

Budget Changes Related to McCleary / HB 2242/6362

Bainbridge Island School District
April 2018

Overview of Presentation

- Funding changes related to:
 - Salary and professional development
 - Loss of staff mix factor and state salary allocation model (SAM)
 - Regionalization and Implicit Price Deflator (IPD)
 - Class size K-3 and Career and Technical Education (CTE)
- Enrichment Levies
- Impact of changes to BISD



Changes in State Funding Formula



Certificated Staff Professional Development: The state will fund one day of professional development for certificated staff starting in the 2018-19 school year, and will fund one additional day in each of the next two years. The proposed increase in funds this would represent in the 2018-19 school year is \$121,112.

Regionalization: The state will multiply the base amount funded by a district's regionalization factor going from 0% to 18%. BISD and the rest of Kitsap County has been designated as Tercile 3 or 18% regionalization.

Implicit Price Deflator (IPD): The state has increased the salary allocation to each district by 1.9% as an inflationary adjustment to support staff salaries and/or benefits.

Salary

- State funding is provided through an allocation not a specific funding model.
- The state has eliminated the Salary Allocation Model (SAM), which has historically allowed for each district to receive state funding for certificated instructional staff based on the staff mix factor. Current BISD staff mix factor is 1.61, and the new state salary is based on a district average mix factor of around 1.54.
 - Certificated Instructional Staff (CIS)
 - \$65,216.05 per year identified base (\$76,954.94 with regionalization)
 - Districts may not pay CIS less than \$40,000, or more than \$90,000 (enhanced by regionalization and inflation factors), and salaries for CIS with five years' experience must be at least 10 percent more than the minimum salary.
 - Classified Staff (CLS)
 - \$46,784.33 per year identified base (\$55,205.51 with regionalization)
 - Certificated Administrative Staff (CAS)
 - \$96,805.00 per year identified base (\$114,229.90 with regionalization)

Class Size for K-3 and CTE

K-3 class sizes for state allocation comparison:



	Previous Model	New Model
○ Kindergarten:	19 FTE	17 FTE
○ 1st Grade:	21 FTE	17 FTE
○ 2nd Grade:	22 FTE	17 FTE
○ 3rd Grade:	22 FTE	17 FTE
● This class size includes the classroom teacher and other specialists who provide instruction to the students. Average class sizes will be 2-3 students above the state average.*		
● CTE class size is changing from 26.58 to 23 FTE.		

*Some programs may experience higher than average class sizes.

EP&O Levies

- Current Educational Program and Operations (EP&O) levy will be referred to as an Enrichment Levy.
- Enrichment levy funds are to be used only for those costs which are identified as non-basic educational costs.
- Enrichment levies can be used for:
 - Additional course offerings beyond the minimum instructional offerings
 - Increasing of staffing for programs in addition to what is provided by the state
 - Professional learning beyond that allocated by the state
 - Extracurricular activities
 - Extended school days or an extended year
 - Activities associated with early learning programs

- Funds spent from levies are required to be specifically identified to the state.
- Districts will no longer have a maximum levy rate set by the state as a percentage of their state and federal funding (currently 28.9 for BISD) and can run a levy at the lower of the two thresholds:
 - \$1.50 per thousand dollars of assessed property value
 - \$2500 per pupil (this is the lower of the two for BISD)

Impact of Changes to BISD

Essential opportunities that are now afforded to provide high levels of support and services for our students in the areas of:

- Recruiting and Retaining High Quality Staff
- Curriculum Needs
- Class size
- Support services for students and families
- Increase elective offerings
- Transportation

Changes in Funding

**OSPI estimates changes to funding - all increases in state funding are approximations and are subject to change.

Staffing (Certificated/Administrative/Classified):	~\$6.5 million
CTE (Staffing and Materials/Supplies):	~\$892,000
Materials, Supplies, and Operating Costs:	~\$82,000
Staffing for Programs (HiCap, ELL, LAP, SpEd):	~\$1 million
Transportation:	~\$400,000
Certificated Staff Professional Development (1 Day)	~\$121,000
Decrease in EP&O Levy Collection:	~ - \$144,000



- Increase of K-3 staffing by 8 instructors, and additional increases in specialists supporting K-3..
- Development of competitive compensation for staff in relation to state funding changes. This includes the development of a new salary schedule for CIS. The new legislation provides specific guidance on compensation increases for CIS, CLS, and CAS.
- Reduction of ability to collect local levy funds - this will account for approximately a reduction from the 2018 levy collection of \$10.4 million to \$9.6 million over the next couple of years.
- Development of a budget for 18-19 that recognizes the changes in state funding.
- Creation of a four year budget plan, which includes reduced levy collection in future years, for submission to OSPI.

