Per Pupil Funding Charts

Network for Excellence in Washington Schools
Keeping our Promise to All Children.

- ***McCleary* Court's "progress" Order:**
  To ensure the State stops its unconstitutional underfunding of Washington's K-12 public schools, the Supreme Court Ordered the State to:

  (1) "demonstrate steady progress" implementing the education funding reforms under ESHB 2261, and

  (2) "show real and measurable progress toward achieving full compliance with article IX, section 1 by 2018."

  Supreme Court Order at ¶4.

- **Per Pupil State Funding Increases with ESHB 2261:**
  Page 2 of these charts illustrates some of the per pupil funding increases with ESHB 2261 as presented by the State at trial.

- **Per Pupil Funding "Progress":**
  Page 3 illustrates the type of per pupil funding "progress" that would result under recent State funding proposals.

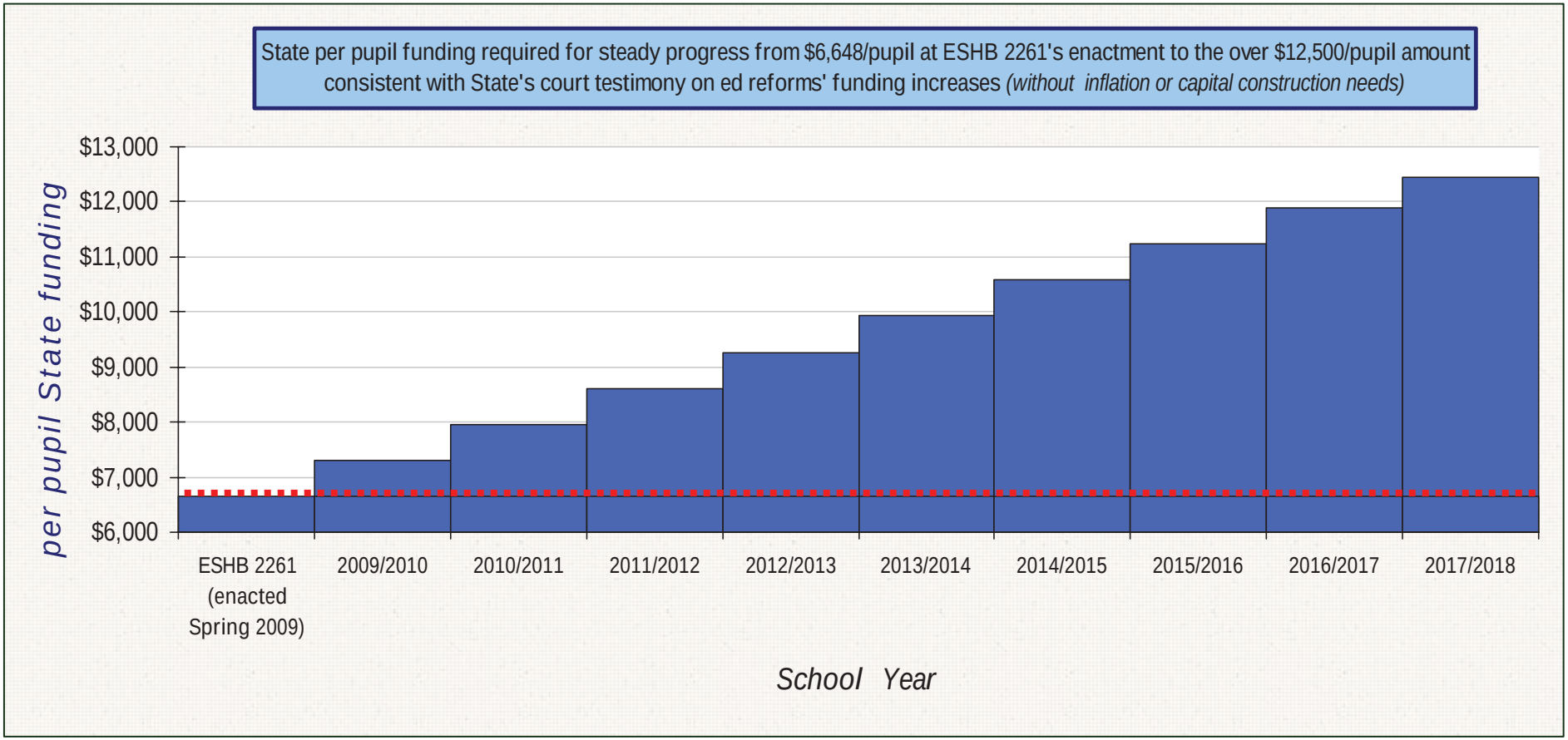
- **Frequently Asked Questions:**
  Page 4 answers some questions regarding the State's per pupil funding presentation at trial.

- **State's Exhibit 1483:**
  Page 5 is a copy of State's Exhibit 1483, which was the State's presentation to the *McCleary* court showing a baseline per pupil State funding amount of $9,710 for ESHB 2261 – **without** including any inflation after the 2007/2008 school year, comparable wage adjustments to actual market salaries, or capital constructions needs.

- ***McCleary* Court ruling background:**
  Page 6 summarizes some background information on the *McCleary* Court's rulings.

Per Pupil State Funding Increase with ESHB 2261 as presented by the State at trial

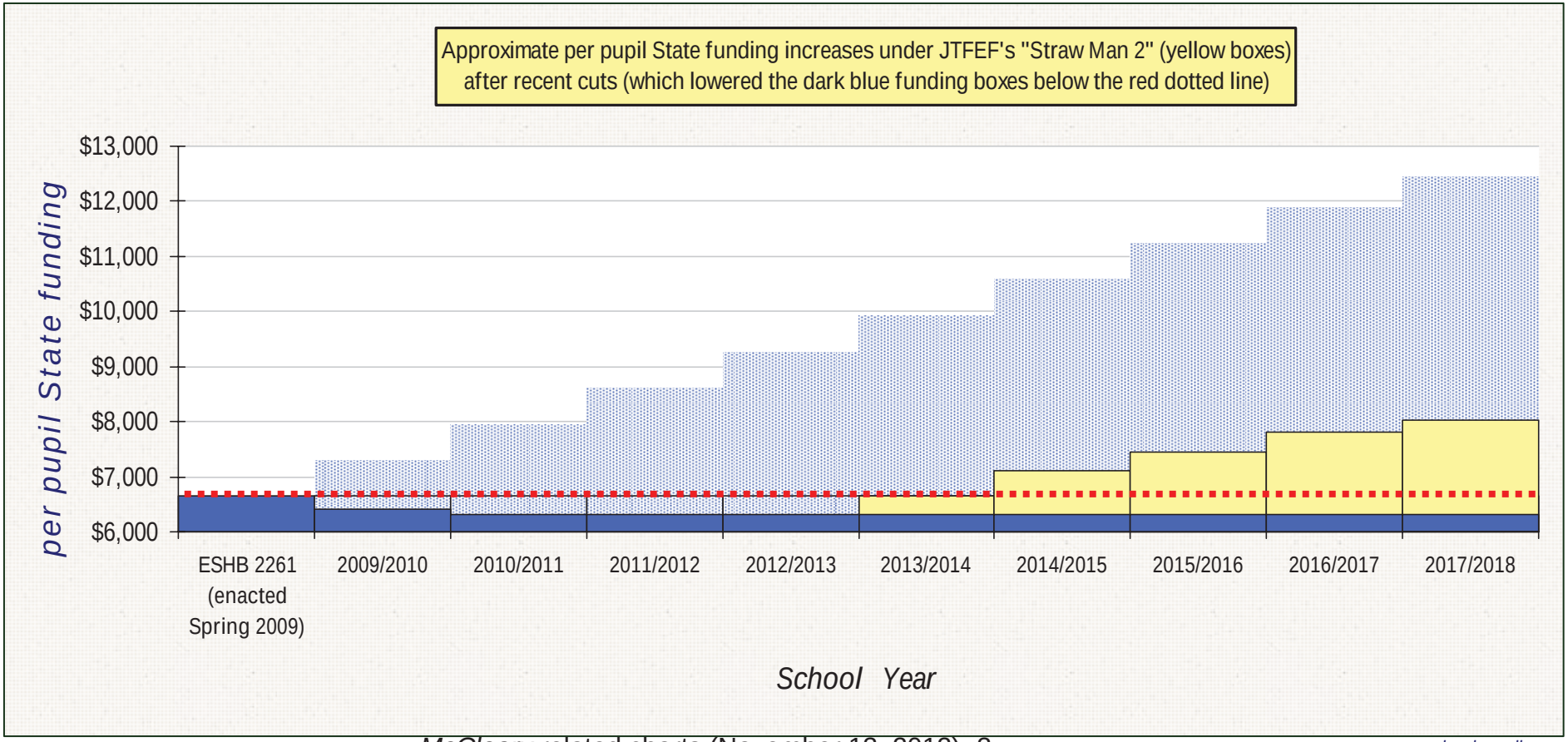
- **State's per pupil funding testimony:** State's Exhibit 1483 in the *McCleary* case listed $9,710 as the per pupil funding amount for ESHB 2261's reforms. The State testified that was "the baseline" for ESHB 2261 under the assumptions stipulated by the State's lawyers, **without** including inflation after 2007/2008, comparable wage adjustments to actual market salaries, or capital constructions needs. The June 2012 Final Report of the State's Compensation Technical Workgroup then determined the increase needed to fund market rate salaries is $2.836 billion/year – which is approximately $2,836/pupil for 1 million students. That produces State per pupil funding of over $12,500/year ($9,710 + $2,836 = $12,546). *[As noted earlier, that figure omits inflation and capital construction needs. It is also State funding, rather than local or federal funding.]*
- **Starting point: According to the State's Annual Report Card, the State's per pupil funding amount was $6,648 when the State enacted ESHB 2261 in the 2008/2009 school year *(dotted red line below)*.**
- **Steady progress:** Steady progress reaching the above $12,500 figure requires a per pupil State funding increase of over $650 every year to 2018:



Per Pupil Funding "Progress" Under Recent State Funding Proposals

- **"Progress" to date:** The State **did not increase** its per pupil funding for school years immediately after it enacted ESHB 2261 in early 2009. According to the State's Annual Report Card, the State instead **cut** State per pupil funding from $6,648 in the 2008/2009 school year to $6,400 the next school year and $6,308 the next (e.g., salary funding cuts of 1.9% and 3.0%, erosion of I-728 funding, and K-4 cuts).

- **"Progress" proposals for the future:** Increasing State funding by only a couple billion dollars (a couple thousand per pupil) does not come close to the State's previously-noted over $12,500 figure for its promised education reforms – even without adding inflation or capital construction needs. For example, the chart below illustrates that shortcoming with the October 12, 2012 "Straw Man 2" proposal to the Joint Task Force On Education Funding. *[Chart is based on dividing that "Straw Man 2" proposal's annual increases by 1 million students (yellow funding levels shown below), and then adding those funding levels to the $6,308 per pupil State funding level reported by State's most recent Annual Report Card (solid blue funding level shown beginning in 2010/2011).* ***The red dotted line shows the $6,648 per pupil State funding level reported in the State's Annual Report Card for the school year in which ESHB 2261 was enacted (2008/2009).****]*:



Frequently Asked Questions about what the State told the *McCleary* Court

- **What is the significance of State's Exhibit 1483 in the *McCleary* case?** Exhibit 1483 is the chart the State submitted in the *McCleary* case to assure the court that ESHB 2261 would provide the substantial multi-billion dollar funding increase needed to cure several aspects of the State's perennial unconstitutional underfunding of its public schools. The State called a Senior K-12 Fiscal Analyst from the legislature to present that chart. The State's witness testified that the $9,710 per pupil figure stated in Exhibit 1483 is "the baseline" for ESHB 2261's reforms under the assumptions stipulated by the State's lawyers in the *McCleary* case. The State's witness also testified that this Exhibit's baseline did not include: any inflation after 2007/2008, any comparable wage adjustments to increase State funding to actual market salaries, or any capital construction funding. And as noted earlier, the June 2012 Final Report of the State's Compensation Technical Workgroup then determined the increase needed to fund market rate salaries is $2.836 billion/year – which is approximately $2,836/pupil for 1 million students. Combining those two State figures results in State per pupil funding increasing to over $12,500/year ($9,710 + $2,836 = $12,546). *(The next page has a copy of State's Exhibit 1483 with two explanatory notes about the per pupil funding figure presented to the Court. State's Exhibit 1483 is also the exhibit referenced in the Supreme Court hearing, which was then filed in full with the Supreme Court before the Supreme Court issued its ruling.)*

- **Can't legislators just ignore the State's testimony in the *McCleary* case?** The defendant State's assurances about its education reforms significantly increasing State funding was one of the foundations for the *McCleary* Court's favorable comments about ESHB 2261, and the Supreme Court Order requiring the State to demonstrate "steady progress" every year so those funding increases are all completed by 2018. Courts generally do not tolerate a defendant ignoring what he or she had previously told the court.

- **Can't legislators change the State's testimony by amending education statutes to now contemplate spending less?** The *McCleary* Court Ordered the State to demonstrate "steady progress" every year to ensure the State crosses the ESHB 2261 goal line by no later than 2018. Legislators cannot evade that Court Order by now amending statutes to try to move the goal line to an easier spot.

- **Can't legislators request a "do-over" on the State's testimony in the *McCleary* case?** Courts generally do not tolerate a defendant asking for a "do-over" to change what he or she previously told the court. Especially in a situation like this, where the State argued to the Supreme Court that the State had already done all the cost studies it needed to know the actual dollar cost of the education reforms it was promising.

Per pupil funding baseline in State's Exhibit 1483 *(before funding market rate wages, inflation, or capital construction needs)*

RTrEx1483.00001

2007-09 Revised Omnibus Operating Budget (2008 Supp)
Enacted
Near General Fund - State
(Dollars in Thousands)

According to the State's Report Card, per pupil State funding was $6,648 when ESHB 2261 was enacted in 2008/2009 school year.

The ESHB 2261 assumptions stipulated by the State's lawyers in McCleary.

ITEMS	ESTIMATED PER PUPIL COSTS[1]	ESTIMATED ITEM COST PER PUPIL[2]	ESTIMATED AGGREGATE TOTAL COSTS/YR	ESTIMATED AGGREGATE DIFFERENCE PER ITEM	ESTIMATED CUMULATIVE DIFFERENCE PER PUPIL
HB2261 -- under various assumptions	$ 9,710	na	$ 9,691,377,144	na	na
Eliminate Learning Improvement Days (10 reduced to zero)	$ 9,433	$ (277)	$ 9,415,030,296	$ 276,346,848	$ (277)
NERC Instructional Professional Development	$ 9,313	$ (120)	$ 9,295,260,521	$ 396,116,623	$ (397)
Advanced Placement/International Baccalaureate Class Size Increased to 25	$ 9,303	$ (10)	$ 9,284,898,052	$ 406,479,092	$ (407)
Eliminate Class Size Poverty Subsidy in 9-12	$ 9,273	$ (30)	$ 9,254,904,277	$ 436,472,867	$ (437)
Eliminate Class Size Poverty Subsidy in Grades 4-8	$ 9,223	$ (49)	$ 9,205,851,945	$ 485,525,199	$ (486)
CTE & Perf Arts in Middle School Class Size Increased to 25	$ 9,203	$ (21)	$ 9,185,335,129	$ 506,042,015	$ (507)
CTE & Lab Science in High School Class Size Increased to 25	$ 9,119	$ (84)	$ 9,101,126,367	$ 590,250,777	$ (591)
Class Size in Grades 9-12 Increased from 25 to 29.2 Except Vocational Education	$ 9,005	$ (114)	$ 8,987,358,449	$ 704,018,695	$ (705)
Class Size in Grades 4-8 Increased from 25 to 27	$ 8,814	$ (191)	$ 8,796,769,059	$ 894,608,085	$ (896)
Remaining NERC at 71%	$ 8,481	$ (332)	$ 8,465,286,422	$ 1,226,090,722	$ (1,228)
Class Size in Grades K-3 Increased from 15 to 18	$ 8,163	$ (319)	$ 8,147,373,971	$ 1,544,003,173	$ (1,547)
Class Size in Grades K-3 Increased from 18 to 20	$ 8,004	$ (159)	$ 7,988,811,618	$ 1,702,565,526	$ (1,706)
Class Size in Grades K-3 Increased from 20 to 26.2	$ 7,666	$ (339)	$ 7,650,926,245	$ 2,040,450,899	$ (2,044)
Professional Development Coaches	$ 7,572	$ (94)	$ 7,557,555,808	$ 2,133,821,336	$ (2,138)
Full Day Kindergarten Replaced by Half Day Kindergaten[3]	$ 7,363	$ (209)	$ 7,348,880,828	$ 2,342,496,316	$ (2,347)
Substitute Unit Cost Model - Transportation	$ 7,350	$ (12)	$ 7,336,451,317	$ 2,354,925,827	$ (2,359)

[1]Totals do not include costs associated with Early Learning or a Highly Capable Safety Net.
[2]Costs per item are sensitive to the order in which they are included in the model.
[3]Assumes denominator of student FTEs stays the same, solely for the purpose of depicting costs in per pupil manner.

The $9,710 per pupil costs State presented to the McCleary court for ESHB 2261's reforms, before adding any additional funding for

- inflation after 2007/2008,
- comparable wage adjustments to increase State funding to actual market salaries, or
- capital construction needs.

House Office of Program Research–Fiscal Committees

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IT IS THE PARAMOUNT DUTY OF THE STATE TO MAKE AMPLE PROVISION FOR THE EDUCATION OF ALL CHILDREN RESIDING WITHIN ITS BORDERS....

Washington State Constitution, Article IX, section 1

***McCleary* Court's Constitutional violation ruling.** The Supreme Court:

- affirmed the trial court's February 2010 ruling that the State's K-12 funding level is so low it's unconstitutional.
- held that substantial evidence proved the State "has failed to adequately fund the 'education' required by Article IX, section 1",
- held "the State has consistently failed to provide adequate funding", and
- held this failure is so well known by the State that "[w]e do not believe this conclusion comes as a surprise."

E.g., 173 Wn.2d at 513, 529-30, 539, & 547-48.

***McCleary* Court's Article IX, §1 interpretation ruling.** The Supreme Court affirmed that:

- ***paramount duty*** means that "the State must amply provide for the education of all Washington children as the State's first and highest priority before any other State programs or operations",
- ***ample provision*** means "considerably more than just adequate",
- ***all children*** means "each and every child" in Washington – "No child is excluded", and
- ***education*** means "the basic knowledge and skills needed to compete in today's economy and meaningfully participate in this state's democracy" – which are the knowledge and skills specified in the State's Essential Academic Learning Requirements (EALRs), the four numbered provisions from ESHB 1209, and the *Seattle School District* decision.

E.g., 173 Wn.2d at 483-84, 520, 522-24, 526, 531-32, & 539.

***McCleary* Court's judicial authority ruling.** The Supreme Court reiterated that:

- Article IX, section 1 "imposes a ***judicially enforceable*** affirmative duty" on the State,
- "Article IX, section 1 confers on children in Washington a ***positive constitutional right*** to an amply funded education,"
- and this right to an amply funded education is each Washington child's ***paramount Constitutional right***.

E.g., 173 Wn.2d at 483, 485, 514, & 518.