

School Apportionment Hot Topics

WASBO Annual Conference
May 2024



Washington Office of Superintendent of
PUBLIC INSTRUCTION

Presenter Information



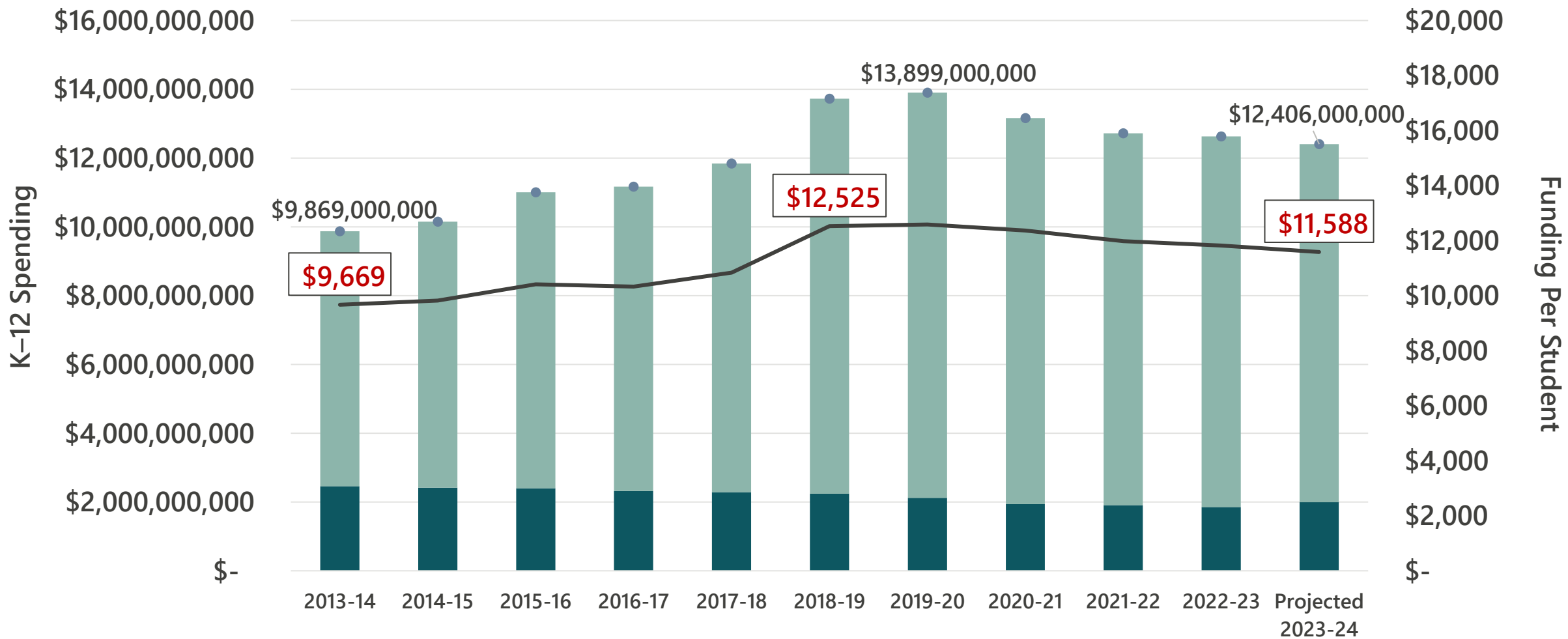
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Inflation Adjusted K-12 Spending & Funding Per Student



Local Funding
 State Funding
 Funding Per Student
 Total State & Local Funding

High Level Overview

Prototypical Model Changes

Compensation Allocations

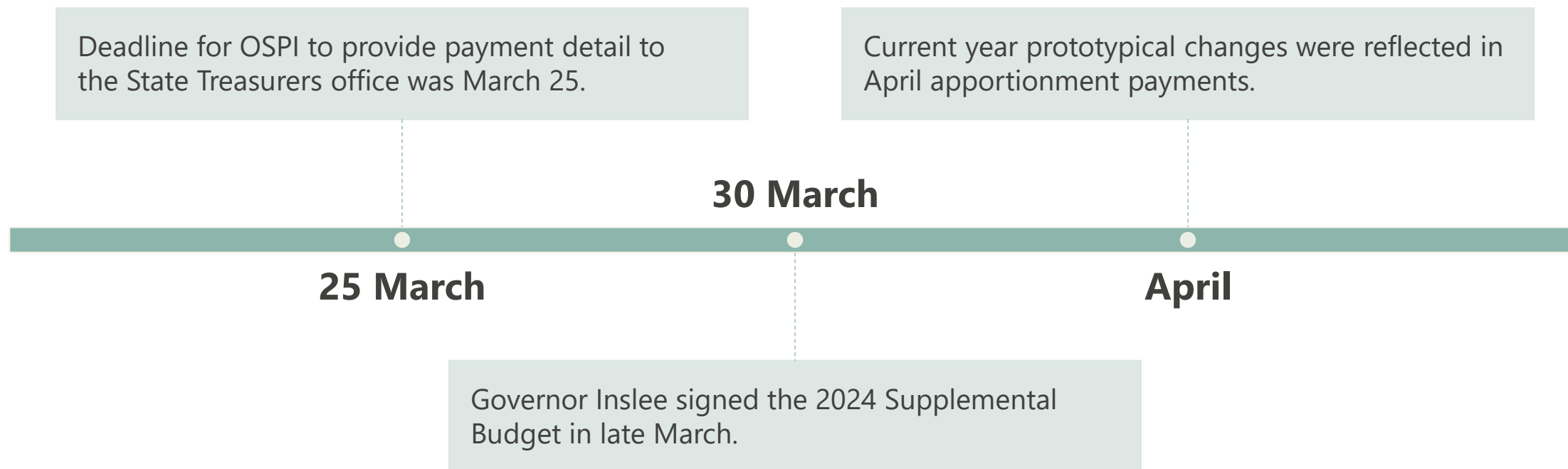
Special Education Funding

Transportation

CTE Accounting Changes

Special Education Expenditure Reporting

Prototypical Model Changes (2023–24)



Prototypical Model (2023–24 SY)^{1,2}

Pre-Session	Post Session	Pre-Session	Post Session	Pre-Session	Post Session
Elementary (K–6)		Middle (7–8)		High (9–12)	
1.253	*	1.353	*	1.880	*
0.663	*	0.519	*	0.523	*
0.827	*	1.550	*	2.882	*
0.993	*	1.716	*	3.039	*
0.416	*	0.612	*	0.582	*
0.222	*	0.060	*	0.089	*
0.075	*	0.016	*	0.035	*
0.936	1.012	0.700	0.776	0.652	0.728
2.012	2.088	2.325	2.401	3.269	3.345
1.657	*	1.942	*	2.965	*
0.079	*	0.092	*	0.141	*
0.0825	*	0.000	*	0.000	*

Principals
 Teacher Librarian
 Guidance Counselors
 Guidance Counselors High Poverty schools (total allocation, not in addition to)
Health and Social Services

School Nurses
 Social Workers
 Psychologists

Teaching Assistance
 Office Support
 Custodians
 Student and Staff Safety
 Parent Involvement Coordinators

¹Prototypical Staff allocation values highlighted in green are unchanged from current law. These allocations are part of PSES compliance to be fully implemented by SY 2024-25, see 2SHB 1664 for details.

²Prototypical Staff allocation values highlighted in blue are an increase as part of the supplemental budget. See 2SHB 5882 for details.

Prototypical Model Changes (2024–25 SY) ^{1,2}

2023–24	2024–25	2023–24	2024–25	2023–24	2024–25
Elementary (K–6)		Middle (7–8)		High (9–12)	
1.253	*	1.353	*	1.880	*
0.663	*	0.519	*	0.523	*
0.827	0.993	1.550	1.716	2.882	3.039
0.993	0.000	1.716	0.000	3.039	0.000
0.416	0.585	0.612	0.888	0.582	0.824
0.222	0.311	0.060	0.088	0.089	0.127
0.075	0.104	0.016	0.024	0.035	0.049
0.936	1.012	0.700	0.776	0.652	0.728
2.012	2.088	2.325	2.401	3.269	3.345
1.657	*	1.942	*	2.965	*
0.079	*	0.092	*	0.141	*
0.0825	*	0.000	*	0.000	*

Principals

Teacher Librarian

Guidance Counselors

Guidance Counselors High Poverty schools (total allocation, not in addition to)

Health and Social Services

School Nurses

Social Workers

Psychologists

Teaching Assistance

Office Support

Custodians

Student and Staff Safety

Parent Involvement Coordinators

¹Prototypical Staff allocation values highlighted in green are unchanged from current law. These allocations are part of PSES units (subject to compliance) to be fully implemented by SY 2024-25, see 2SHB 1664 for details.

²Prototypical Staff allocation values highlighted in blue are an increase as part of the supplemental budget. See 2SHB 5882 for details.

School Based Staff Values Inverted for the 2024-25 School Year

Number of students per staff allocation

Principals
 Teacher Librarian
 Guidance Counselors
 Guidance Counselors High Poverty Schools
 (total allocation, not in addition to)
 Health and Social Services
 School Nurses
 Social Workers
 Psychologists
 Teaching Assistance
 Office Support
 Custodians
 Student and Staff Safety
 Parent Involvement Coordinators

2023-24	2024-25	2023-24	2024-25	2023-24	2024-25
Elementary (K-6)		Middle (7-8)		High (9-12)	
319.2	*	319.3	*	319.1	*
603.3	*	832.4	*	1,147.2	*
483.7	402.8	278.7	251.7	208.2	197.4
402.8	0.0	251.7	0.0	197.4	0.0
961.5	683.8	705.9	486.5	1,030.9	728.2
1,801.8	1,286.2	7,200.0	4,909.1	6,741.6	4,724.4
5,333.3	3,846.2	27,000.0	18,000.0	17,142.9	12,244.9
427.4	395.3	617.1	556.7	920.2	824.2
198.8	191.6	185.8	179.9	183.5	179.4
241.4	*	222.5	*	202.4	*
5,063.3	*	4,695.7	*	4,255.3	*
4,848.5	*	0.0	*	0.0	*

Legislative Intent of Prototypical Investments

- The state Legislature provided \$72 million over two years for three district staffing priorities.
- Funds are ongoing through the prototypical funding formula. The intent is to assist districts with hiring additional staff or paying existing staff higher wages.
- While the intent is targeted towards two purposes, there are three allowable uses stated in the bill and rule below.

Prototypical Compliance



The superintendent shall develop rules that require school districts to use the additional funding provided under (a) of this subsection to support increased staffing, prevent layoffs, or increase salaries for the following staff types in the **2024–25 school year**:

Paraeducators, office support, and noninstructional aides. The superintendent shall collect data from school districts on how the increased allocations are used. Only program 01 will be considered.



Prototypical Compliance Part II

Revenue

OSPI will be including a new apportionment report that will separately identify Program 01 revenue associated with the incremental increases for these staff positions.

***Report only – no new revenue code**

Expenditures

Districts will have to report, by dollar amount, how much of the revenue identified was spent on the three allowable uses separately. This will not be part of the F-196. This will not be as simple as, check a box to attest that you followed the rules.

Amount of expenditures in supplemental report will have to be equal to revenue on apportionment report.



Prototypical Compliance Definitions

- **Increased staffing** as demonstrated by having a combined student to staff ratio across paraeducators, office support, and noninstructional aides that is less in the 2024-25 school year than in the 2023-24 school year.
- **Preventing layoffs** as demonstrated by having a combined student to staff ratio across paraeducators, office support, and noninstructional aides that is equal to or less in the 2024-25 school year than in the 2023-24 school year.
- **Increased salaries** demonstrated by paying, on average by position, a higher salary in the 2024-25 school year than in the 2023-24 school year.

Reporting Concept – Not F-196

District	Revenue	Preventing Layoffs	Increasing Salaries	Increased Staffing
CCDDD	\$7,500,000	\$1,000,000	\$5,000,000	\$1,500,000
CCDDD	\$10,000,000	\$3,000,000	\$0	\$7,000,000
CCDDD	\$1,234,567	\$0	\$1,234,567	\$0

- Districts will report this information through Smartsheet or Excel based tool.
- Revenue will be prepopulated from the apportionment report.
- Expenditure detail will be reported by district no later than the F-196 reporting deadline.

Materials, Supplies, and Operating Costs (MSOC)—School Year 2023–24

MSOC 2023–24 School Year	Pre-Session	Post Session	Difference
Total MSOC Per Student FTE	\$1,483.44	\$1,504.44	\$21.00
Technology	\$178.98	\$178.98	*
Utilities and Insurance	\$416.26	\$430.26	\$14.00
Curriculum and Textbooks	\$164.48	\$164.48	*
Other Supplies	\$326.54	\$326.54	*
Library Materials	\$22.65	\$22.65	*
Instructional Professional Development for Certificated and Classified Staff	\$25.44	\$28.94	\$3.50
Facilities Maintenance	\$206.22	\$206.22	*
Security and Central Office Administration	\$142.87	\$146.37	\$3.50

MSOC Compliance - Existing

For the 2024–25 school year, as part of the budget development, hearing, and review process, each school district must disclose: (A) the amount of state funding provided through MSOC, (B) the amount the district proposes to spend for MSOC, (C) the difference between these two amounts, and (D) any proposed use of this difference and how this use will improve student achievement.

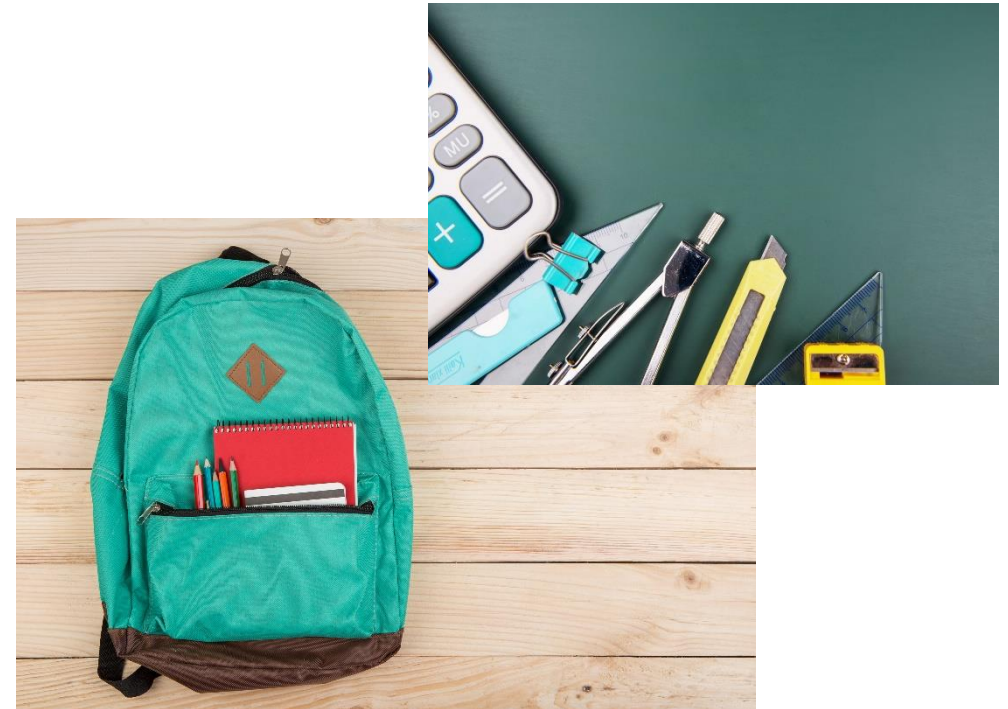


OSPI recommends using disclosure in your budget development process as a means of demonstrating meeting the new MSOC compliance <next slide>.



MSOC Compliance - New

The increased allocation amount of \$21 per annual average full-time equivalent student for materials, supplies, and operating costs provided under (a) of this subsection is intended to address growing costs in the enumerated categories and may not be expended for any other purpose.



Materials, Supplies, Operating Costs – School Year 2024–25

School Year	2024–25
Total MSOC per student FTE - Regular	\$1,533.02
Technology	\$182.37
Utilities and Insurance	\$438.43
Curriculum and Textbooks	\$167.61
Other Supplies	\$332.74
Library Materials	\$23.09
Instructional Professional Development for Certificated and Classified Staff	\$29.50
Facilities Maintenance	\$210.13
Security and Central Office	\$149.15

School Year	2024–25
Total MSOC per student FTE – Grades 9-12	\$204.03
Technology	\$44.88
Curriculum and Textbooks	\$48.97
Other Supplies	\$95.86
Library Materials	\$6.16
Instructional Professional Development for Certificated and Classified Staff	\$8.16

School Year	2024–25
MSOC Vocational Per Student FTE	\$1,757.39

School Year	2024–25
Small School MSOC (NERC) Per Student FTE	\$13,729.20

Running Start Rates

RUNNING START RATE	2023-24 PRE-SESSION	2023-24 POST SESSION	2024-25
Non-Vocational	\$9,555.02	\$9,597.46	\$10,037.85
Vocational	\$10,463.80	\$10,486.16	\$10,916.85

The current year increases were included in the April 2024 apportionment payments.

K-12 Compensation



Inflationary increase in supplemental budget is 3.7%.

Classification	2023-24	2024-25
Certificated Instructional	\$75,419	\$78,209
Certificated Administrative	\$111,950	\$116,092
Classified	\$54,103	\$56,105

Min. and Max. CIS Salary for 2024–25*

*Salaries represented below do not include regionalization.

School Year	IPD	Minimum	Min w/ 5 yrs.	Maximum
2017–18	-	\$40,000	\$44,000	\$90,000
2018–19	1.9%	\$40,760	\$44,836	\$91,710
2019–20	2.0%	\$41,575	\$45,733	\$93,544
2020–21	1.6%	\$42,240	\$46,464	\$95,041
2021–22	2.0%	\$43,085	\$47,394	\$96,942
2022–23	5.5%	\$45,455	\$50,001	\$102,274
2023–24	3.7%	\$47,137	\$51,851	\$106,058
2024–25	3.7%	\$48,881	\$53,769	\$109,982

Special Education Funding



Increases the funding cap of resident student enrollment to 16% (SHB 2180).



This is effective for the 2024–25 school year.

Transition to Kindergarten (TK) - Update



Considered a new GRADE – Transition to Kindergarten (2023 Legislative Session outcome).

The new grade is not considered basic education. Expenditures must remain in sub-fund 1.

Funded in the state budget (Sec. 523) as follows:

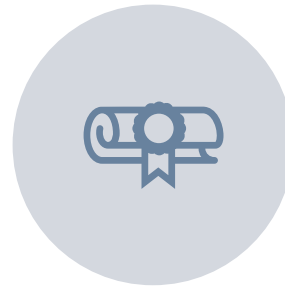
- General Fund State (FY 2024).....\$6,870,000
- General Fund State (FY 2025).....\$69,959,000
- General Fund – Federal – (CRRSA/GEER).....\$41,848,000

Starting with September 2024 TK revenue will be provided through state sources only.

Levy and LEA Impacts



No changes to Levy or LEA statutes for traditional public school districts.



Charter schools will receive \$1,500 per pupil in enrichment dollars in School Year 2023–24 (April 2024)



These funds will have to be used for enrichment purposes only.



Expenditures must be coded to the sub-fund of the general fund.

What about the Budgeting Systems & Tools?

Systems

- F-203 is now available.
 - TK revenue calculation added to F203, no longer needed through separate tool.
 - Starting this fall we will leave the F-203 open later into the fall before transitioning to the x-option. The x-option will be released around Thanksgiving.
- F195/F195F was released in mid-April

Drivers and Tools (available on [Budget Preparations \(ospi.k12.wa.us\)](https://ospi.k12.wa.us))

- Budget Drivers ("John Jenft") Summary and Multi-Year budget comparison tool.
- **FINAL** Poverty for LAP and HiPov LAP for the 2024-25 school year.
- Enrichment Levy Pre-Ballot Approval Form with worksheet for Estimating Levies through CY2029
- Special Education 3121% percentages for SY 2024-25

NOTE - NOT INCLUDED: Transitional Kindergarten tool from SY 2023-24 due to being incorporated into F203.

Apportionment Advances

State allows districts to receive apportionment funds in advance of the schedule defined in statute.



This could be a cash flow solution for districts, should not be considered a budget balancing strategy.



Current law:

Requires apportionment advances to be repaid in full not later than June apportionment. (WAC)

Does not allow for advances in July or August. (WAC)

Does not allow advances to be outstanding into the next apportionment year (RCW).

Apportionment Advances – New Rule

Advance Month	Proposed Minimum Repayment Requirement		
	No Later Than June 30	July	August
October - May	50%	50%	
June	n/a	50%	50%
July	n/a	n/a	100%
August - September	Advances not granted during these months.		

- In no case can a district repay and then re-advance funds in subsequent months.
- [WAC 392-121-442](#): remains unchanged – districts still required to report and repay any interest earned on apportionment advance payments.

School District Budgeting

School districts must submit a balanced budget to OSPI annually August or September, depending on size.

Expected expenditures must not exceed expected revenues from all sources.

If budget is not balanced at the end of the fiscal period, the school district must request permission from OSPI to include future revenues to balance current year budget.

Approval of the request for permission comes with Binding Conditions to improve financial condition.

Binding Conditions are a set of financial goals or constraints the district must adhere to and/or achieve.



Interfund Loans – Cash not Revenue

RCW 28A.505.130 – Budget – Requirements for balancing estimated expenditures: *“The proceeds of any interfund loan must not be used the balance the budget of the borrowing fund, except in fiscal year 2024 when such loans may be used to address budget destabilization in the aftermath of the COVID-19 pandemic. Interfund loans in fiscal year 2024 may be for a duration of two years.”*

For the 2024-25 and 2025-26 budget periods, accepting binding conditions due to a negative fund balance position is not required for school districts or charter schools that have an interfund loan for more than the amount of the negative position in the receiving fund. This timebound exception is provided in statute so long as the transaction date occurs before June 30, 2024.

Transportation



Student Transportation



Allocation funding increase

FY 24 \$40,043,000

FY 25 \$47,745,200



Increased Transportation salary
funding after benefit adjustments
(Sec. 507):

FY 24 \$638,000

FY 25 \$2,485,000



\$13,000,000 for Transportation Safety Net

ESHB 1248

- When a school district initiates a new contract for school bus transportation services, or renews/extends a contract, the contractor must provide health care and retirement benefits to their employees at the same rate as the school district.
- School districts that incur a contract cost increase due to the new requirement will be eligible for supplemental transportation allocation.

ESHB 1248

- Beginning September 1, 2024, school districts that contract school bus transportation must submit the following information to OSPI each year:

A breakdown of the total contract cost increase by expenditure type of health care and retirement benefits.

A breakdown of contractor costs to provide health care and retirement benefits both prior and after implementation of 1248.

Student Transportation funding received prior to implementation of benefits and the period immediately after implementation.

ESHB 1248 Continued



Two school districts have contracts renewing this summer.



We cannot project transportation contracts initiated this summer.



The budget provides \$425,000 in FY25 for implementation.



We will need final year-end financial data to calculate allocations.



Funds will be paid in February apportionment under a new revenue code in the initial year, revenue 41990X.



Subsequent years allocations will be included in 4199.

Other Items of Note



CTE Accounting Changes 2024-25 SY

- The CTE program accounting matrix does not allow for direct charging some of the expenditures that the students enrolled in the program at a comprehensive middle or high school benefit from or have access to.
- When you combine this fact with the current CTE indirect rate of 5%, the expenditure structure does not allow for a transparent representation of direct costs within allowable parameters.

Goal for 2024-25 School Year



Expand the allowable expenditure matrix for the CTE programs to include additional activities, while at the same time creating meaningful and measurable limitations on direct charges.



There will be no changes to the 5% program indirect rate, as that is in statute.



OSPI and the sub-committee of the SDAAC will review the expenditure detail in the F-196 submitted in November 2025 to determine if parameters need to be established regarding charging to the new activities.



Current CTE Expenditure Matrix

	ACTIVITY	Total
21	Supervision	
22	Learning Resources	
24	Guidance and Counseling	
25	Pupil Management	
27	Teaching	
28	Extracurricular	
29	Payments to School Districts	
31	Instructional Professional Development	
32	Instructional Technology	
33	Curriculum	
34	Professional Learning–State	
35	Pupil Safety	
	TOTALS	

New CTE Expenditure Matrix

	ACTIVITY	Total
21	Supervision	
22	Learning Resources	
23	Principal's Office	
24	Guidance and Counseling	
25	Pupil Management	
26	Health/Related Services	
27	Teaching	
28	Extracurricular	
29	Payments to School Districts	
31	Instructional Professional Development	
32	Instructional Technology	
33	Curriculum	
34	Professional Learning–State	
35	Pupil Safety	
72	Information Systems	
	TOTALS	

Running Start Enhanced Summer Rate

An enhanced factor of 130% can be applied to the running start rate under RCW 28A.600.310 for students included in July and August enrollment counts for school year 2023–24.

\$347,000 of funds in this section are provided for this purpose.

OSPI must apply the enhanced summer running start rate in this subsection for students eligible to take summer running start courses in this subsection and under section 504(18) of this act, and grant school districts seven percent thereof to offset program related costs.

Special Education Expenditure Reporting

- By November 1, 2024, districts must report to OSPI how special education funding is being used to do the following:
 - To what extent the district has increased special services, programs, and supports to students with disabilities for the 2023–24 and 2024–25 school years;
 - How the district has modified staffing ratios during the 2023–24 and 2024–25 in special programs to provide more intensive staff support to students enrolled in special education programs;
 - How the district has used resources to increase employee compensation for both certificated and classified staff during the 2023–24 and 2024–25 school years to improve staff retention and recruitment of new staff;

Expenditure Reporting - Continued

- To what extent the district has increased staff development programs and curriculum that is both timely and relevant to the needs of students with disabilities during the 2023–24 and 2024–25 school years; and
- To what extent the district has purchased staff safety equipment during the 2023–24 and 2024–25 school years to reduce work-related injuries.
- The office shall compile the data required under this section and provide a report to the relevant committees of the legislature by December 1, 2024, summarizing statewide trends and providing each district's individual responses.



Program Webpages and Resources

Program Webpages:

- [School Apportionment & Financial Resources \(SAFS\)](#)
- [Child Nutrition Services](#)
- [Student Transportation](#)
- [School Facilities & Organization](#)
- [Federal Fiscal Policy](#)

Presentations:

- [2024 Legislative Session in Review](#) —is posted on the [SAFS Trainings and Presentation webpage](#).
- If you would like a copy of this presentation, please email Carrie Hert at carrie.hert@k12.wa.us.