

Public Schools

Successful Readers Program

In 1997, the first results from the new fourth grade assessments indicated that 34 percent of students performed significantly below the reading standards. Research has shown that various strategies can be used to increase the number of students meeting the standards. A total of \$17.0 million is provided for these strategies in accordance with Chapter 271, Laws of 1998, Partial Veto (E2SSB 6509). The components are listed below.

Beginning Reading Instructional Strategies

Funds in the amount of \$9.0 million from the state general fund are provided for elementary schools interested in providing professional development and related instructional materials in beginning reading skills for certificated instructional staff that provide direct instructional services to students in grades kindergarten through grade two. The training for teachers in reading instruction will be provided by public or private contractors and must include research-based scientifically proven strategies.

Tutoring and Mentoring Grants

The amount of \$8.0 million from the state general fund is provided for grants to elementary schools interested in providing programs that use volunteer tutors and mentors to assist struggling readers in kindergarten through sixth grade for programs that are research based and have proven effectiveness in improving student performance.

The Superintendent of Public Instruction must notify school districts of the availability of the funds for both programs by April 15, 1998, and the funds must be available by June 1, 1998. Districts in which less than half of the students meet the reading standards will have first priority for funds under both programs prior to June 1, 1998. Thereafter, all school districts are eligible for the funds on a first-come, first-served basis.

Workload and Other Adjustments

Changes in enrollments, staff mix, lower inflation, and other factors result in K-12 budget savings of more than \$67 million. The major items are discussed below.

Public school enrollment growth is lower than anticipated by 7,005 full-time equivalent students in the 1997-98 school year (from 943,019 to 936,014) and an estimated 8,625 in the 1998-99 school year (from 959,507 to 950,882). While this is less than a one percent change in the original forecast in both years, the cost reduction totals \$46.6 million for the biennium.

Staff mix, which is a measure of the experience and education of certificated instructional staff, is also not increasing as fast as expected. This produces \$8.2 million in budget savings.

The original 1997-99 budget provided inflation adjustments for K-12 basic education programs based on estimates of inflation. The inflation forecast for Fiscal Year 1998 has changed from 2.1 percent to 1.6 percent and for fiscal year 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budgets, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in budget savings of \$5.9 million.

Correctional Facilities Education Programs

The amount of \$1.2 million from the state general fund is provided to implement Chapter 244, Laws of 1998 (ESSB 6600) which transfers responsibility for provision of educational services for juveniles under age 18 in adult correctional facilities to the K-12 system beginning in the 1998-99 school year.

Vocational Education Formula Restructure

The original budget for K-12 vocational education programs in high schools provided funding to maintain a ratio of one certificated staff per 18.3 vocational students. However, beginning with the 1998-99 school year, funding at that ratio would be provided only if districts staffed at that level.

A number of school districts indicated that they would lose vocational funding because they do not staff at the funded ratio. Instead, they use a portion of the staffing funds for such things as contracted services, equipment and supplies. The budget provides funding for such non-personnel costs at a rate of \$15,556 for each allocated certificated staff. Districts that would lose funds under the staffing ratio requirement report that their non-personnel expenditures exceed the state funding rate.

The supplemental budget changes the staffing ratio to one certificated staff per 19.5 students which is a reduction in the staffing ratio and increases the allocation for non-personnel costs from \$15,556 to \$19,775 per allocated certificated staff. This formula change is budget neutral. Districts would still have to maintain a ratio of one certificated staff per 19.5 students in order to receive funding for that ratio. The restructured formula gives districts greater flexibility in how they expend vocational education funds since non-personnel cost allocations may be expended for equipment and supplies, and may also may be expended for staffing costs.

K-20 Network

The amount of \$6.9 million from the Education Savings Account is provided in the Department of Information Systems budget to complete the Phase II portion of the K-20 network for school districts.

Leadership Internship Program

The superintendent/principal internship program was created beginning in the 1994-95 school year. The purpose of the program was to provide funds for partial release time for district employees participating in internship programs. Funding for the program was discontinued in the original 1997-99 budget and the funds placed in the block grant program. The 1998 supplemental budget provides \$799,000 from the state general fund for a leadership internship program that is similar to the 1994 superintendent/principal internship program, and the funds for this program are transferred from the block grant program.

Washington School Information Processing Cooperative (WSIPC) – \$400,000 General Fund-State

Most school districts in this state belong to WSPIC which provides financial and student data processing services. Matching funds are provided to improve the software capabilities of the cooperative in order to maintain its membership base.

Education Studies

K-12 Finance Study

The amount of \$340,000 is provided to fund a K-12 finance study to be conducted by the Joint Legislative Audit and Review Committee. This study will examine revenue and expenditure practices of local school districts and the staffing ratios in selected buildings and classrooms. A final report is due to the Legislature by June 30, 1999.

Skills Centers Definition and Standards

The Superintendent of Public Instruction is directed to conduct a study and to make recommendations to the 1999 Legislature on a definition of, and standards for, skills centers by November 25, 1998. The budget contains a moratorium on new skills centers pending receipt of the study by the Legislature. This study has no general fund state impact.

Special Education Requirements Study

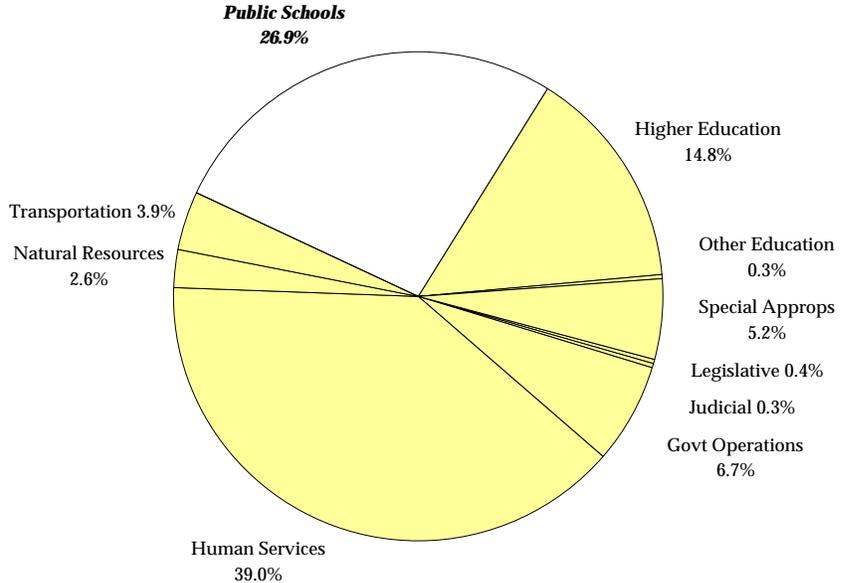
The Superintendent is directed to conduct a study that compares the state's administrative and statutory requirements for special education with the requirements of federal law. The study is due by December 15, 1998. This study has no general fund state impact.

1997-99 Washington State Operating Budget

Total Budgeted Funds

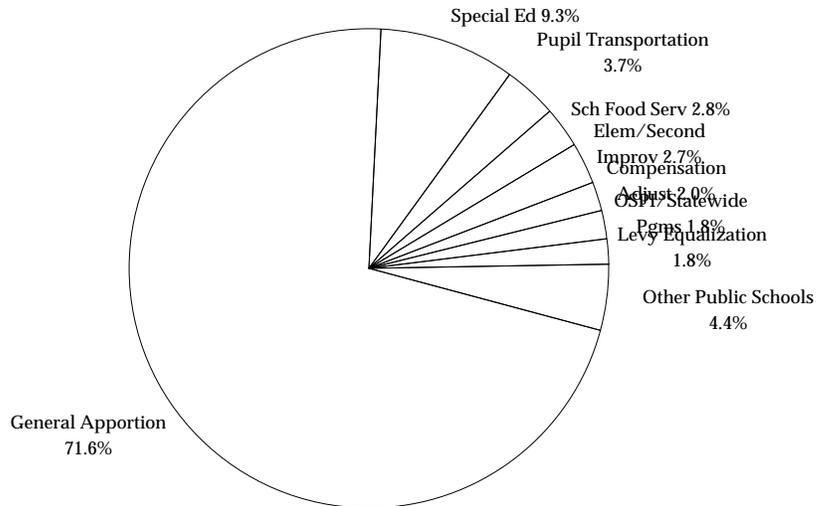
(Dollars in Thousands)

Legislative	126,659
Judicial	117,854
Governmental Operations	2,379,017
Human Services	13,918,431
Natural Resources	915,743
Transportation	1,396,695
Public Schools	9,610,676
Higher Education	5,300,152
Other Education	94,294
Special Appropriations	1,863,566
Statewide Total	35,723,087



Washington State

General Apportionment	6,879,248
Special Education	893,198
Pupil Transportation	354,607
School Food Services	265,215
Elem/Second Sch Improve	255,987
Compensation Adj	194,599
OSPI & Statewide Pgms	174,956
Levy Equalization	168,351
Other Public Schools	424,515
Public Schools	9,610,676



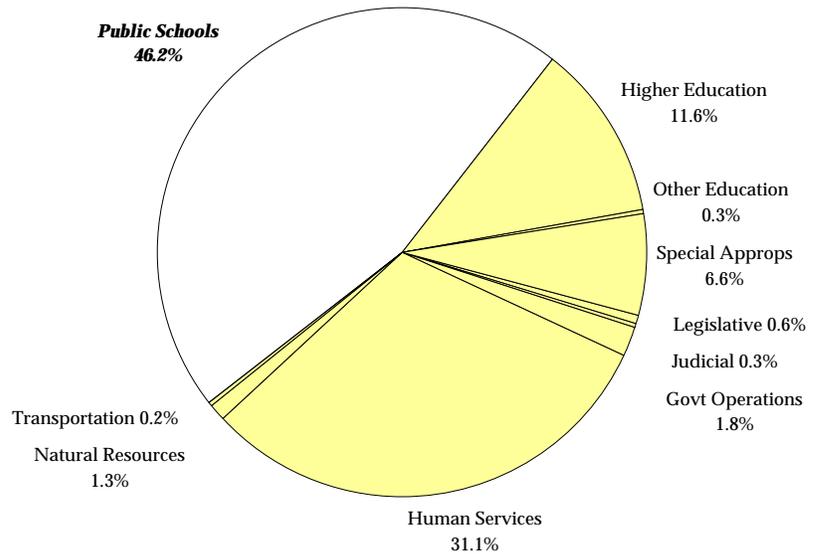
Public Schools

1997-99 Washington State Operating Budget

General Fund - State

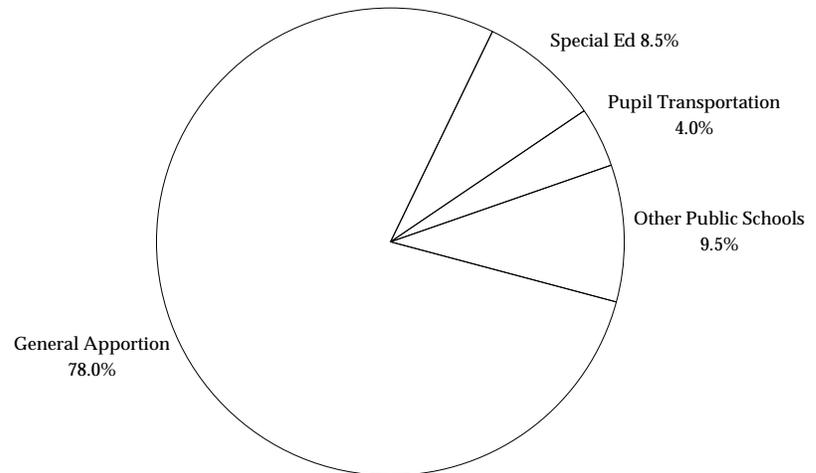
(Dollars in Thousands)

Legislative	113,974
Judicial	60,553
Governmental Operations	348,917
Human Services	5,930,793
Natural Resources	245,199
Transportation	39,506
Public Schools	8,817,896
Higher Education	2,208,291
Other Education	50,041
Special Appropriations	1,268,552
Statewide Total	19,083,722



Washington State

General Apportionment	6,879,248
Special Education	750,092
Pupil Transportation	354,607
Other Public Schools	833,949
Public Schools	8,817,896



Public Schools

Public Schools

WORKLOAD HISTORY

By School Year

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	Estimate	
									1997-98	1998-99
General Apportionment										
FTE Enrollment	768,619	795,703	823,355	850,426	871,735	886,247	904,133	923,679	936,014	950,882
% Change from prior year		3.5%	3.5%	3.3%	2.5%	1.7%	2.0%	2.2%	1.3%	1.6%
Special Education										
Headcount Enrollment *	80,236	84,808	95,954	102,388	101,463	107,232	108,255	109,126	111,047	113,220
% Change from prior year		5.7%	13.1%	6.7%	-0.9%	5.7%	1.0%	0.8%	1.8%	2.0%
Bilingual Education										
Headcount Enrollment	19,344	23,513	28,156	32,200	36,306	39,888	42,981	45,966	48,102	50,466
% Change from prior year		21.6%	19.7%	14.4%	12.8%	9.9%	7.8%	6.9%	4.6%	4.9%
Learning Assistance Program										
Entitlement Units **	86,749	104,123	106,270	114,909	112,771	117,887	154,933	157,583	159,634	161,401
% Change from prior year		20.0%	2.1%	8.1%	-1.9%	4.5%	31.4%	1.7%	1.3%	1.1%

* 1995-96 through 1998-99 represent enrollments funded through the main funding formula and do not include additional enrollment funded through the Special Education Safety Net.

** Formula changed in 1995 -- entitlement units used for allocation purposes only. Actual students served may vary.

Data Source:

1989-90 through 1996-97 amounts from SPI/OFM.

1997-98 through 1998-99 estimates from Legislative Conference Budget.

Public Schools OSPI & Statewide Programs

(Dollars in Thousands)

	GF-S	Other	Total
1997-99 ORIGINAL APPROPRIATIONS	60,833	96,362	157,195
1998 Supplemental Budget			
1. Reduce 4th Grade Testing Burden	375	0	375
2. Instructional Materials	-179	0	-179
3. Offenders Prosecuted as Adults	115	0	115
4. Port Angeles Skill Center	50	0	50
5. Data Processing Grant	400	0	400
6. Successful Readers Program	17,000	0	17,000
Total Supplemental Items	17,761	0	17,761
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1997-99 REVISED APPROPRIATIONS	78,594	96,362	174,956
Fiscal Year 1998 Total	20,423	47,036	67,459
Fiscal Year 1999 Total	58,171	49,326	107,497

Comments:

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|---|---|
| <p>1. REDUCE 4TH GRADE TESTING BURDEN - Funds are provided to implement Chapter 319, Laws of 1998 (2SHB 2849), which addresses the issue of testing elementary school students. Fourth graders are tested as many as three times during the school year including a standardized statewide test. Under the bill, the fourth grade standardized test is moved to the third grade. Students testing substantially below grade level in reading will be re-tested.</p> <p>2. INSTRUCTIONAL MATERIALS - The original 1997-99 biennial budget provided \$20.82 per student in the 1998-99 school year for school instructional materials. Since enrollment is lower than anticipated, the cost of this program is reduced by \$179,000. The budget language is changed allowing individual teachers to determine how the funds will be expended.</p> <p>3. OFFENDERS PROSECUTED AS ADULTS - Funding is provided to implement Chapter 244, Laws of 1998 (ESSB 6600), which requires a study of the educational status and needs of juvenile offenders prosecuted as adults and incarcerated in state correctional facilities and county jails. The study will provide recommendations on appropriate educational programs to the Legislature as required in this bill.</p> <p>4. PORT ANGELES SKILL CENTER - Funding is provided for a skills center at Pt. Angeles, contingent on meeting standards for skills centers to be developed by the Office of the Superintendent of Public Instruction.</p> <p>5. DATA PROCESSING GRANT - Matching funds are provided for improving the financial and student database capabilities of the Washington School Information Processing Cooperative. The funding is provided on the condition that at least 267 school districts remain members of the cooperative.</p> <p>6. SUCCESSFUL READERS PROGRAM - Funding is provided to implement Chapter 271, Laws of 1998, Partial Veto (E2SSB 6509 - Reading Instruction Training). Various strategies will be employed to help improve reading in elementary schools</p> | <p>including: \$9 million for in-service training and related instructional materials; and \$8 million for programs utilizing volunteer tutors and mentors.</p> <p>NOTE: The Superintendent is directed to conduct a study and make recommendations to the 1999 Legislature on a definition of and standards for skills centers by November 25, 1998, and to prepare a study comparing the state's administrative and regulatory requirements for special education with the requirements of federal law.</p> |
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Public Schools General Apportionment

(Dollars in Thousands)

	GF-S	Other	Total
1997-99 ORIGINAL APPROPRIATIONS	6,940,884	0	6,940,884
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-46,600	0	-46,600
2. Staff Ratio Impacts	1,846	0	1,846
3. K-12 Compensation Impacts	-8,019	0	-8,019
4. K-12 Inflation	-4,771	0	-4,771
5. Other Adjustments	-4,097	0	-4,097
6. Vocational Ed Formula Restructure	255	0	255
7. K-12 Audit Resolution Team	-250	0	-250
Total Supplemental Items	-61,636	0	-61,636
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1997-99 REVISED APPROPRIATIONS	6,879,248	0	6,879,248
Fiscal Year 1998 Total	3,405,645	0	3,405,645
Fiscal Year 1999 Total	3,473,603	0	3,473,603

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - Public school enrollment growth is lower than anticipated by 7,005 FTE students in the 1997-98 school year (from 943,019 to 936,014) and 8,625 in the 1998-99 school year (from 959,507 to 950,882). While this is less than a 1 percent change in the original forecast in both years, the cost reduction totals \$46.6 million for the biennium.
4. K-12 INFLATION - Inflation adjustments are provided in the budget for K-12 basic education programs. The inflation forecast for FY 1998 has changed from 2.1 percent to 1.6 percent and for FY 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budget, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in an inflation rate of 1.3 percent for the 1998-99 school year.
2. STAFF RATIO IMPACTS - The budget contains class size reduction funds for grades K-3. For the 4th-12th grades, 46 certificated instructional staff per 1,000 students are provided, (1 staff per 21.74 students). For grades K-3, a maximum of 54.3 certificated staff per 1,000 students are provided, (1 staff per 18.42 students). However, districts only receive the additional K-3 funding to the extent they utilize the additional staff. The budget contains assumptions about how many districts will utilize the maximum staffing. Actual data indicates that more districts than assumed are using the maximum staffing thus requiring a supplemental budget of \$1.8 million.
5. OTHER ADJUSTMENTS - Certain school districts receive federal and state forest funds. These funds are treated as local deductible revenues which means that the state reduces state basic education funds in the amount of federal and state forest funds that districts receive. Receipts of these funds are greater than assumed in the original budget reducing the state general fund cost.
3. K-12 COMPENSATION IMPACTS - The formula for distribution of salary funds for certificated instructional staff in each district contains a "staff mix" factor. Staff mix refers to the education and experience levels of the staff. The higher the levels are the more funds are provided. The budget contains assumptions about changes in the staff mix factor from year to year, and it was assumed that staff mix would increase. Data submitted by school districts through January 1998 indicates that the increase in the staff mix factor is lower than assumed.

Public Schools General Apportionment

6. VOCATIONAL ED FORMULA RESTRUCTURE - The original 1997-99 biennial budget allocated 1 certificated staff per 18.3 vocational students. That budget contained a proviso specifying that beginning in the 1998-99 school year districts will receive funding at this ratio if they maintain such a ratio.

Because staffing funds were expended on contracted services, supplies, and equipment, school districts will not be able to comply with this budget condition. Normally, this type of expenditure is budgeted as a non employee related cost (NERC) allocation. The original budget provides \$15,344 for NERCs per certificated staff in the 1998-99 school year.

This supplemental budget changes the staffing ratio to 1 certificated staff per 19.5 students which is a reduction in the staffing ratio and increases the NERC from \$15,344 to \$19,775. Districts would still be required to maintain a ratio of 1 to 19.5 in order to receive funding for that ratio. The restructured formula gives districts greater flexibility in how they expend vocational education funds by shifting \$10.1 million from the salary side of the vocational funding formula to the NERC side. NERC funds may also be expended for staffing costs. The formula change is budget neutral when taken together with an offsetting reduction of \$253,000 in the compensation adjustments section of the budget.

7. K-12 AUDIT RESOLUTION TEAM - In the Office of the State Auditor, funds are provided to create a K-12 Audit Team. The purpose of the team is to provide sufficient information to the Office of the Superintendent of Public Instruction to enable recovery of funds whenever audit exceptions are found in regular audits and to conduct special audits when a more comprehensive audit of a district's program is indicated. It is expected that the operations of the audit team will generate savings of \$250,000 in this program.

NOTE: The Superintendent is directed to perform a study to establish a definition of and standards for skills centers and to make recommendations to the 1999 Legislature. Pending receipt of the study, the budget contains a moratorium on new skills centers.

Public Schools Compensation Adjustments

(Dollars in Thousands)

	GF-S	Other	Total
1997-99 ORIGINAL APPROPRIATIONS	196,276	0	196,276
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-1,510	0	-1,510
2. Staff Ratio Impacts	48	0	48
3. Educate Juveniles in Adult Prisons	38	0	38
4. Vocational Ed Formula Restructure	-253	0	-253
Total Supplemental Items	-1,677	0	-1,677
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1997-99 REVISED APPROPRIATIONS	194,599	0	194,599
Fiscal Year 1998 Total	79,412	0	79,412
Fiscal Year 1999 Total	115,187	0	115,187

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - The 1997 Legislature granted a 3 percent salary increase for K-12 staff. Since enrollment is lower than anticipated, there are fewer teachers and other staff funded by the state. Therefore, the cost of the salary increase is lower by \$1.5 million.

2. STAFF RATIO IMPACTS - The state provides funds for lower class sizes in grades K-3. Since more districts are utilizing this opportunity for lower class sizes, more teachers are eligible for the 3 percent salary increase granted by the 1997 Legislature. This increases the state's salary increase cost by \$48,000.

3. EDUCATE JUVENILES IN ADULT PRISONS - The 3 percent salary increase granted by the 1997 Legislature is also applied to the additional teachers who will be hired to accommodate the new enrollments for juveniles in adult prison.

4. VOCATIONAL ED FORMULA RESTRUCTURE - As referenced in the apportionment program of the budget, the vocational education formula is being restructured allocating more funds for non employee related costs (NERC) and less staffing funds. This reduces the salary base and requires less salary increase funds in the 1998-99 school year.

**Public Schools
 Pupil Transportation**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	353,904	0	353,904
1998 Supplemental Budget			
1. Enrollment/Workload Changes	1,251	0	1,251
2. K-12 Inflation	-548	0	-548
Total Supplemental Items	703	0	703
1997-99 REVISED APPROPRIATIONS	354,607	0	354,607
Fiscal Year 1998 Total	175,168	0	175,168
Fiscal Year 1999 Total	179,439	0	179,439

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - For the 1997-98 school year, reimbursable mileage is 34,578 miles higher than assumed in the original budget, from 4,056,689 miles to 4,091,267 miles. The increase is 24,721 miles higher for the 1998-99 school year.
2. K-12 INFLATION - Inflation adjustments are provided in the budget for K-12 basic education programs. The inflation forecast for FY 1998 has changed from 2.1 percent to 1.6 percent and for FY 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budget, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in an inflation rate of 1.3 percent for the 1998-99 school year.

**Public Schools
 School Food Services**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	6,150	259,040	265,190
1998 Supplemental Budget			
1. Summer Food Service Program	25	0	25
Total Supplemental Items	25	0	25
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1997-99 REVISED APPROPRIATIONS	6,175	259,040	265,215
Fiscal Year 1998 Total	3,075	129,519	132,594
Fiscal Year 1999 Total	3,100	129,521	132,621

Comments:

1. SUMMER FOOD SERVICE PROGRAM - State funds are provided to address part of the loss of federal funds in the summer food service program for children in low-income areas.

**Public Schools
 Special Education**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	744,813	135,106	879,919
1998 Supplemental Budget			
1. Enrollment/Workload Changes	6,011	0	6,011
2. K-12 Inflation	-482	0	-482
3. Other Adjustments	0	8,000	8,000
4. K-12 Audit Resolution Team	-250	0	-250
Total Supplemental Items	5,279	8,000	13,279
1997-99 REVISED APPROPRIATIONS	750,092	143,106	893,198
Fiscal Year 1998 Total	371,687	69,118	440,805
Fiscal Year 1999 Total	378,405	73,988	452,393

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - Enrollment in special education programs is higher than anticipated by 343 students in the 1997-98 school year (from 110,704 to 111,047) and is estimated to be higher by 1,522 students in the 1998-99 school year (from 111,698 to 113,220) increasing the cost of the program by \$6.0 million.
2. K-12 INFLATION - Inflation adjustments are provided in the budget for K-12 basic education programs. The inflation forecast for FY 1998 has changed from 2.1 percent to 1.6 percent and for FY 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budget, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in an inflation rate of 1.3 percent for the 1998-99 school year.
3. OTHER ADJUSTMENTS - This item reflects revised estimates of federal funding increases for special education. (General Fund-Federal)
4. K-12 AUDIT RESOLUTION TEAM - In the Office of the State Auditor, funds are provided to create a K-12 Audit Team. The purpose of the team is to provide sufficient information to the Office of the Superintendent of Public Instruction to enable recovery of funds whenever audit exceptions are found in regular audits and to conduct special audits when a more comprehensive audit of a district's program is indicated. It is expected that the operations of the audit team will generate savings of \$250,000 in this program.

Public Schools
Traffic Safety Education

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	0	17,179	17,179
1998 Supplemental Budget			
1. Enrollment/Workload Changes	0	-296	-296
Total Supplemental Items	0	-296	-296
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1997-99 REVISED APPROPRIATIONS	0	16,883	16,883
Fiscal Year 1998 Total	0	8,262	8,262
Fiscal Year 1999 Total	0	8,621	8,621

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - The state provides \$137.16 per student completing driver education. The number of students completing the course is lower than estimated resulting in a cost reduction of \$296,000. (Public Safety and Education Account)

**Public Schools
 Levy Equalization**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	173,952	0	173,952
1998 Supplemental Budget			
1. Other Adjustments	-5,601	0	-5,601
Total Supplemental Items	-5,601	0	-5,601
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1997-99 REVISED APPROPRIATIONS	168,351	0	168,351
Fiscal Year 1998 Total	82,079	0	82,079
Fiscal Year 1999 Total	86,272	0	86,272

Comments:

1. OTHER ADJUSTMENTS - Fewer districts than assumed in the original budget will be eligible for levy equalization resulting in a cost reduction of \$5.6 million for this program.

**Public Schools
 Institutional Education**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	37,009	8,548	45,557
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-2,509	0	-2,509
2. K-12 Compensation Impacts	-196	0	-196
3. K-12 Inflation	-7	0	-7
4. Educate Juveniles in Adult Prisons	1,196	0	1,196
Total Supplemental Items	-1,516	0	-1,516
1997-99 REVISED APPROPRIATIONS	35,493	8,548	44,041
Fiscal Year 1998 Total	16,897	4,274	21,171
Fiscal Year 1999 Total	18,596	4,274	22,870

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - Enrollment in institutions is lower than anticipated in the original budget reducing costs by \$2.5 million.
2. K-12 COMPENSATION IMPACTS - Actual 1997-98 salaries in institutions are lower than anticipated in the original budget.
3. K-12 INFLATION - Inflation adjustments are provided in the budget for K-12 basic education programs. The inflation forecast for FY 1998 has changed from 2.1 percent to 1.6 percent and for FY 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budget, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in an inflation rate of 1.3 percent for the 1998-99 school year.
4. EDUCATE JUVENILES IN ADULT PRISONS - New sentencing laws result in more juveniles incarcerated in adult correctional facilities. The Juvenile Justice Act of 1997 assigned responsibility and funding for educating these juveniles to the Department of Corrections (DOC). The budget provides funds to implement Chapter 244, Laws of 1998 (ESSB 6600) which transfers responsibility for provision of the educational services for juveniles under age 18 in adult correctional facilities to the K-12 system beginning in the 1998-99 school year. This is accomplished through a funding formula similar to that currently used to serve juveniles in detention centers and other state institutions. The appropriation to the DOC is reduced in FY 1999 to reflect this re-assignment.

Public Schools
Education of Highly Capable Students

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	11,928	0	11,928
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-106	0	-106
Total Supplemental Items	-106	0	-106
1997-99 REVISED APPROPRIATIONS	11,822	0	11,822
Fiscal Year 1998 Total	5,701	0	5,701
Fiscal Year 1999 Total	6,121	0	6,121

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - Funding for the highly capable program is provided for up to 2.0 percent of each district's K-12 enrollment. Since enrollment is lower than anticipated \$106,000 less is needed to fund the program.

**Public Schools
 Education Reform**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	40,773	233	41,006
1998 Supplemental Budget			
1. CSL Assessments Development	-950	0	-950
2. Leadership Internship Program	799	0	799
Total Supplemental Items	-151	0	-151
1997-99 REVISED APPROPRIATIONS	40,622	233	40,855
Fiscal Year 1998 Total	18,605	127	18,732
Fiscal Year 1999 Total	22,017	106	22,123

Comments:

1. CSL ASSESSMENTS DEVELOPMENT - State law requires the Commission on Student Learning (CSL) to complete assessments in various grades and subject matters according to specified timelines. As requested by the Commission on Student Learning, the budget assumes a delay of one year in the due date of the high school science assessments. This means that \$950,000 of the funds allocated to the Commission for development of the test will not be needed this biennium but will be needed next biennium.
2. LEADERSHIP INTERNSHIP PROGRAM - The superintendent/principal internship program was created beginning in the 1994-95 school year. The purpose of the program was to provide funds for partial release time for district employees participating in internship programs. Funding for the program was discontinued in the 1997-99 budget and the funds placed in the block grant program. The 1998 supplemental budget provides \$799,000 for a leadership internship program that is similar to the 1994 superintendent/principal internship program and the funds are transferred from the block grant program.

Public Schools
Transitional Bilingual Instruction

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	64,560	0	64,560
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-1,664	0	-1,664
Total Supplemental Items	-1,664	0	-1,664
1997-99 REVISED APPROPRIATIONS	62,896	0	62,896
Fiscal Year 1998 Total	30,711	0	30,711
Fiscal Year 1999 Total	32,185	0	32,185

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - New bilingual enrollment forecasts are lower than anticipated reducing the cost of the program by \$1.7 million. Enrollment for 1997-98 is reduced from 48,940 to 48,102 students. For 1998-99 enrollment is reduced from 52,646 to 50,466.

**Public Schools
 Learning Assistance Program (LAP)**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	121,171	0	121,171
1998 Supplemental Budget			
1. Enrollment/Workload Changes	129	0	129
2. K-12 Inflation	-76	0	-76
Total Supplemental Items	53	0	53
1997-99 REVISED APPROPRIATIONS	121,224	0	121,224
Fiscal Year 1998 Total	60,224	0	60,224
Fiscal Year 1999 Total	61,000	0	61,000

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - The Learning Assistance Program provides funds to school districts based on the proportion of low-achieving students in each district. K-12 enrollment is lower than anticipated; however, the number of students scoring in the lowest quartile is slightly higher than anticipated resulting in a net increase of \$129,000 in this program.
2. K-12 INFLATION - Inflation adjustments are provided in the budget for K-12 basic education programs. The inflation forecast for FY 1998 has changed from 2.1 percent to 1.6 percent and for FY 1999 from 2.7 percent to 1.8 percent. Basic education budgets cannot be adjusted once school districts have set their budget, so no changes are made for the 1997-98 school year. A budget adjustment is made for the 1998-99 school year taking into account the lower inflation in the previous year and the coming year. These adjustments result in an inflation rate of 1.3 percent for the 1998-99 school year.

**Public Schools
 Block Grants**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1997-99 ORIGINAL APPROPRIATIONS	106,777	0	106,777
1998 Supplemental Budget			
1. Enrollment/Workload Changes	-826	0	-826
2. Leadership Internship Program	-799	0	-799
Total Supplemental Items	-1,625	0	-1,625
1997-99 REVISED APPROPRIATIONS	105,152	0	105,152
Fiscal Year 1998 Total	49,493	0	49,493
Fiscal Year 1999 Total	55,659	0	55,659

Comments:

1. ENROLLMENT/WORKLOAD CHANGES - This program contains the block grant program and the student learning incentive grant program. Block grant funds and student learning incentive grants are allocated based on enrollment. Since enrollment is lower than anticipated the cost of this program is reduced by \$826,000.

2. LEADERSHIP INTERNSHIP PROGRAM - The superintendent/principal internship program was created beginning in the 1994-95 school year. The purpose of the program was to provide funds for partial release time for district employees participating in internship programs. Funding for the program was discontinued in the 1997-99 budget and the funds were placed in the block grant program. The 1998 supplemental budget provides \$799,000 for a leadership internship program that is similar to the 1994 superintendent/principal internship program and the funds are transferred from the block grant program to the education reform program. Accordingly, the rate per student is reduced from \$29.86 to \$28.81 for the 1998-99 school year.