

Public Schools

Summary Statistics on Total and Percentage Changes in the K-12 Budget

	2005-07 Biennium through the 2007 Supplemental Budget	2007-09 Biennium	Difference	Percent Change
NGF-S *	\$11,789,156,000	\$13,524,072,000	\$1,734,916,000	14.7%
NGF-S Per Pupil Funding **	\$6,059	\$6,926	\$868	14.3%

* NGF-S: Near General Fund-State

** Does not include local or federal fund sources or other non-NGF-S accounts.

Maintenance Level Changes

A total of \$764.3 million in maintenance-level increases are funded in the 2007-09 biennial budget. Major items include:

Initiative 728 Costs

The sum of \$138.6 million is provided to fund scheduled increases in per pupil allocations from the Student Achievement Fund as required under Initiative 728. Per pupil allocation rates increase from the current rate of \$375 per student to \$450 per student in school year 2007-08 and \$459 per student in school year 2008-09. Districts may use the funds for a variety of reform initiatives, including lower class size, capital improvements, extended learning opportunities, professional development, and early childhood programs.

Initiative 732 Costs

As required by Initiative 732, \$379 million is provided to fund public school employee cost-of-living adjustments (COLAs). The COLAs are determined by the Seattle Consumer Price Index for the previous calendar year. The COLA amounts are 3.7 percent for school year 2007-2008 and 2.8 percent for school year 2008-2009.

K-12 Pension Costs

The amount of \$234.6 million is provided to fund increased employer contribution rates for K-12 public school employees.

Policy Level Changes

A total of \$374 million in policy-level changes are included in the 2007-09 biennial budget. Major items include:

Special Education Enhancements

A total of \$75.2 million (\$60.6 million General Fund-State, \$14.6 million Education Legacy Trust Account-State) is provided for: (1) removing three- and four-year olds from the 12.7 index used for special education funding; (2) enhancing the rate paid for three- and four-year olds receiving special education services from 93 percent of the basic education allocation to 115 percent; (3) creating a new safety net category for districts that draw a large number of students in need of special education services; and (4) reducing the extent of federal fund integration by increasing the amount provided for each special education student by \$73 per year statewide.

Employee Health Benefit Increases

A total of \$66.4 million from General Fund-State is provided to increase the state allocation rate for K-12 employee health benefits from the current rate of \$682 per month to \$707 per month in the 2007-08 school year and \$732 per month in the 2008-09 school year. The proposal maintains parity with the average provided for state employees' coverage through the Public Employees Benefits Board.

Salary Equity Proposals

Beyond the Initiative 732 salary increases reflected at maintenance level, additional salary increases totaling \$64.2 million from General Fund-State are provided to school districts that have historically received lower salary allocations from the state for the three different types of staff funded in basic education programs: certificated instructional staff, classified staff, and administrative staff. These are increases in state salary allocations to school districts and are not necessarily an entitlement to individual employees working in these districts.

Certificated Instructional Staff

A total of \$45.0 million from General Fund-State is provided to increase state salary allocations for certificated instructional staff (CIS) in non-grandfathered salary districts by an additional 0.6 percent in the 2007-08 school year and 0.7 percent in the 2008-09 school year. This results in total salary allocation increases for CIS in non-grandfathered districts of 4.3 percent in the 2007-08 school year and 3.5 percent in the 2008-09 school year. This reduces the total number of grandfathered salary districts from 34 to 13 by the end of the 2007-09 biennium and reduces the difference between the top grandfathered salary district (Everett) and the rest of the state from 6.3 percent to 4.9 percent by the end of the biennium.

Classified Staff

A total of \$15.1 million from General Fund-State is provided to increase minimum classified staff salary allocations from \$22,454 to \$30,111 in the 2007-08 school year and \$31,376 in the 2008-09 school year. This is a statewide increase of 0.55 percent in the 2007-08 school year and 0.65 percent in the 2008-09 school year above the Initiative 732 salary increases. Individual districts receive varying amounts based on their current position on the LEAP 12E schedule. The increase brings the total number of districts at the minimum classified salary to 225 and reduces the difference between the districts with the highest and lowest administrative salary allocations from 51 percent to 15 percent by the end of the biennium.

Administrative Staff

A total of \$4.1 million from General Fund-State is provided to increase minimum administrative staff salary allocations from \$46,485 to \$54,405 in the 2007-08 school year and \$57,097 in the 2008-09 school year. This is a statewide increase of 0.5 percent in the 2007-08 school year and 0.6 percent in the 2008-09 school year above the Initiative 732 salary increases. Individual districts receive varying amounts based on their current position on the LEAP 12E schedule. The increase brings the total number of districts at the minimum salary level to 89 and reduces the difference between the districts with the highest and lowest administrative salary allocations from 68 percent to 46 percent by the end of the biennium.

All Day Kindergarten Phase-In

Funding in the amount of \$51.2 million Education Legacy Trust Account-State is provided to phase in a full day kindergarten program, beginning in the state's highest poverty schools. Funding is estimated to support a full day program for approximately 10 percent of the state's kindergarten enrollment during the 2007-08 school year and 20 percent during the 2008-09 school year. The Office of the Superintendent of Public Instruction (OSPI) will fund as many schools as possible within the budgeted amount and prioritize schools based on poverty level.

Math/Science Professional Development

A total of \$39.5 million from the Education Legacy Trust Account-State is provided for: (1) the equivalent of three professional development days for each middle and high school math and science teacher in the state; (2) specialized training for one math and one science teacher in each middle and high school to develop building-level expertise on the new math and science standards; and (3) the equivalent of two professional development days for fourth and fifth grade teachers to support district efforts to align instruction with new math and science state standards. The funding for these professional development days is in addition to the two existing Learning

Improvement Days provided in existing state funding formulas for all certificated instructional staff and is calculated on a staff FTE rather than headcount basis consistent with general apportionment allocations as specified in Section 502 of the budget.

Classified Staffing Ratio Enhancement

The sum of \$25.8 million from General Fund-State is provided to enhance the classified staff ratio in the general apportionment formula for school districts. Currently, the formula allocates one classified staff for every 60 students enrolled. The new formula will allocate classified staff at a rate of 1 per 59 students.

Pupil Transportation

Funding in the amount of \$25.0 million from the Education Legacy Trust Account-State is provided to allocate additional resources to school districts for their pupil transportation program. OSPI, in consultation with the Joint Legislative Audit and Review Committee (JLARC), will develop a method of allocating these funds to school districts. The methodology will be based primarily on the findings and analysis from JLARC's K-12 pupil transportation study completed in December 2006.

Learning Assistance Program (LAP)

A total of \$16.9 million (\$0.6 million General Fund-State, \$16.3 million Education Legacy Trust Account-State) is provided to support LAP. LAP provides additional resources to school districts to assist students struggling to achieve at grade level and can pay for instructional staff, consultant teachers, special instructional programs, and tutoring, among other supplemental support services. Funding is increased for LAP by approximately 10 percent.

Technology Upgrades and Improvements

A total of \$12.4 million from the Education Legacy Trust Account-State is provided to allow school districts and schools to update and improve their technology capacity. Specifically, this one-time funding is based on providing \$3,000 for each elementary school, \$6,000 for each middle or junior high school, and \$11,000 for each high school. The funding is intended to augment existing technology purchases and aid in the further use of technology in improving instruction. OSPI will develop methods of prorating these per school amounts for school buildings with non-traditional grade structures or other unique circumstances. This funding is not presumed to continue beyond the 2007-09 biennium.

Promoting Academic Success (PAS) for 12th Grade

In the 2006 Supplemental Budget, funding was provided for the PAS program to assist 11th grade students who are not successful in one or more subjects of the Washington Assessment of Student Learning (WASL). Additional funding in the amount of \$12.1 million General Fund-State is provided to serve 12th graders that still have not been successful on the WASL. Students not successful on the WASL will now be eligible to receive separate PAS allocations in their junior and senior years.

2007 WASL Changes

A total of \$10.8 million from the Education Legacy Trust Account-State is provided for the implementation of Chapter 354, Laws of 2007, Partial Veto (ESSB 6023). Of the amount budgeted, \$4.4 million is reserved for diagnostic assessments to assist students in identifying specific areas for academic growth towards the goal of passing the WASL. A proviso in the underlying budget containing \$0.5 million for diagnostic assessments has been consolidated with this, making a total of \$4.9 million available for implementing the requirements relating to diagnostic assessments in ESSB 6023. OSPI will negotiate competitive pricing for high-quality diagnostic tools aligned with state content standards from which districts may choose. Additionally, a flat amount of \$5.0 million was budgeted for the estimated costs associated with part-time students who do not pass the math WASL and will be required to take additional math classes to graduate, which could increase the number of full-time equivalent (FTE) students. Actual enrollments will be adjusted to reflect increased costs in the 2008 supplemental budget, and OSPI is directed to hold the \$5.0 million in unallotted status. The remaining amounts shall be used to fully implement the provisions of ESSB 6023, including implementing an expanded menu of alternative assessments and establishing appropriate cut scores for the new alternative assessments.

Vocational Equipment Replacement

Funding in the amount of \$9.4 million from the Education Legacy Trust Account-State is provided to continue the allocation originally provided in the 2006 supplemental budget to allow vocational and Skills Center programs to replace and upgrade equipment. In both years of the biennium, the funding will be distributed based on \$75 per vocational student and \$125 per student at Skills Centers. This funding is not presumed to continue beyond the 2007-09 biennium.

Skills Center Enrollment Expansion

Pursuant to Chapter 463, Laws of 2007, Partial Veto (2SSB 5790), a total of \$8.1 million (\$7.7 million General Fund-State, \$0.4 million Student Achievement Fund-State) is provided for the costs associated with allowing each student attending a Skills Center to be counted up to 1.6 FTE students in the Skills Center and resident school district. Furthermore, under the provision of 2SSB 5790, Initiative 728 funding generated by skills center student FTEs now follows the student to support programming at the Skills Center.

National Board Certification

Funding in the amount of \$7.4 million from General Fund-State is provided for the following: (1) \$6.4 million to increase the annual bonus for teachers obtaining their National Board certification from \$3,500 currently to \$5,000 in the 2007-08 school year and adjusted by inflation in subsequent school years; and (2) \$1.0 million to provide an additional \$5,000 annual bonus for National Board certified teachers working in high poverty schools. OSPI shall develop methods of prorating national board bonuses for partial years of service.

Increase Number of Teachers

Funding in the amount of \$6.6 million from General Fund-State is provided to: (1) expand the Alternative Routes to Teacher Certification program to produce an estimated 400 new teachers in math, science, special education, or English as a second language; (2) create the Retooling to Teach Math and Science program to produce an estimated 300 new teachers in those areas; and (3) increase the pipeline of para-educators eligible for the Alternative Routes program.

Expand Leadership and Assistance for Science Education Reform (LASER)

Funding in the amount of \$6.0 million from General Fund-State is provided to expand the LASER program to reach additional classrooms each year. LASER provides complete toolkits for hands-on science projects, teacher training, research-based models for learning, and community support.

Math/Science Regional Support

In order to support the additional professional development opportunities provided through the Education Reform program, \$5.5 million from General Fund-State is provided to the Educational Service Districts for professional development specialists in mathematics in the 2007-08 school year and additional specialists in science in the 2008-09 school year.

Math and Science Instructional Coaches

Funding of \$5.4 million from the Education Legacy Trust Account-State is provided for 25 math instructional coaches in the 2007-08 and 2008-09 school years and 25 science instructional coaches in the 2008-09 school year. Each coach will receive five days of training at a coaching institute prior to each being assigned to serve two schools.

Math and Science Standards and Curriculum

A total of \$4.7 million (\$2.3 million General Fund-State, \$2.4 million Education Legacy Trust Account-State) is provided to: (1) recommend new math standards aligned with international standards; (2) identify mathematics basic curricula, diagnostic, and supplemental materials that align with the new international math standards; (3) support the development of state standards in science that reflect international content and performance levels; (4) evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with international standards; and (5) develop science WASL knowledge and skill learning modules to assist students performing at tenth grade Level 1 and Level 2 in science to improve their performance.

Building Bridges for Dropouts

Funding in the amount of \$5.0 million from General Fund-State is provided for the implementation of Chapter 408, Laws of 2007, Partial Veto (2SHB 1573). Specifically, via this legislation, a grant program is established for school districts to implement comprehensive dropout prevention and retrieval programs.

Elimination of Breakfast and Lunch Co-Pay

A total of \$4.8 million from General Fund-State is provided to eliminate school breakfast and lunch co-pays. Under current federal income guidelines, students qualify for free lunch at 130 percent of the federal poverty level and reduced price lunch at 185 percent of the federal poverty level. Typically, students eligible for reduced price lunch pay a 40-cent co-pay. Funding was provided in the 2006 supplemental budget to eliminate breakfast co-pays for students eligible for the reduced price lunch program. This resulted in an increase in the number of students participating in the program. Funding is provided to allow districts to continue to offer breakfast to students eligible for reduced price lunch at no cost to the student. Additionally, funds are provided to eliminate the lunch, as well as breakfast, co-pay for students in grades K-3.

Educational Staff Associates

Funding in the amount of \$4.3 million from General Fund-State is provided for Chapter 403, Laws of 2007 (E2SHB 1432), which allows educational staff associates such as nurses, guidance counselors, and speech/language pathologists to receive credit on the state salary schedule for up to two years of prior work experience in settings other than public schools.

Middle School Career and Technical Education Programs

Pursuant to Chapter 396, Laws of 2007 (2SHB 1906), \$3.0 million from General Fund-State is provided to enhance allocations to some middle and junior high school career and technical education programs. In order to receive the funding, the middle or junior high school program must meet the approval requirements for vocational programs.

After School Grants/Community Learning Center Programs

Funding in the amount of \$3.0 million from General Fund-State is provided to allow OSPI to award after-school program grants pursuant to Chapter 400, Laws of 2007, Partial Veto (E2SSB 5841). Priority for the grants will be given to grant requests that focus on improving reading and mathematics proficiency for students who attend schools that have been identified as in need of improvement based on the federal No Child Left Behind Act and include a proposal related to providing free transportation for those students in need that are involved in the program.

K-3 Demonstration Projects

Funding in the amount of \$3.0 million from the Education Legacy Trust Account-State is provided for grants to allow three demonstration schools to implement best practices in developmental learning in kindergarten through third grade. Specifically, the funding will provide resources for class sizes of 18 students, instructional coaches, and six additional professional development days for teachers. Two of the demonstration schools will be schools participating in the Thrive-by-Five early learning partnerships in the Highline and Yakima school districts and one will be in the Spokane school district.

Gifted Education Enhancement

Currently, districts are eligible to receive a per student allocation for highly capable/gifted students up to 2.0 percent of their total enrollment. Funding in the amount of \$2.4 million from General Fund-State is provided to increase the cap from 2.0 percent to 2.3 percent.

Math and Science Reform

A total of \$2.6 million (\$2.2 million General Fund-State, \$0.4 million Education Legacy Trust Account-State) is provided for a variety of budget items related to improving math and science instruction and assessment, including: (1) funding for the State Board of Education and Professional Educators Standards Board (PESB) to implement various Washington Learns recommendations; (2) funding for high school students to take a college

readiness test during 11th grade; and (3) providing after-school grants to community organizations that partner with school districts to provide mathematics support activities.

English Language Learners

Funding in the amount of \$1.3 million from General Fund-State is provided to establish three pilot programs targeted at large middle and high schools to implement emerging best practices in staff development and instructional strategies in the area of English language learner instruction.

Leadership Academy

Funding in the amount of \$1.3 million from General Fund-State is provided for a leadership academy designed to provide professional growth opportunities for school administrators. A public/private partnership that includes several private foundations, the Washington Association of School Administrators, the Association of Washington School Principals, and several state agencies, including the PESB, will collaborate on the development of the Academy curriculum. Funding is provided to support field testing, program refinement, and the participation of approximately 75 school leaders in the second year of the biennium.

High School Completion

Funding in the amount of \$1.0 million from General Fund-State is provided to implement Chapter 355, Laws of 2007, Partial Veto (HB 1051), which creates a pilot program at two community and technical colleges (CTCs) to allow students meeting eligibility criteria specified in the legislation to continue their studies at the CTC and earn a high school diploma. The program is designed for students who are under age 21 and have completed all state and local graduation requirements except obtaining the Certificate of Academic Achievement or the Certificate of Individual Achievement.

Basic Education Formula

Pursuant to Chapter 399, Laws of 2007 (E2SSB 5627), the Washington State Institute for Public Policy will staff a Joint Task Force to review all current basic education funding formulas, develop a new funding structure, and develop a new basic education definition. Funding in the amount of \$0.4 million from General Fund-State is provided to support this process.

Other K-12 Enhancements and Increases

A total of \$25.2 million from General Fund-State is provided for a variety of K-12 enhancements and programs including: (1) \$4.2 million for the Achievement Gap program in Seattle provided in the Department of Community, Trade, and Economic Development's budget; (2) \$1.6 million for school safety planning; (3) \$1.5 million for an outdoor education grant in the State Parks and Recreation Commission's budget; (4) \$1.3 million for the Digital Learning Commons in the Department of Information Services' budget; (5) \$1.0 million for a pilot program designed to provide indigenous learning curriculum and standards in on-line learning programs; (6) \$0.8 million for the impacts associated with "simple majority" legislation for school levies; and (7) \$6.0 million for miscellaneous other smaller enhancements and increases.

K-12 Savings and Reductions

Pension Rate Changes

Funding is adjusted to reflect \$99.7 million in expected savings based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 – Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 – Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 – Retire-Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 – Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

Secure Rural Schools Reauthorization

The Secure Rural Schools Act (SRSA) is a federal program to provide transitional assistance to rural counties and school districts affected by the decline in revenue from timber harvests in federal lands. Funding is adjusted to reflect the anticipated reauthorization of the SRSA at an amount of \$24.0 million of General Fund-State.

Staffed Residential Home Allocation

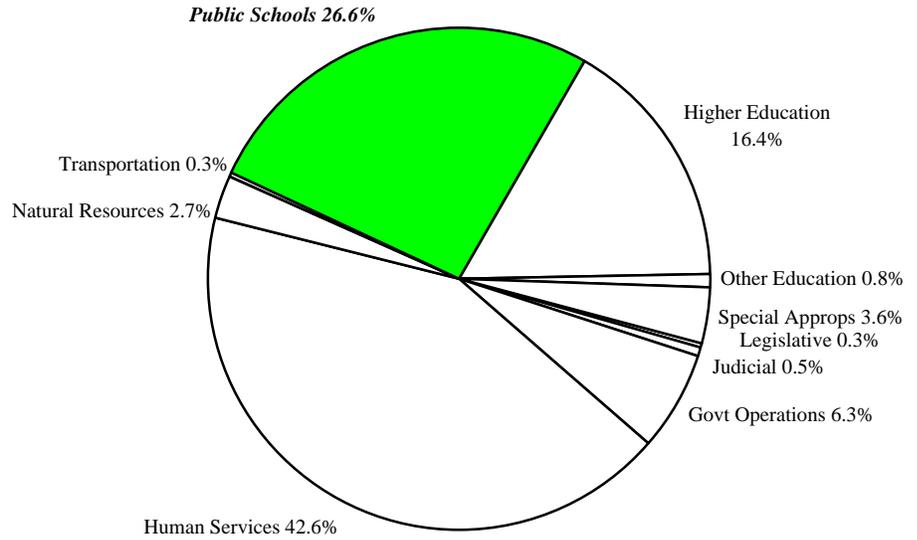
Funding is eliminated for the pilot grant program related to serving students in staffed residential homes established in the 2006 Supplemental Budget, saving \$3.0 million of General Fund-State.

2007-09 Washington State Omnibus Operating Budget

Total Budgeted Funds

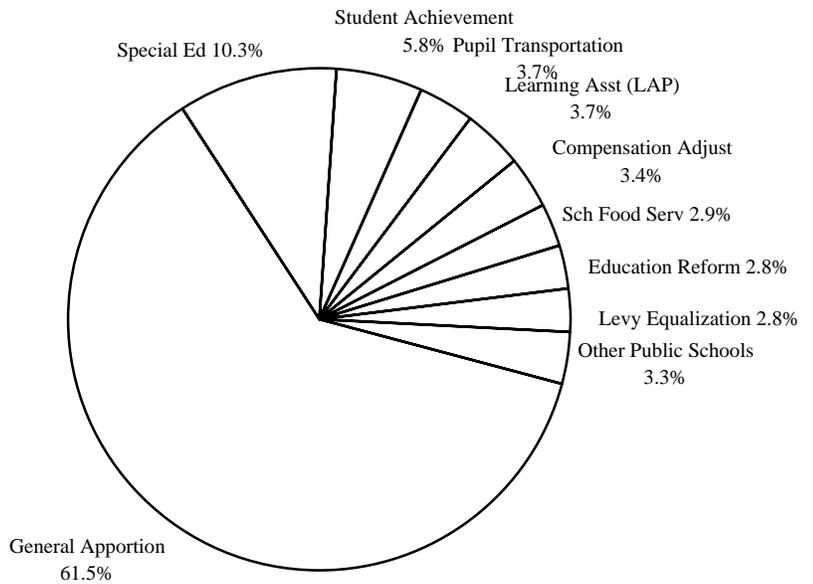
(Dollars in Thousands)

Legislative	170,750
Judicial	284,457
Governmental Operations	3,569,722
Human Services	24,186,777
Natural Resources	1,540,992
Transportation	169,985
Public Schools	15,070,666
Higher Education	9,282,202
Other Education	443,499
Special Appropriations	2,043,434
Statewide Total	56,762,484



Washington State

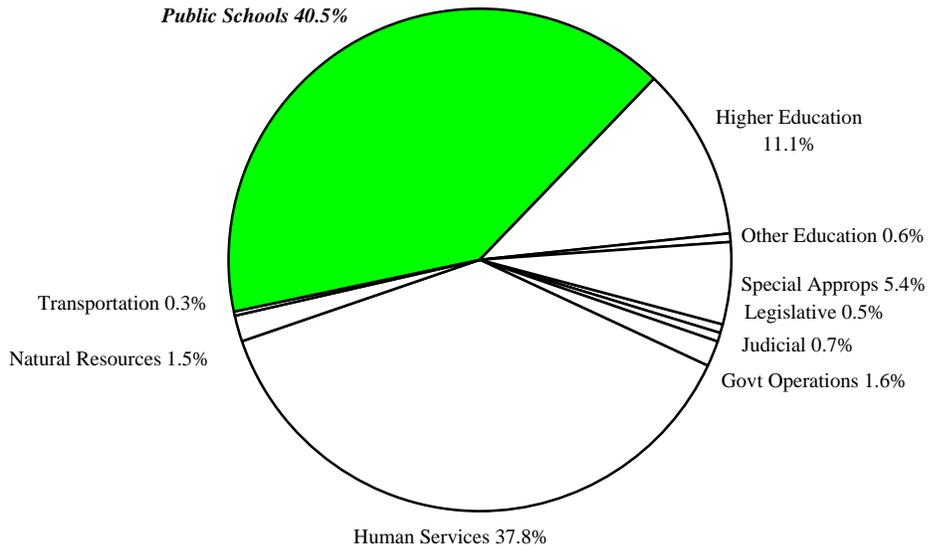
General Apportionment	9,273,543
Special Education	1,548,662
Student Achievement	869,771
Pupil Transpo	552,428
Learning Assist Pgm	550,561
Compensation Adj	510,779
School Food Services	431,728
Education Reform	418,748
Levy Equalization	414,704
Other Public Schools	499,742
Public Schools	15,070,666



Public Schools

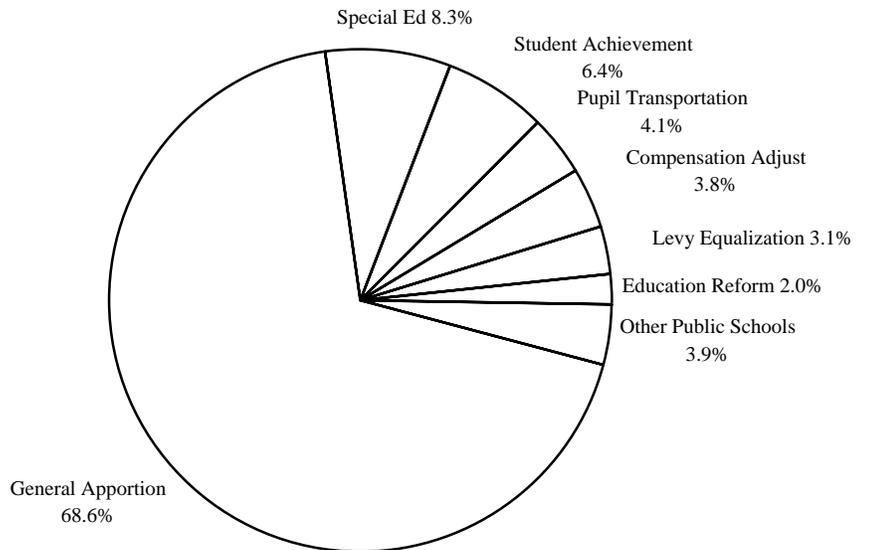
2007-09 Washington State Omnibus Operating Budget
Near General Fund - State
(Dollars in Thousands)

Legislative	165,845
Judicial	245,020
Governmental Operations	548,713
Human Services	12,611,120
Natural Resources	506,430
Transportation	90,176
Public Schools	13,524,072
Higher Education	3,689,446
Other Education	184,163
Special Appropriations	1,799,422
Statewide Total	33,364,407



Washington State

General Apportionment	9,273,543
Special Education	1,112,927
Student Achievement	869,771
Pupil Transpo	552,428
Compensation Adj	510,536
Levy Equalization	414,704
Education Reform	265,170
Other Public Schools	524,993
Public Schools	13,524,072



Public Schools

For a definition of Near General Fund-State, please see page 12.

Public Schools

WORKLOAD HISTORY

By School Year

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Estimated		
								2006-07	2007-08	2008-09
General Apportionment										
FTE Enrollment ⁽¹⁾	948,485	951,033	956,567	958,846	962,294	966,246	972,079	973,768	976,779	977,076
% Change from prior year		0.3%	0.6%	0.2%	0.4%	0.4%	0.6%	0.2%	0.3%	0.0%
Special Education										
Funded Enrollment ⁽²⁾	115,257	116,709	118,519	119,272	119,887	120,166	121,677	121,173	121,742	122,516
% Change from prior year		1.3%	1.6%	0.6%	0.5%	0.2%	1.3%	-0.4%	0.5%	0.6%
Bilingual Education										
Headcount Enrollment	55,656	59,514	62,522	66,258	70,908	75,255	76,716	76,536	80,039	83,291
% Change from prior year		6.9%	5.1%	6.0%	7.0%	6.1%	1.9%	-0.2%	4.6%	4.1%
Learning Assistance Program										
Entitlement Units ⁽³⁾	184,804	177,763	174,275	170,157	161,864	157,935	N/A	N/A	N/A	N/A
Funded Students	N/A	N/A	N/A	N/A	N/A	N/A	408,477	419,815	426,682	431,183
% Change from prior year		-3.8%	-2.0%	-2.4%	-4.9%	-2.4%		2.8%	1.6%	1.1%

⁽¹⁾ An additional 701.5 FTE enrollments were budgeted in the 2007-08 school year and an additional 479.1 FTE enrollments in the 2008-09 school year to account for the impact of new course-taking requirements for high school students who fail the math portion of the WASL, as established in Chapter 354, Laws of 2007, Partial Veto (ESSB 6023). Funding for these FTEs is included in the Education Reform budget in the 2007-09 budget, but will be transferred to General Apportionment at maintenance level in the 2008 supplemental budget when actual enrollments are known.

⁽²⁾ For the 2002-03, 2003-04, and 2004-05 school years, a portion of the special education enrollment was funded with federal dollars.

⁽³⁾ In the 2005 legislative session, the Legislature made significant changes to the allocation formula for the Learning Assistance Program. For this reason, the workload amounts for the 2005-07 biennium are not comparable to prior years.

Data Sources :

1999-00 through 2005-06 amounts are from the Office of the Superintendent of Public Instruction, the Office of Financial Management, and the Caseload Forecast Council.

2006-07, 2007-08, and 2008-09 estimates are from the Caseload Forecast Council March 2007 forecast and legislative budgets from the 2007 session.

**Public Schools
OSPI & Statewide Programs**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	61,828	83,615	145,443
2007 Supplemental *	390	9,246	9,636
Total 2005-07 Biennium	62,218	92,861	155,079
2007-09 Maintenance Level	59,252	81,086	140,338
Policy Changes - Non-Comp			
1. Professional Educator Standards Bd	192	0	192
2. Increase Number of Math/Sci Teachrs	6,594	0	6,594
3. State Board of Education	801	0	801
4. Statewide Pro Cert Assessment Devel	434	0	434
5. Move LASER/Pac Sci Ctr to Ed Reform	-4,606	0	-4,606
6. Building Bridges for Drop Out	5,000	0	5,000
7. Food Allergy Awareness	45	0	45
8. Classified Staff Recognition	84	0	84
9. Recruiting Diverse Teachers	467	0	467
10. High School Completion	1,000	0	1,000
11. Nonviolence Training	250	0	250
12. School Safety Plans	1,600	0	1,600
13. Student-Teacher Data System	270	0	270
14. Legislative Youth Advisory Council	228	0	228
15. Indigenous Learning Pilot Program	1,000	0	1,000
16. College Bound Scholarship	55	0	55
17. Incarcerated Family Contacts	193	0	193
18. Communities in School	50	0	50
19. Sex Education Legislation	49	0	49
20. Mentoring AP Program	140	0	140
21. Contracted Education Evaluations	1,230	0	1,230
22. Seattle Compana Quetzal	150	0	150
23. Skills Center Director at OSPI	194	0	194
24. Staffed Res. Homes Allocation	-3,000	0	-3,000
25. Special Services Pilot	1,980	0	1,980
Policy -- Non-Comp Total	14,400	0	14,400
Policy Changes - Comp			
26. Revise Pension Gain-Sharing	-44	-43	-87
27. Nonrepresented Staff Health Benefit	142	113	255
28. Nonrepresented Salary Increase	796	664	1,460
29. Nonrepresented Salary Survey	136	45	181
30. Nonrepresented Agency Request	46	0	46
31. Nonrepresented Class Consolidation	10	2	12
32. Nonrepresented Additional Step	131	128	259
33. Retain FY 2007 Pay Increase (1.6%)	335	280	615
Policy -- Comp Total	1,552	1,189	2,741
Total 2007-09 Biennium	75,204	82,275	157,479
Fiscal Year 2008 Total	36,598	40,245	76,843
Fiscal Year 2009 Total	38,606	42,030	80,636

Comments:

- 1. Professional Educator Standards Bd** - Funding is provided for additional staff and contracted services to allow the Professional Educators Standards Board (PESB) to: (1) review and make recommendations for strengthening teacher preparation requirements in cultural understanding; (2) create a new professional level teacher assessment; and (3) revise requirements for college and university teacher preparation programs.
- 2. Increase Number of Math/Sci Teachrs** - Funding is provided to: (1) expand the Alternative Routes to Teacher Certification Program to produce an estimated 400 new teachers in math,

Public Schools OSPI & Statewide Programs

- science, special education, or English as a Second Language; (2) create the Retooling To Teach Math and Science Program to produce an estimated 300 new teachers in those areas; and (3) increase the pipeline of paraeducators eligible for the Alternative Routes Program.
3. **State Board of Education** - Funding is provided to allow the State Board of Education to: (1) develop comprehensive recommendations for an accountability system and adopt high school graduation requirements aligned with those standards; (2) review and revise math curricula, materials, and assessment requirements as elements of the new accountability system in conjunction with the Office of the Superintendent of Public Instruction (OSPI); and (3) hire additional staff and contract for services to carry out these and other statutory responsibilities.
 4. **Statewide Pro Cert Assessment Devel** - Funding is provided to PESB to develop and pilot a statewide assessment for Professional Certification and to cover the cost of the assessment for up to 500 candidates. Beginning with those teachers who entered the profession in 2001, teachers must earn a professional certification prior to their sixth year of teaching in order to continue in the profession.
 5. **Move LASER/Pac Sci Ctr to Ed Reform** - State funding for the Pacific Science Center and LASER (Leadership and Assistance for Science Education Reform) assists school districts in implementing an inquiry-based, K-12 science program that aligns with the state's science Essential Academic Learning Requirements. This funding also supports the science-on-wheels traveling van program that models inquiry-based science education, and the teacher education program that supports school districts engaged in reform using the LASER model. Because these programs support the state's education reform efforts in science, funding is moved from the statewide grants program to the Education Reform Program.
 6. **Building Bridges for Drop Out** - Funding is provided for the implementation of Chapter 408, Laws of 2007, Partial Veto (2SHB 1573), which establishes a grant program for school districts to implement comprehensive dropout prevention and retrieval programs.
 7. **Food Allergy Awareness** - Funding is provided for OSPI to develop model policies and guidelines for school districts in dealing with life threatening food allergies of students.
 8. **Classified Staff Recognition** - Funding is provided to initiate a program recognizing outstanding classified staff across the state.
 9. **Recruiting Diverse Teachers** - Pursuant to Chapter 402, Laws of 2007, Partial Veto (2SSB 5955), funding is provided for the Recruiting Washington Teachers Program to be administered by PESB. The goal of the program is to recruit a diverse, multilingual and multicultural teacher workforce in Washington State.
 10. **High School Completion** - Funding is provided to implement Chapter 355, Laws of 2007, Partial Veto (HB 1051), which creates a pilot program at two community and technical colleges (CTC) to allow students meeting eligibility criteria specified in the legislation to continue their studies at the CTC and earn a high school diploma. The program is designed for students who are under age 21 and that have completed all state and local graduation requirements except obtaining the Certificate of Academic Achievement or the Certificate of Individual Achievement.
 11. **Nonviolence Training** - Funding is provided to the Institute for Community Leadership to conduct nonviolence leadership training in the schools throughout the state.
 12. **School Safety Plans** - Funding is provided for OSPI to support the development and updating of comprehensive safe school plans, school safety training activities, and school safety-related drills.
 13. **Student-Teacher Data System** - Pursuant to Chapter 401, Laws of 2007 (E2SSB 5843), funding is provided for OSPI to conduct a feasibility study regarding the establishment of a longitudinal student-teacher data system. The feasibility study will involve a piloting component in two school districts to assess the potential data collection impacts on schools.
 14. **Legislative Youth Advisory Council** - Funding is provided for the implementation of Chapter 291, Laws of 2007 (ESHB 1052), which reauthorizes the Legislative Youth Advisory Council.
 15. **Indigenous Learning Pilot Program** - Funding is provided for OSPI to contract with a company to develop and implement a pilot program for providing indigenous learning curriculum and standards-specific on-line learning programs based on the recommended standards in Chapter 205, Laws of 2005 (Washington's tribal history). The specific content areas covered by the pilot will include social studies and science. The contractor selected will have experience in developing and implementing indigenous learning curricula and, if possible, will be affiliated with a recognized Washington State tribe. The pilot program will be implemented in a minimum of three school districts in collaboration with Washington tribes and school districts.
 16. **College Bound Scholarship** - Funding is provided to implement Chapter 405, Laws of 2007 (E2SSB 5098). The scholarship guarantees four years of college tuition and fees, plus \$500 for books and supplies, for students who are eligible for free or reduced-price lunches in the seventh grade, who graduate with at least a "C" average and no felony convictions, and whose family incomes are below 65 percent of the state median for up to two years prior to college entry. OSPI is responsible for notifying students, parents, teachers, and principals of the scholarship opportunity and for working with the Higher Education Coordinating Board to establish application collection and student tracking procedures.

Public Schools OSPI & Statewide Programs

17. **Incarcerated Family Contacts** - Funding is provided to implement the provisions of Chapter 384, Laws of 2007 (E2SHB 1422). OSPI will adopt policies and programs that encourage familial contact and engagement between incarcerated parents and their children.
18. **Communities in School** - Funding is provided for the Communities in School program which is an after-school and mentoring program for struggling students. The program is expected to serve approximately 2,100 elementary students and help 100 high school dropouts finish school each year of the biennium.
19. **Sex Education Legislation** - Funding is provided for the implementation of Chapter 265, Laws of 2007 (ESSB 5297), which requires OSPI to review sexual education curriculum to ensure that it is medically and scientifically accurate.
20. **Mentoring AP Program** - The Mentoring Advanced Placement (MAP) Program is a public/private partnership that is currently operating in southwest Washington that encourages students to take Advanced Placement (AP) classes and matches them with mentors who are experts in the field. Funding is provided to increase the number of students participating in MAP.
21. **Contracted Education Evaluations** - Funding is provided for OSPI to contract for a variety of education program and outcome evaluations. Specifically, funding is provided for the Northwest Regional Educational Laboratory to conduct the following studies pursuant to Chapter 400, Laws of 2007, Partial Veto (E2SSB 5841): (1) a field study regarding teacher preparation, training, and coordinated instructional support strategies related to helping English language learners gain academic English skills; and (2) a study of the effectiveness of the three K-3 demonstration projects. Additionally, funding is provided for the Washington State University Social and Economic Sciences Research Center to: (1) review the school district's implementation of anti-bullying policies pursuant to Chapter 207, Laws of 2002; and (2) conduct an evaluation of the mathematics and science instructional coach program as described in Chapter 396, Laws of 2007 (2SHB 1906).
22. **Seattle Campana Quetzal** - Funding is provided to support Campana Quetzal, a coalition of parents, youth, and community organizations dedicated to reducing the achievement gap experienced by Latino students. Campana Quetzal strategic initiatives include early childhood education, parent leadership training, and high school success and college preparation programs.
23. **Skills Center Director at OSPI** - Funding is provided for a Director of Skills Centers position in OSPI.
24. **Staffed Res. Homes Allocation** - Funding is eliminated for the pilot grant program related to serving students in staffed residential homes established in the 2006 Supplemental Budget.
25. **Special Services Pilot** - Beginning with the 2003-04 school year, the Special Services Pilot (SSP) program was authorized by the Legislature. The pilot program allowed two school districts to implement research-based instructional strategies and interventions that are designed to reduce the need for students to access special education services. The Walla Walla and Vancouver school districts currently are participating in the SSP program. SSP is designed to be cost neutral because funding for the implementation of the research-based instructional strategies and interventions comes from savings associated with reduced special education enrollment. Funding is adjusted based on the SSP program being extended for four years and expanding the number of school districts allowed to participate to seven.
26. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
27. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
28. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
29. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
30. **Nonrepresented Agency Request** - Funding is provided for increases for nonrepresented state employees for specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
31. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
32. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at

**Public Schools
OSPI & Statewide Programs**

least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

33. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
General Apportionment**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	8,503,797	0	8,503,797
2007 Supplemental *	-28,963	0	-28,963
Total 2005-07 Biennium	8,474,834	0	8,474,834
2007-09 Maintenance Level	9,333,230	0	9,333,230
Policy Changes - Non-Comp			
1. Washington Youth Academy	465	0	465
2. Classified Staff Ratio	22,141	0	22,141
3. Educational Staff Associates	3,657	0	3,657
4. Vocational Equipment Replacement	9,387	0	9,387
5. Secure Rural School Reauthorization	-24,013	0	-24,013
6. Skills Center Enrollment	7,394	0	7,394
Policy -- Non-Comp Total	19,031	0	19,031
Policy Changes - Comp			
7. Pension Rate Changes	-78,718	0	-78,718
8. Use Pension Stabilization Account	0	0	0
Policy -- Comp Total	-78,718	0	-78,718
Total 2007-09 Biennium	9,273,543	0	9,273,543
Fiscal Year 2008 Total	4,591,047	0	4,591,047
Fiscal Year 2009 Total	4,682,496	0	4,682,496

Comments:

- Washington Youth Academy** - The Washington Youth Academy (WYA) is an alternative school for at-risk youth. The WYA will be located at the Readiness Center in Bremerton and will be operated by the Military Department in partnership with the Bremerton School District. The first class will begin in January 2009. Funding is provided for the WYA to receive state-formula K-12 funding for students enrolled in the school and academy. vocational student and \$125 per student at Skills Centers. (Education Legacy Trust Account-State)
- Classified Staff Ratio** - Funding is provided to enhance the classified staff ratio in the general apportionment formula for school districts. Currently, the formula allocates one classified staff for every 60 students enrolled. The new formula will allocate classified staff at a rate of 1 per 59 students.
- Educational Staff Associates** - Funding is provided for the implementation of Chapter 403, Laws of 2007 (E2SHB 1432), which allows educational staff associates such as nurses, guidance counselors, and speech/language pathologists, to receive credit on the state salary schedule for up to two years of prior work experience in settings other than public schools.
- Vocational Equipment Replacement** - Funding is provided to continue the allocation originally provided in the 2006 Supplemental Budget to allow vocational and Skills Center programs to replace and upgrade equipment. In both years of the biennium, the funding will be distributed based on \$75 per
- Secure Rural School Reauthorization** - The Secure Rural Schools Act (SRSA) is a federal program to provide transitional assistance to rural counties and school districts affected by the decline in revenue from timber harvests in federal lands. Funding is adjusted to reflect the anticipated reauthorization of the SRSA.
- Skills Center Enrollment** - Pursuant to Chapter 463, Laws of 2007, Partial Veto (2SSB 5790), funding is provided for the costs associated with allowing each student attending a Skills Center to be counted up to 1.6 FTE students combining their enrollment at their resident high school and Skills Center.
- Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

Public Schools General Apportionment

8. **Use Pension Stabilization Account** - Funding for a portion of the retirement contributions provided for state K-12 formula staff will be from the Pension Stabilization Account rather than General Fund-State. (General Fund-State, Pension Stabilization Account-State)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
Compensation Adjustments**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	317,925	1,043	318,968
2007 Supplemental *	-2,343	-9	-2,352
Total 2005-07 Biennium	315,582	1,034	316,616
2007-09 Maintenance Level	379,035	771	379,806
Policy Changes - Non-Comp			
1. Washington Youth Academy	36	0	36
2. Special Education Funding	2,369	-590	1,779
3. Teacher Salary Equity	44,991	23	45,014
4. Administrator Salary Equity	4,055	1	4,056
5. Classified Staff Salary Equity	15,148	7	15,155
6. Math/Science Regional Support	99	0	99
7. PAS for 12th Grade	517	0	517
8. Classified Staff Ratio	952	1	953
9. Educational Staff Associates	204	0	204
10. Educational Service Districts	149	0	149
11. Gifted Education	83	0	83
12. Learning Assistance Program	618	0	618
13. Skills Center Enrollment	338	0	338
Policy -- Non-Comp Total	69,559	-558	69,001
Policy Changes - Comp			
14. Health Benefit Rate Increase	66,362	32	66,394
15. Pension Rate Changes	-4,420	-2	-4,422
Policy -- Comp Total	61,942	30	61,972
Total 2007-09 Biennium	510,536	243	510,779
Fiscal Year 2008 Total	161,665	78	161,743
Fiscal Year 2009 Total	348,871	165	349,036

Comments:

- Washington Youth Academy** - The additional enrollment resulting from the establishment of the Washington Youth Academy will increase state funding to districts for staffing, which will increase the cost of the Initiative 732 (I-732) salary increases and health benefit changes.
- Special Education Funding** - The changes made to the special education funding formula will increase state funding to districts for staffing, which will increase the cost of the I-732 salary increases and health benefit changes.
- Teacher Salary Equity** - In addition to I-732 salary increases of 3.7 percent in the 2007-08 school year and 2.8 percent in the 2008-09 school year, salaries for certificated instructional staff (CIS) in non-grandfathered salary districts are increased an additional 0.6 percent in the 2007-08 school year and 0.7 percent in the 2008-09 school year. This results in total salary increases for CIS in non-grandfathered districts of 4.3 percent in the 2007-08 school year and 3.5 percent in the 2008-09 school year. This reduces the total number of grandfathered salary districts from 34 to 13 by the end of the 2007-09 biennium and reduces the difference between the top grandfathered salary district (Everett) and the rest of the state from 6.3 percent to 4.9 percent by the end of the biennium.
- Administrator Salary Equity** - Minimum administrative staff salary allocations are increased from \$46,485 to \$54,405 in the 2007-08 school year and \$57,097 in the 2008-09 school year. This is a statewide increase of 0.5 percent in the 2007-08 school year and 0.6 percent in the 2008-09 school year above the I-732 salary increases. Individual districts receive varying amounts based on their current position on the LEAP 12E schedule. The increase brings the total number of districts at the minimum salary level to 89 and reduces the difference between the districts with the highest and lowest administrative salary allocations from 68 percent to 46 percent by the end of the biennium.
- Classified Staff Salary Equity** - Minimum classified staff salary allocations are increased from \$22,454 to \$30,111 in the 2007-08 school year and \$31,376 in the 2008-09 school year. This is a statewide increase of 0.55 percent in the 2007-08 school year and 0.65 percent in the 2008-09 school year above the I-732 salary increases. Individual districts receive varying amounts based on their current position on the LEAP 12E

Public Schools Compensation Adjustments

schedule. The increase brings the total number of districts at the minimum classified salary to 225 and reduces the difference between the districts with the highest and lowest administrative salary allocations from 51 percent to 15 percent by the end of the biennium.

legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

6. **Math/Science Regional Support** - Providing funding for math and science professional development specialists at the Educational Service Districts will increase the cost of I-732 salary increases and health benefits changes.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

7. **PAS for 12th Grade** - Expanding the Promoting Academic Success (PAS) program to 12th grade students will increase state funding to districts for staffing, which will increase the cost of I-732 salary increases and health benefits changes.

8. **Classified Staff Ratio** - Funding additional classified staff through state funding formulas will increase the cost of I-732 salary increases and health benefit changes.

9. **Educational Staff Associates** - Funding provided for higher salary levels for Educational Staff Associates by counting up to two years of non-school experience in determining salary schedule placement will increase the cost of I-732 salary increases.

10. **Educational Service Districts** - Providing funding for staffing at the Educational Service Districts will increase the cost of I-732 salary increases and health benefits changes.

11. **Gifted Education** - Increasing the allocation for the highly capable program will increase the cost of I-732 salary increases and health benefits changes.

12. **Learning Assistance Program** - Enhancing the Learning Assistance Program will increase state funding to districts for staffing, which will increase the cost of I-732 salary increases and health benefit changes.

13. **Skills Center Enrollment** - Changing the way Skills Center enrollment is counted will increase state funding to districts for staffing, which will increase the cost of I-732 salary increases and health benefit changes.

14. **Health Benefit Rate Increase** - Funding for health care benefits for K-12 employees is increased from \$682 per month currently to \$707 per month in the 2007-08 school year and \$732 per month in the 2008-09 school year. The proposal maintains parity with the average provided for state employees covered through Public Employees Benefits Board.

15. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the

**Public Schools
 Pupil Transportation**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	500,903	0	500,903
2007 Supplemental *	-776	0	-776
Total 2005-07 Biennium	500,127	0	500,127
2007-09 Maintenance Level	530,951	0	530,951
Policy Changes - Non-Comp			
1. Transportation Assistance	25,000	0	25,000
Policy -- Non-Comp Total	25,000	0	25,000
Policy Changes - Comp			
2. Pension Rate Changes	-3,523	0	-3,523
Policy -- Comp Total	-3,523	0	-3,523
Total 2007-09 Biennium	552,428	0	552,428
Fiscal Year 2008 Total	275,228	0	275,228
Fiscal Year 2009 Total	277,200	0	277,200

Comments:

1. **Transportation Assistance** - Funding is provided to allocate additional resources to school districts for pupil transportation programs. The Office of the Superintendent of Public Instruction, in consultation with the Joint Legislative Audit and Review Committee (JLARC), will develop a method of allocating these funds to school districts. The methodology will be based primarily on the findings and analysis from JLARC's K-12 pupil transportation study completed in December 2006. (Education Legacy Trust Account-State)

2. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
 School Food Services**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	6,306	411,920	418,226
2007 Supplemental *	0	42,615	42,615
Total 2005-07 Biennium	6,306	454,535	460,841
2007-09 Maintenance Level	6,318	425,406	431,724
Policy Changes - Comp			
1. Nonrepresented Salary Increase	0	2	2
2. Nonrepresented Additional Step	0	2	2
Policy -- Comp Total	0	4	4
Total 2007-09 Biennium	6,318	425,410	431,728
Fiscal Year 2008 Total	3,159	212,705	215,864
Fiscal Year 2009 Total	3,159	212,705	215,864

Comments:

1. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
2. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
Special Education**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	946,237	435,664	1,381,901
2007 Supplemental *	-7,796	745	-7,051
Total 2005-07 Biennium	938,441	436,409	1,374,850
2007-09 Maintenance Level	1,045,174	435,735	1,480,909
Policy Changes - Non-Comp			
1. Washington Youth Academy	46	0	46
2. Special Education Funding	72,829	0	72,829
3. Federal Medicaid Policy Change	2,400	0	2,400
4. Safety Net Support	513	0	513
5. Classified Staff Ratio	2,731	0	2,731
6. Educational Staff Associates	430	0	430
7. Special Education Ombudsman	100	0	100
8. Special Services Pilot	-1,958	0	-1,958
Policy -- Non-Comp Total	77,091	0	77,091
Policy Changes - Comp			
9. Pension Rate Changes	-9,338	0	-9,338
Policy -- Comp Total	-9,338	0	-9,338
Total 2007-09 Biennium	1,112,927	435,735	1,548,662
Fiscal Year 2008 Total	546,375	218,479	764,854
Fiscal Year 2009 Total	566,552	217,256	783,808

Comments:

- Washington Youth Academy** - The Washington Youth Academy (WYA) is an alternative school for at-risk youth. WYA will be located at the Readiness Center in Bremerton and will be operated by the Military Department in partnership with the Bremerton School District. The first class will begin in January 2009. Funding is provided for the WYA to receive state-formula K-12 funding for students enrolled in the school and academy.
- Special Education Funding** - Funding is provided for: (1) removing 3- and 4-year olds from the 12.7 index used for special education funding; (2) enhancing the rate paid for 3- and 4-year olds receiving special education services from 93 percent of the basis education allocation to 115 percent; (3) creating a new safety net category for districts that draw a large number of students in need of special education services; and (4) increasing the amount provided for each special education student by \$73 per year.
- Federal Medicaid Policy Change** - Funding is adjusted to reflect a change in federal Medicaid rules which prohibit the state deduction of a portion of a districts' federal Medicaid funding from the special education formula allocations.
- Safety Net Support** - Funding is provided for additional staffing to support the work of the Safety Net Committee, including application review and providing support and training to districts applying for Safety Net funding.
- Classified Staff Ratio** - Funding provided to enhance the classified staff ratio in the General Apportionment formula for school districts will also increase the funding provided through Special Education funding allocations.
- Educational Staff Associates** - Funding is provided for Chapter 403, Laws of 2007 (E2SHB 1432), which allows educational staff associates such as nurses, guidance counselors, and speech/language pathologists, to receive credit on the state salary schedule for up to two years of prior work experience in settings other than public schools.
- Special Education Ombudsman** - Funding is provided to enhance the Special Education Ombudsman program within the Office of the Superintendent of Public Instruction. This program provides support to parents, guardians, educators, and students with disabilities.
- Special Services Pilot** - Beginning with the 2003-04 school year, the Special Services Pilot (SSP) program was authorized by the Legislature. The pilot program allowed two school districts to implement research-based instructional strategies and interventions that are designed to reduce the need for students to access special education services. The Walla Walla and Vancouver school districts currently are participating in the SSP program. SSP is designed to be cost neutral because funding for the implementation of the research-based instructional strategies and interventions comes from savings

Public Schools Special Education

associated with reduced special education enrollment. Funding is adjusted based on the SSP program being extended for four years and expanding the number the number of school districts allowed to participate to seven.

9. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
 Educational Service Districts**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	7,430	0	7,430
2007-09 Maintenance Level	8,088	0	8,088
Policy Changes - Non-Comp			
1. Math/Science Regional Support	5,017	0	5,017
2. Educational Service Districts	3,027	0	3,027
Policy -- Non-Comp Total	8,044	0	8,044
Policy Changes - Comp			
3. Pension Rate Changes	-85	0	-85
Policy -- Comp Total	-85	0	-85
Total 2007-09 Biennium	16,047	0	16,047
Fiscal Year 2008 Total	7,520	0	7,520
Fiscal Year 2009 Total	8,527	0	8,527

Comments:

- 1. Math/Science Regional Support** - Funding is provided to each of the nine Educational Service Districts (ESDs) for a professional development specialist in mathematics in the 2007-08 school year and an additional specialist in science in the 2008-09 school year.
- 2. Educational Service Districts** - Funding is provided to increase core state support for the statewide system of ESDs. Based on the core support increase and other policy enhancements in the budget, each ESD will receive funding for a minimum of one FTE superintendent, two curriculum specialists, two fiscal officers, three support staff, and a minimum of two professional development specialists each year of the 2007-09 biennium.
- 3. Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

**Public Schools
 Levy Equalization**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	364,110	0	364,110
2007 Supplemental *	-2,865	0	-2,865
Total 2005-07 Biennium	361,245	0	361,245
2007-09 Maintenance Level	413,893	0	413,893
Policy Changes - Non-Comp			
1. Simple Majority Levy Equal Impact	811	0	811
Policy -- Non-Comp Total	811	0	811
Total 2007-09 Biennium	414,704	0	414,704
Fiscal Year 2008 Total	202,394	0	202,394
Fiscal Year 2009 Total	212,310	0	212,310

Comments:

- Simple Majority Levy Equal Impact** - A constitutional amendment is proposed to change the levy approval requirement for local levies from a 60 percent majority to a simple majority. As a state, this change is expected to increase the school districts' collective utilization of levy equalization from 98 percent to 99 percent. Funding is provided to cover these increased costs in FY 2009.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
 Institutional Education**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	36,432	0	36,432
2007 Supplemental *	-686	0	-686
Total 2005-07 Biennium	35,746	0	35,746
2007-09 Maintenance Level	37,134	0	37,134
Policy Changes - Comp			
1. Pension Rate Changes	-320	0	-320
Policy -- Comp Total	-320	0	-320
Total 2007-09 Biennium	36,814	0	36,814
Fiscal Year 2008 Total	18,301	0	18,301
Fiscal Year 2009 Total	18,513	0	18,513

Comments:

1. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
Education of Highly Capable Students**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	13,918	0	13,918
2007 Supplemental *	-56	0	-56
Total 2005-07 Biennium	13,862	0	13,862
2007-09 Maintenance Level	14,937	0	14,937
Policy Changes - Non-Comp			
1. Washington Youth Academy	1	0	1
2. Gifted Education	2,353	0	2,353
3. Skills Center Enrollment	14	0	14
Policy -- Non-Comp Total	2,368	0	2,368
Policy Changes - Comp			
4. Pension Rate Changes	-130	0	-130
Policy -- Comp Total	-130	0	-130
Total 2007-09 Biennium	17,175	0	17,175
Fiscal Year 2008 Total	8,396	0	8,396
Fiscal Year 2009 Total	8,779	0	8,779

Comments:

- Washington Youth Academy** - The Washington Youth Academy (WYA) is an alternative school for at-risk youth. WYA will be located at the Readiness Center in Bremerton and will be operated by the Military Department in partnership with the Bremerton School District. The first class will begin in January 2009. Funding is provided for the WYA to receive state-formula K-12 funding for students enrolled in the school and academy.
- Gifted Education** - Currently, districts are eligible to receive a per student allocation for highly capable/gifted students up to 2.0 percent of their total enrollment. Funding is provided to increase the cap from 2.0 percent to 2.3 percent.
- Skills Center Enrollment** - As a result of Chapter 463, Laws of 2007, Partial Veto (2SSB 5790), overall K-12 enrollment is expected to increase by slightly over 1,000 students. This increases the Highly Capable formula allocation. Funding is provided to cover these costs.
- Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

Public Schools
Elementary & Secondary School Improvement

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	0	22,084	22,084
2007-09 Maintenance Level	0	43,450	43,450
Total 2007-09 Biennium	0	43,450	43,450
Fiscal Year 2008 Total	0	21,725	21,725
Fiscal Year 2009 Total	0	21,725	21,725

Comments:

There were no policy level changes.

**Public Schools
Education Reform**

(Dollars in Thousands)

	NGF-S	Other	Total
2005-07 Expenditure Authority	96,679	148,759	245,438
2007 Supplemental *	239	0	239
Total 2005-07 Biennium	96,918	148,759	245,677
2007-09 Maintenance Level	103,862	153,365	257,227
Policy Changes - Non-Comp			
1. Increase National Board Bonus	6,351	0	6,351
2. National Bd Bonus-Challenging Schl	1,000	0	1,000
3. Secondary Math/Science Prof Devel	30,549	0	30,549
4. Elementary Math/Science Prof Devel	8,950	0	8,950
5. Maintain Breakfast Program	1,507	0	1,507
6. After School Math Programs	400	0	400
7. All Day Kindergarten Phase In	51,236	0	51,236
8. Math & Science Instruct Coaches	5,376	0	5,376
9. K-3 Demonstration Projects	3,047	0	3,047
10. Middle/High Sch Applied Math/Sci/En	282	0	282
11. Move LASER/Pac Sci Ctr to Ed Reform	4,606	0	4,606
12. Expand LASER	6,000	0	6,000
13. English Language Learners	1,345	0	1,345
14. College Readiness Test for 11th Grd	675	0	675
15. Leadership Academy	1,300	0	1,300
16. Math/Science Regional Support	375	0	375
17. Bremerton "Lighthouse" K Program	130	0	130
18. Math/Science Standards & Curric	4,634	0	4,634
19. Reading Corps	412	0	412
20. Technology Upgrades & Improvements	12,400	0	12,400
21. Director of Technology	250	0	250
22. Middle School Career & Technical Ed	3,000	0	3,000
23. After-School Grants	3,000	0	3,000
24. 2007 WASL Changes	10,750	0	10,750
25. Eliminate Lunch Co-Pay for K-3	3,267	0	3,267
Policy -- Non-Comp Total	160,842	0	160,842
Policy Changes - Comp			
26. Revise Pension Gain-Sharing	-22	-6	-28
27. Nonrepresented Staff Health Benefit	49	19	68
28. Nonrepresented Salary Increase	290	126	416
29. Nonrepresented Salary Survey	8	10	18
30. Nonrepresented Class Consolidation	2	0	2
31. Nonrepresented Additional Step	16	12	28
32. Retain FY 2007 Pay Increase (1.6%)	123	52	175
Policy -- Comp Total	466	213	679
Total 2007-09 Biennium	265,170	153,578	418,748
Fiscal Year 2008 Total	123,031	76,758	199,789
Fiscal Year 2009 Total	142,139	76,820	218,959

Comments:

- Increase National Board Bonus** - Funding is provided to increase the annual bonus for teachers certified by the National Board for Professional Teaching Standards. The bonus is increased from the current amount of \$3,500 per year to \$5,000 in the 2007-08 school year. In subsequent school years, this amount will be increased by inflation.
- National Bd Bonus-Challenging Schl** - Funding is provided for National Board certified teachers to receive an additional \$5,000 bonus for teaching in a "challenging school" defined as one with at least 70 percent of its students eligible for the free and reduced price lunch program. This bonus is in addition to the annual bonus amount for all teachers earning their National Board certification.

Public Schools Education Reform

3. **Secondary Math/Science Prof Devel** - Funding is provided for: (1) three professional development days for each of middle and high school math and science teachers in the state; and (2) specialized training for one math and one science teacher in each middle and high school to develop building-level expertise on the new math and science standards. These professional development days are in addition to the existing two Learning Improvement Days provided in existing state funding formulas for all certificated instructional staff. (Education Legacy Trust Account-State)
4. **Elementary Math/Science Prof Devel** - Approximately \$9.0 million is provided to support additional professional development focused on improving math and science instruction in fourth and fifth grade. Funding is based on the estimated costs of two professional development days for fourth and fifth grade teachers and is intended to support district efforts to align instruction with new math and science state standards. (Education Legacy Trust Account-State)
5. **Maintain Breakfast Program** - Funding was provided in the 2006 Supplemental Budget to eliminate breakfast co-pays for students eligible for the reduced price lunch program. This resulted in an increase in the number of students participating in the program. Funding is provided to allow districts to continue to offer breakfast to students eligible for reduced price lunch at no cost to the student.
6. **After School Math Programs** - Funding is provided for after school programs emphasizing mathematics with organizations such as the Boys and Girls Clubs. The Office of the Superintendent of Public Instruction will administer grants to community organizations that partner with school districts to provide mathematics support activities. (Education Legacy Trust Account-State)
7. **All Day Kindergarten Phase In** - Funding is provided to phase in a full-day kindergarten program beginning in the state's highest poverty schools. Funding is estimated to support a full-day program for approximately 10 percent of the state's kindergarten enrollment during the 2007-08 school year and 20 percent during the 2008-09 school year. OSPI will fund as many schools as possible within the budgeted amount and prioritize schools based on poverty level. (Education Legacy Trust Account-State)
8. **Math & Science Instruct Coaches** - Funding is provided for 25 math instructional coaches in the 2007-08 and 2008-09 school years and 25 science instructional coaches in the 2008-09 school year. Each coach will receive five days of training at a coaching institute prior to each being assigned to serve two schools. These coaches will attend meetings during the year to further their training and assist with coordinating statewide trainings on math and science. (Education Legacy Trust Account-State)
9. **K-3 Demonstration Projects** - Funding is provided to support three demonstration projects focused on implementaton of emerging best practices in kindergarten through third grade. Specifically, the funding will provide resources for class sizes of 18 students, instructional coaches, and six additional professional development days for teachers. Two of the demonstration schools will be in schools participating in the Thrive-by-Five early learning partnerships in the Highline and Yakima school districts and one will be in the Spokane school district. (Education Legacy Trust Account-State)
10. **Middle/High Sch Applied Math/Sci/En** - Funding is provided for 20 middle and high school teachers each year to attend training and implement an integrated math, science, technology, and engineering program in their schools. The program emphasizes instructional techniques that foster applied, hands-on learning opportunities in math and science.
11. **Move LASER/Pac Sci Ctr to Ed Reform** - State funding for the Pacific Science Center and LASER (Leadership and Assistance for Science Education Reform) assists school districts in implementing an inquiry-based, K-12 science program that aligns with the state's science Essential Academic Learning Requirements. This funding also supports the science-on-wheels traveling van program that models inquiry-based science education and the teacher education program that supports school districts engaged in reform using the LASER model. Because these programs support the state's education reform efforts in science, funding is moved from the statewide grants program to the Education Reform Program.
12. **Expand LASER** - State funding for LASER is expanded to reach additional classrooms each year. LASER provides complete toolkits for hands-on science projects, teacher training, research-based models for learning, and community support.
13. **English Language Learners** - Funding is provided to establish three pilot programs focusing on emerging best practices in staff development and program planning for schools serving populations of English language learners. Funding includes salaries for planning time and time for workshops for regular education classroom teachers, English language learner teachers, and paraeducators who work with these students. The chosen pilot schools will also partner with an higher education institution.
14. **College Readiness Test for 11th Grd** - Funding is provided for a college readiness test to be administered during the 11th grade. The test will identify the student's strengths and weaknesses in time to inform decisions about what courses to take during summer school and senior year.
15. **Leadership Academy** - Funding is provided for a leadership academy designed to provide professional growth opportunities for school administrators. A public/private partnership that includes several private foundations, the Washington Association of School Administrators, the Association of Washington School Principals, and several state agencies, including the Professional Educator Standards Board, will collaborate on the development of the Academy curriculum. Funding is provided to support field testing, program

Public Schools Education Reform

refinement, and the participation of approximately 75 school leaders in the second year of the biennium.

16. **Math/Science Regional Support** - In addition to the staffing for Educational Service Districts to provide regional support for professional development in math and science provided in a separate item, OSPI will provide additional Summer Institutes in math in the 2007-08 and 2008-09 school years and in science in the 2008-09 school year.
17. **Bremerton "Lighthouse" K Program** - Funding is provided for a full-day kindergarten "lighthouse" program in the Bremerton School District. Funds will support Bremerton's efforts to assist schools and school districts in the initial stages of implementing full-day kindergarten programs.
18. **Math/Science Standards & Curric** - Funding is provided to:
(1) recommend new math standards aligned with international standards; (2) identify mathematics basic curricula, diagnostic tools, and supplemental materials that align with the new international math standards; (3) support the development of state standards in science that reflect international content and performance levels; (4) evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with international standards; and (5) develop science Washington Assessment of Student Learning (WASL) knowledge and skill learning modules to assist students performing at tenth grade Level 1 and Level 2 in science to improve their performance. (General Fund-State, Education Legacy Trust Account-State)
19. **Reading Corps** - Funding is provided to the Reading Corps program to support early literacy programs for low-performing students in grades K-6. The program design includes low ratios of students-to-adults by incorporating volunteers through the AmeriCorps and Volunteer in Service to America programs.
20. **Technology Upgrades & Improvements** - Additional funding is provided to allow school districts and schools to update and improve their technology capacity. Specifically, this one-time funding is based on providing \$3,000 for each elementary school, \$6,000 for each middle or junior high school, and \$11,000 for each high school. OSPI will develop methods of prorating these amounts for schools with non-traditional grade structures or other unique circumstances. (Education Legacy Trust Account-State)
21. **Director of Technology** - Pursuant to Chapter 396, Laws of 2007 (2SHB 1906), funding is provided to establish a statewide director for math, science, and technology in OSPI. The director will collaborate with the Workforce Training and Education Coordinating Board, four-year universities, and community and technical colleges to conduct outreach efforts to attract middle and high school students to careers in math, science, or technology and to educate students about the course work that is necessary to be adequately prepared to succeed in these fields. OSPI is also directed to support a variety of private-public partnerships in math, science, and engineering. (Education Legacy Trust Account-State)
22. **Middle School Career & Technical Ed** - Pursuant to 2SHB 1906, funding is provided to provide enhanced allocations to selected middle and junior high school career and technical education programs. In order to receive the funding, the middle or junior high school program must meet the approval requirements for vocational programs.
23. **After-School Grants** - Funding is provided for after-school program grants pursuant to Chapter 400, Laws of 2007, Partial Veto (E2SSB 5841), based on the 21st Century Learning Center model. Successful grant recipients will demonstrate a focus on improving reading and mathematics proficiency for students who attend schools that have been identified as struggling under federal No Child Left Behind Act guidelines. The after-school grant funds may be used to carry out a broad array of out-of-school activities that support and enhance academic achievement.
24. **2007 WASL Changes** - Funding is provided for the implementation of Chapter 354, Laws of 2007, Partial Veto (ESSB 6023), including: (1) implementing an expanded menu of alternative assessments and establishing appropriate passing scores for each assessment; (2) providing funding to school districts for the administration of diagnostic assessments; and (3) covering the cost of increased FTE enrollments attributable to part-time high school students who have not passed the WASL and must take additional math classes to graduate. (Education Legacy Trust Account-State)
25. **Eliminate Lunch Co-Pay for K-3** - Under current federal income guidelines, students qualify for free lunch at 130 percent of the federal poverty level and reduced price lunch at 185 percent of the federal poverty level. Typically, students eligible for reduced price lunch pay a 40 cent co-pay. Funding is provided to eliminate the co-pay for students in grades K-3 for lunch.
26. **Revise Pension Gain-Sharing** - Funding is provided for employer contribution rate changes associated with revising gain-sharing benefits. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
27. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
28. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.

Public Schools Education Reform

29. **Nonrepresented Salary Survey** - Funding is provided for state employees who lag most severely behind market rates in the 2006 Department of Personnel salary survey. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
30. **Nonrepresented Class Consolidation** - Funding is provided for nonrepresented state employees' increases in specific job classes corresponding to those provided in collective bargaining agreements negotiated by the Governor. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
31. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
32. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
Transitional Bilingual Instruction**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	120,317	51,741	172,058
2007 Supplemental *	-3,427	0	-3,427
Total 2005-07 Biennium	116,890	51,741	168,631
2007-09 Maintenance Level	135,779	45,202	180,981
Policy Changes - Non-Comp			
1. Washington Youth Academy	7	0	7
Policy -- Non-Comp Total	7	0	7
Policy Changes - Comp			
2. Nonrepresented Staff Health Benefit	0	4	4
3. Nonrepresented Salary Increase	0	25	25
4. Nonrepresented Additional Step	0	2	2
5. Retain FY 2007 Pay Increase (1.6%)	0	10	10
6. Pension Rate Changes	-1,249	0	-1,249
Policy -- Comp Total	-1,249	41	-1,208
Total 2007-09 Biennium	134,537	45,243	179,780
Fiscal Year 2008 Total	65,320	22,617	87,937
Fiscal Year 2009 Total	69,217	22,626	91,843

Comments:

1. **Washington Youth Academy** - The Washington Youth Academy (WYA) is an alternative school for at-risk youth. WYA will be located at the Readiness Center in Bremerton and will be operated by the Military Department in partnership with the Bremerton School District. The first class will begin in January 2009. Funding is provided for the WYA to receive state-formula K-12 funding for students enrolled in the school and academy.
2. **Nonrepresented Staff Health Benefit** - Funding is provided to increase employer funding rates for nonrepresented employee health benefits sufficiently so that employer payments defray 88 percent of the cost of health insurance premiums. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
3. **Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
4. **Nonrepresented Additional Step** - Funding is provided for an approximate additional 2.5 percent step L on the salary grid for nonrepresented state employees who have been at Step K for at least one year. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
5. **Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
6. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

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

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	154,802	348,351	503,153
2007 Supplemental *	-273	0	-273
Total 2005-07 Biennium	154,529	348,351	502,880
2007-09 Maintenance Level	175,214	360,655	535,869
Policy Changes - Non-Comp			
1. Learning Assistance Program	16,237	0	16,237
Policy -- Non-Comp Total	16,237	0	16,237
Policy Changes - Comp			
2. Nonrepresented Salary Increase	0	3	3
3. Retain FY 2007 Pay Increase (1.6%)	0	2	2
4. Pension Rate Changes	-1,550	0	-1,550
Policy -- Comp Total	-1,550	5	-1,545
Total 2007-09 Biennium	189,901	360,660	550,561
Fiscal Year 2008 Total	92,755	178,150	270,905
Fiscal Year 2009 Total	97,146	182,510	279,656

Comments:

- 1. Learning Assistance Program** - Funding is provided to increase the per student allocation for LAP by approximately 10 percent. LAP provides additional resources to support students struggling to meet academic standards. (Education Legacy Trust Account-State)
- 2. Nonrepresented Salary Increase** - Funding is provided for salary adjustments of 3.2 percent on September 1, 2007, and 2.0 percent on September 1, 2008, for nonrepresented state employees. More detailed information about this item is provided in the highlights for Special Appropriations on page 359.
- 3. Retain FY 2007 Pay Increase (1.6%)** - Funding is provided to continue the 1.6 percent increase that took effect September 1, 2006. (General Fund-State, various other funds)
- 4. Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
 Promoting Academic Success**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	27,910	0	27,910
2007 Supplemental *	-4,812	0	-4,812
Total 2005-07 Biennium	23,098	0	23,098
2007-09 Maintenance Level	37,748	0	37,748
Policy Changes - Non-Comp			
1. PAS for 12th Grade	11,598	0	11,598
Policy -- Non-Comp Total	11,598	0	11,598
Policy Changes - Comp			
2. Pension Rate Changes	-349	0	-349
Policy -- Comp Total	-349	0	-349
Total 2007-09 Biennium	48,997	0	48,997
Fiscal Year 2008 Total	23,820	0	23,820
Fiscal Year 2009 Total	25,177	0	25,177

Comments:

1. **PAS for 12th Grade** - In the 2006 Supplemental Budget, funding was provided for the Promoting Academic Success (PAS) program to assist 11th grade students that are not successful in one or more subjects of the Washington Assessment of Student Learning (WASL). Additional funding is provided to serve 12th graders that have not yet successfully passed the WASL.

2. **Pension Rate Changes** - Funding is adjusted based on the anticipated pension rate changes in the following legislation: (1) Chapter 491, Laws of 2007 (EHB 2391 - Gain-Sharing and Alternate Benefits); (2) Chapter 89, Laws of 2007 (SB 5175 - Increases in Certain Retirement Allowances); (3) Chapter 50, Laws of 2007 (SHB 1262 - Retire/Rehire Provisions); and (4) Chapter 207, Laws of 2007 (SHB 1264 - Portability of Public Retirement Benefits). The combined net effect of the legislation is an overall savings in the funding required for retirement contributions for staff provided through state K-12 formula allocations.

* Please see the 2007 Supplemental Operating Budget Section for additional information.

**Public Schools
 Student Achievement Program**

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2005-07 Expenditure Authority	630,537	0	630,537
2007 Supplemental *	-224	0	-224
Total 2005-07 Biennium	630,313	0	630,313
2007-09 Maintenance Level	869,398	0	869,398
Policy Changes - Non-Comp			
1. Skills Center Enrollment	373	0	373
Policy -- Non-Comp Total	373	0	373
Total 2007-09 Biennium	869,771	0	869,771
Fiscal Year 2008 Total	423,414	0	423,414
Fiscal Year 2009 Total	446,357	0	446,357

Comments:

- Skills Center Enrollment** - As a result of Chapter 463, Laws of 2007, Partial Veto (2SSB 5790), overall K-12 enrollment is expected to increase by slightly over 1,000 students. This increases the per student distributions from the Student Achievement Fund beginning in the 2008-09 school year. Additional funding is provided to cover these costs. (Student Achievement Fund-State)

* Please see the 2007 Supplemental Operating Budget Section for additional information.

