring to help decrease our state's [teacher shortage](#).

But while all of those things are good, Inslee continues to avoid the real issue of *McCleary*.



The state must stop relying on school districts to pass local levies to fund the elements of basic education.

- State Superintendent Randy Dorn

Although salaries are an element of basic education and should be paid for by the state, the state now pays only a portion of what school employees actually earn. In his budget, Inslee actually digs school districts into a *deeper* hole because a salary increase applies to a teacher's *total* salary, not just the amount covered by the state. That places an additional burden on districts to come up with the difference.

I'm tired of sounding like a broken record. I'm tired of the so-called leaders of our state ignoring this serious problem. Who is going to step up and do what's right for the kids in our state?

The Legislature will be releasing their budget proposals soon. Based on experience, I'm not optimistic.