

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6311 SB	<b>Title:</b> Salary bonus for teachers
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## Estimated Cash Receipts

Agency Name	2005-07		2007-09		2009-11	
	GF- State	Total	GF- State	Total	GF- State	Total
<b>Total \$</b>						

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

## Estimated Expenditures

Agency Name	2005-07			2007-09			2009-11		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Superintendent of Public Instruction	.0	43,888,208	43,888,208	.0	87,772,416	87,772,416	.0	87,772,416	87,772,416
The Evergreen State College	.1	29,960	29,960	.3	62,333	62,333	.3	64,725	64,725
<b>Total</b>	0.1	\$43,918,168	\$43,918,168	0.3	\$87,834,749	\$87,834,749	0.3	\$87,837,141	\$87,837,141

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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<b>Prepared by:</b> Denise Graham, OFM	<b>Phone:</b> 360-902-0572	<b>Date Published:</b> Final 1/19/2006
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID: 12577

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6311 SB	<b>Title:</b> Salary bonus for teachers	<b>Agency:</b> 350-Supt of Public Instruction
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND					
<b>Total \$</b>					

### Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
General Fund-State 001-1	0	43,888,208	43,888,208	87,772,416	87,772,416
<b>Total \$</b>	0	43,888,208	43,888,208	87,772,416	87,772,416

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Susan Mielke	Phone: (360)786-7422	Date: 01/13/2006
Agency Preparation: Renee Lewis	Phone: 360-725-6181	Date: 01/18/2006
Agency Approval: Renee Lewis	Phone: 360-725-6181	Date: 01/18/2006
OFM Review: Denise Graham	Phone: 360-902-0572	Date: 01/19/2006

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.*

Sec. 1(1) reads, "...each school district shall receive allocations sufficient to fund a salary bonus equivalent to ten percent of its base pay for eligible certificated instructional staff who teach in math, science and/or special education."

Sec. 1(3) reads, "The annual bonus shall be paid in a lump sum amount....and shall be prorated based on a full-time equivalent basis."

Sec. 1(5) reads, "Eligible certificated instructional staff means a classroom teacher spending at least fifty percent of his or her work day in direct classroom instruction in math and/or science at the middle, junior or high school levels and/or special education at all grade levels."

Sec. 2 reads, "The sum of fifty thousand dollars, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2007 from the general fund to the Washington Institute for Public Policy at The Evergreen State College for the purposes of section 1(4) of this act."

### II. B - Cash Receipts Impact

*Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.*

### II. C - Expenditures

*Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.*

A ten percent bonus is to be paid to teachers who teach in math or science at least 50% of the day to middle school, junior high school and high school students. Teachers in special education for all grades are also eligible for the bonus. The number of classroom FTE that districts have reported is 53,242 per the apportionment system. Of these, they have reported 3,844 to be teaching in special education. The average base salary is \$46,963 per year. OSPI does not have data on the number of teachers assigned to teach math and science. Therefore, estimates have been made and the assumptions are included below.

#### Assumptions:

- 1) It is estimated that 45% of the total teacher FTE are teaching in grades 7-12; 23,903 FTE.
- 2) It is estimated that of the 23,903 FTE teaching in grades 7-12 that 1/5 of those teach in math and/or science; 4,781 FTE.
- 3) Mandatory benefits associated with the bonus are 8.29%.
- 4) Costs are included for a 0.5 accountant to handle the bonuses for the 8,625 teachers annually.

Estimated % of total FTE in 7-12	45%
Estimated # FTE in 7-12	23,903
Estimated % of 7-12 FTE in Math/Science	20%
Estimated # FTE in 7-12 in Math/Science	4,781
Reported Special Education FTE	3,844
Total FTE receiving a bonus	8,625

FY07 average base salary	\$46,963
10% of Average Base Salary	\$4,696
Estimated base cost	\$40,500,675
Estimated benefits at 8.29%	\$3,357,506
<b>TOTAL ESTIMATED COST</b>	<b>\$43,858,181</b>

FY08-FY11 = \$43,858,181 annual cost for bonuses assuming no salary increase.

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
A-Salaries and Wages		19,404	19,404	38,808	38,808
B-Employee Benefits		5,623	5,623	11,246	11,246
C-Personal Service Contracts					
E-Goods and Services		5,000	5,000	6,000	6,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		43,858,181	43,858,181	87,716,362	87,716,362
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
<b>Total:</b>	\$0	\$43,888,208	\$43,888,208	\$87,772,416	\$87,772,416

### Part IV: Capital Budget Impact

### Part V: New Rule Making Required

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6311 SB	<b>Title:</b> Salary bonus for teachers	<b>Agency:</b> 376-The Evergreen State College
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>FUND</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.0	0.3	0.1	0.3	0.3
<b>Fund</b>					
General Fund-State 001-1	0	29,960	29,960	62,333	64,725
<b>Total \$</b>	0	29,960	29,960	62,333	64,725

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Susan Mielke	Phone: (360)786-7422	Date: 01/13/2006
Agency Preparation: Steve Trotter	Phone: 360 867-6185	Date: 01/18/2006
Agency Approval: Steve Trotter	Phone: 360 867-6185	Date: 01/18/2006
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 01/19/2006

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 6311, Section 1(4) directs the Washington State Institute for Public Policy (Institute) to examine the implementation and outcome of providing salary bonuses for math, science, and special education teachers. The examination must review teacher recruitment, retention, and performance, assess the cost-effectiveness of the salary bonus program, and identify potential changes that would result in more cost-effective math, science, and special education instruction. The Institute must submit a report on the study findings to the governor and appropriate legislative committees by January 1, 2014.

### II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

### II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Approximately 0.25 staff FTEs would be used per year to complete the following activities:

- (1) Initial literature review and data collection and analysis;
- (2) Development and implementation of research design and long-term evaluation plans; and
- (3) Writing of reports.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years		0.3	0.1	0.3	0.3
A-Salaries and Wages		19,404	19,404	40,370	41,919
B-Employee Benefits		4,268	4,268	8,881	9,223
C-Personal Service Contracts					
E-Goods and Services		6,288	6,288	13,082	13,583
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
<b>Total:</b>	\$0	\$29,960	\$29,960	\$62,333	\$64,725

### III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Project Manager	77,616		0.3	0.1	0.3	0.3
<b>Total FTE's</b>			0.3	0.1	0.3	0.3

## Part IV: Capital Budget Impact

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*