

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6696 S SB	<b>Title:</b> Education reform
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## Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Community and Technical College System	Non-zero but indeterminate cost. Please see discussion."					
<b>Total \$</b>	0	0	0	0	0	0

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.					
Local Gov. Other **						
Local Gov. Total						

## Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Public Employment Relations Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Higher Education Coordinating Board	.1	30,000	30,000	.1	26,000	26,000	.1	26,000	26,000
Superintendent of Public Instruction	4.2	2,811,516	41,423,855	7.0	5,040,829	27,358,338	3.3	3,188,828	22,683,697
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total</b>	<b>4.3</b>	<b>\$2,841,516</b>	<b>\$41,453,855</b>	<b>7.1</b>	<b>\$5,066,829</b>	<b>\$27,384,338</b>	<b>3.4</b>	<b>\$3,214,828</b>	<b>\$22,709,697</b>

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Other **									
Local Gov. Total									

\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID 26480

FNS029 Multi Agency rollup

Estimated Capital Budget Impact

Agency Name	2009-11		2011-13		2013-15	
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Higher Education Coordinating Board						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
Superintendent of Public Instruction						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

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Prepared by: John Wissler, OFM	Phone: 360-664-7769	Date Published: Final
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

# Judicial Impact Fiscal Note

<b>Bill Number:</b> 6696 S SB	<b>Title:</b> Education reform	<b>Agency:</b> 055-Admin Office of the Courts
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## Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

Check applicable boxes and follow corresponding instructions:

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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.

Legislative Contact	Elise Greef	Phone: 360-786-7708	Date: 02/06/2010
Agency Preparation:	Brian Backus	Phone: 360-705-5320	Date: 02/09/2010
Agency Approval:	Dirk Marler	Phone: 360-705-5211	Date: 02/09/2010
OFM Review:	Cherie Berthon	Phone: 360-902-0659	Date: 02/09/2010

Request # -1

## **Part II: Narrative Explanation**

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

The substitute bill removes a requirement in the original bill that the court resolve all issues certified by the director of the Public Employment Relations Commission in the same proceeding. This does not change the assessment of impact on the courts from that provided in the note on the original bill.

Section 103 provides for the Superintendent of Public Instruction to recommend, and for the State Board of Education to designate, districts with low-achieving schools as required action districts.

Section 105 mandates that required action districts submit a required action plan for approval by the State Board of Education. If implementation of a required action plan requires changes to the terms of conditions of employment in a collective bargaining agreement, the parties to the agreement must reopen the agreement, or negotiate an addendum, to make the necessary changes. If the parties are unable to reach agreement, the next step is mediation. If the mediator recommends and the executive director of the Public Employment Relations Commission finds that the parties are unable to reach agreement, the executive director must certify issues for decision by the superior court. The section also prescribes the process for these cases.

### **II. B - Cash Receipts Impact**

The Public Employment Relations Commission expects 16 districts to be identified annually as required action districts. It is expected that each district will have at least one collective bargaining agreement. It is not possible to estimate the number of times per year the director of the Commission would need to certify an issue for a court to resolve. However, as an example, if an issue needed to be resolved in half of 16 required action districts identified each year, the filing fee revenue would be \$2,080 to the counties.

### **II. C - Expenditures**

The Public Employment Relations Commission expects 16 districts to be identified annually as required action districts. It is expected that each district will have at least one collective bargaining agreement. It is not possible to estimate the number of times per year the director of the Commission would need to certify an issue for a court to resolve. However, as an example, if an issue needed to be resolved in half of 16 required action districts identified each year, the likely cost would be approximately about \$8,000 to the counties and \$1,500 to the state.

Costs to modify the Judicial Information System are estimated at \$6,000 for programming, testing and documentation.

## **Part III: Expenditure Detail**

## **Part IV: Capital Budget Impact**

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6696 S SB	<b>Title:</b> Education reform	<b>Agency:</b> 275-Public Employment Relations Comm
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT					
Total \$					

### Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.
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### Estimated Capital Budget Impact:

Total \$					

*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: Elise Greef	Phone: 360-786-7708	Date: 02/06/2010
Agency Preparation: Shepherd John	Phone: (360) 570-7310	Date: 02/11/2010
Agency Approval: Cathy Callahan	Phone: 360 570-7312	Date: 02/11/2010
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 02/11/2010

Request # 2010-16.1-1

## 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.*

Please see expenditure section for discussion

### 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.*

Substitute Senate Bill 6696 could potentially have a financial impact on the Public Employment Relations Commission. However, given the number and nature of the assumptions required to develop a fiscal estimate the agency must submit an indeterminate impact note. What follows is a discussion of likely cost drivers and potential costs given a certain set of assumptions.

Required work under the bill:

Section 105(3)(a) requires PERC to mediate disputes between “required action” school districts and its employee organizations if no contract or contract addendum can be agreed to under Section 105(2). Mediation must commence no later than April 15th of each year. If no agreement can be reached by May 15th, or if there are issues still unresolved, PERC’s executive director shall certify the remaining issues for resolution by the superior court of county in which the district is located.

Complexity Assumptions:

- PERC will convene a single bargaining table for the affected district
- Multiple employee organizations will be represented at the table
  - o Examples include certified staff, clerical staff, transportation staff, maintenance staff, para-professional staff, etc.
- It is possible multiple schools from a single district might be party to the negotiations with different intervention models
  - o One school might be a restart, another a closure, etc.
  - o In cases where multiple schools are in a single district, PERC may send more than one mediator
- The parties retain all other collective bargaining rights afforded to them in law
  - o Parties may file unfair labor practice charges with the Commission should another party(ies) to the negotiations refuse to bargain on mandatory subjects of bargaining or engage in other practices deemed unfair under collective bargaining law
  - o PERC would have to address unfair labor practice charges concurrently with the required mediation under this bill

Workload Assumptions:

Workload will be driven by the number of districts designated by the Superintendent of Public Instruction and the number and nature of contract issues which cannot be agreed to by the parties prior to PERC mediation.

The number of mediations and the April-May mediation period are the biggest workload determinants. The set time frame prevents the agency from using scheduling to manage workload. Similarly, because the agency has only 17 mediators, any caseload level above 5 begins to constitute a significant proportion of the agency's workload during the period. If there is potential for 10 mediations, the agency would need to add staff to manage the demand.

### **Part III: Expenditure Detail**

### **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> 6696 S SB	<b>Title:</b> Education reform	<b>Agency:</b> 343-Higher Education Coordinating Board
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>ACCOUNT</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	<b>FY 2010</b>	<b>FY 2011</b>	<b>2009-11</b>	<b>2011-13</b>	<b>2013-15</b>
FTE Staff Years	0.0	0.2	0.1	0.1	0.1
<b>Account</b>					
General Fund-State 001-1	0	30,000	30,000	26,000	26,000
<b>Total \$</b>	0	30,000	30,000	26,000	26,000

### Estimated Capital Budget Impact:

	<b>2009-11</b>		<b>2011-13</b>		<b>2013-15</b>	
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*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: Elise Greef	Phone: 360-786-7708	Date: 02/06/2010
Agency Preparation: Randy Spaulding	Phone: 360-753-7823	Date: 02/11/2010
Agency Approval: Jan Ignash	Phone: 360-704-4168	Date: 02/11/2010
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/12/2010

Request # 59-2



## 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.*

This fiscal note reflects fiscal impact on the Higher Education Coordinating Board (HECB) and public baccalaureate institutions of higher education. All analysis is divided into HECB analysis and analysis by institutions. As fiscal impact for institutions is currently indeterminate, all fiscal impact detail in this fiscal note reflects only HECB fiscal impact. Institution fiscal impact is discussed within the text.

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#### HECB DESCRIPTION OF IMPACT

The bill modifies the HECB statute related to needs assessment to require that we use data provided by the Professional Educator Standards Board (PESB) and include PESB among the collaborating entities in the joint report (28B.76.230). These changes further define work we already do under 28B.76.230 and 28B.76.335 and would not have a fiscal impact.

HECB is also required to establish service regions for institutions of higher education implementing PESB approved educator prep programs. Based on the needs assessment, HECB would determine whether reasonable teacher prep program access is available and, if it is inadequate, the institutions would submit a plan to meet the need to the Board and the Board would assist the institution in securing the resources necessary to implement the plan. This does create additional workload. Collaboration with the institutions and PESB to establish the regions would be approximately 240 hours for analysis, meetings and meeting preparations, and development of recommendations. Monitoring compliance would add approximately 40 hours per year on an ongoing basis to the work the agency does currently in the needs assessment process.

The Higher Education Coordinating Board's Student Financial Assistance Division would have additional workload in program operations based on the need to monitor aid dissemination and student eligibility through additional and potentially non-standard teacher preparation entities.

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#### INSTITUTION DESCRIPTION OF IMPACT

Section 402 of SSB 6696 requires institutions of higher education with residency teacher preparation programs to submit to the PESB a proposal to offer one or more alternative route programs.

Sections 407 and 409 require the HECB to establish service regions, and will require to institutions to submit plans to increase access to teacher preparation programs in their region if their region is found to be lacking in access.

As Section 2 requires institutions to submit proposals that may or may not be enacted, and Sections 8 and 9 require institutions to submit plans as the result of yet-to-be undertaken access, fiscal impact to institutions is indeterminate. An analysis of representative costs for institutions is included in the "expenditures" section of this fiscal note.

### 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.*

The above Expenditure Detail includes only HECB fiscal impact. Details on Institution Fiscal Impact are included in the narrative below.

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### **HECB FISCAL IMPACT**

The Higher Education Coordinating Board's Student Financial Assistance Division would have additional workload in program operations based on the need to monitor aid dissemination and student eligibility through additional and potentially non-standard teacher preparation entities. This is estimated at .1 FTE of a Program Manager annually.

Additionally, the HECB anticipates that initial work to integrate PESB data into the needs assessment process and the development of service regions in the first year will require approximately .14 FTE at the associate director level. Ongoing review and compliance work is anticipated to require .02 FTE at the associate director level in subsequent years.

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### **INSTITUTION FISCAL IMPACT**

As the outcome of both the required proposal required by Section 402 and the plans that could be required by Sections 407 and 409 are indeterminate, HECB analysis anticipates an indeterminate but significant fiscal impact related to SSB 6696.

Representative costs and fiscal impact analysis from individual institutions follows.

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#### **University of Washington**

Please See Attached UW Fiscal Impact

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#### **Washington State University**

WSU estimates the following fiscal impact:

Section 401: Requires teacher preparation programs to begin to administer the PESB assessment of teaching effectiveness starting in 2011-12. This assessment represents a major change in how teachers are currently assessed in the state of Washington. The new assessment will require changes to our existing coursework, which will involve faculty time and travel at an estimated cost of \$5000. We would also need to conduct training for faculty and supervisors from multiple regions of the state at an estimated cost between \$26,500 - \$53,000 depending upon the number of individuals

that will need to be trained. The final method of assessment has not been determined and therefore exact training needs are indeterminate. Total implementation cost: \$31,500 - \$58,000.

Section 402: Requires public institutions of higher education with residency certificate programs to develop a proposal to offer one of the current alternate certification programs or another flexible completion plan by September 1, 2011. We believe that we would be able to modify one of our current programs to meet the requirements of the alternative certification program. This would require a team of faculty to meet and redesign an existing program. Estimated Cost: \$15,000.

Section 406: Requires educator preparation programs to participate with local ESD's in a review of workforce data and align recruitment and enrollment plans with identified needs. We believe that this would entail travel costs to meetings. Estimated cost: \$3,000.

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Central Washington University

CWU anticipates that it would require approximately \$150,000 total for two cohorts of 25 students in continuing education alternative route certification programs. Current programs require about \$50,000 per site for directors and marketing materials, as well as \$50,000 overall for continuing education support and overhead.

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Eastern Washington University

EWU anticipates that the fiscal impact of SSB 6696 would be indeterminate. HECB analysis anticipates that the cost of alternative route certification programs at EWU would likely be substantially equivalent to CWU for similar numbers of students.

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The Evergreen State College

HECB analysis anticipates that the cost of alternative route certification programs at TESC would likely be substantially equivalent to CWU for similar numbers of students.

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Western Washington University

WWU anticipates the creation of new alternative route certification programs will require approximately \$440,000 for a program that awards a teaching certificate only, or \$840,000 for a program that awards both a baccalaureate degree and teaching certificate.

## Part III: Expenditure Detail

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

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years		0.2	0.1	0.1	0.1
A-Salaries and Wages		18,000	18,000	14,000	14,000
B-Employee Benefits		3,000	3,000	2,000	2,000
C-Personal Service Contracts					
E-Goods and Services		8,000	8,000	8,000	8,000
G-Travel		1,000	1,000	2,000	2,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total:</b>	\$0	\$30,000	\$30,000	\$26,000	\$26,000

### 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 2010	FY 2011	2009-11	2011-13	2013-15
Associate Director	90,000		0.1	0.1	0.0	0.0
Program Manager A	51,000		0.1	0.1	0.1	0.1
<b>Total FTE's</b>	141,000		0.2	0.1	0.1	0.1

### III. C - Expenditures By Program (optional)

Program	FY 2010	FY 2011	2009-11	2011-13	2013-15
Policy Coordination & Administration (010)		30,000	30,000	26,000	26,000
<b>Total \$</b>		30,000	30,000	26,000	26,000

## 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.*

# UW: FISCAL NOTE NARRATIVE

## CASH RECEIPTS

*Student paid tuition revenue is calculated using University of Washington Seattle's Tier 2 rate for our 4-quarter program (estimated 11-12 rate of \$11,838); 15 students are anticipated. Student paid tuition revenue is calculated using University of Washington Bothell's rates for our K-8 program (9581 for a 5 quarter cohort). 12 students are anticipated. Student paid tuition revenue is calculated using University of Washington Tacoma's rates for our K-8 program (9581 for a 5 quarter cohort). 10 students are anticipated.*

## EXPENDITURES

*All three University of Washington campuses have teacher education programs that would have a fiscal impact from HB 3059. HB 3059 would expand existing teacher education preparation programs to require one or more of the alternative route programs. Currently, UW teacher education programs provide field training as well as classroom education. The alternative routes identified in this bill would require additional curriculum, field supervision and teacher training than what the UW currently offers at its three campuses. The costs shown are those associated with providing the alternative route programs (sec. 2) in addition to the existing teacher education programs.*

***UW Bothell:*** *Salaries and Wages: 2 part time 50% FTE faculty will be required at an average of \$80,000 per academic year. A faculty coordinator position paid by ADS, 10% FTE recruiter/advisor, 10% FTE learning support specialist, 10% FTE office assistant, and 10% FTE computer support analyst. A faculty member will also dedicate 20% of thier time in FY 2010-11 to curriculum development. Employee Benefits are calculated at the current benefit rates. Travel includes costs for faculty to travel between UW Bothell and the K-8 schools. Intra-Agency reimbursement includes University of Washington Bothell's admistrative cost for the program.*

***UW Seattle:*** *Salaries and Wages: 2 part time 50% FTE faculty will be required at an average of \$80,000 per academic year. A faculty coordinator position paid by ADS, 15% FTE recruiter/advisor, 15% FTE learning support specialist, 15% FTE office assistant, and 15% FTE computer support analyst. A faculty member will also dedicate 20% of thier time in FY 2010-11 to curriculum development. Employee Benefits are calculated at the current benefit rates. Travel includes costs for faculty to travel between UW Seattle and local school districts. Intra-Agency reimbursement includes University of Washington Seattle's admistrative cost for the program.*

***UW Tacoma:*** *Salaries and Wages: 2 FTE faculty at 100% will be required for an average of \$80,000 per a academic year. A field supervisor for secondary math at \$500 per a student in winter and \$1000 per a student in spring (assume 10 students) for a total of \$10,000. A faculty member will also dedicate 25% of their time for a reflective seminar at \$3112. Employee Beneifits are calculated at the current benefit rates. Training costs include 3 faculty trainers for 2 days (\$6000); materials and supplies (\$1000); meals for 2 days (\$2850); meeting location (\$500); Field supervisor for initial training (\$7404) and follow up training (\$7040); cooperating teacher attendance sustitute teacher reimbursement to both sets of training(to allow teachers to attend) (\$36,000).*

***Since there is also an assessment requirement by the professional educator standards board, but the assessment has yet to be developed, the UW campuses are unable to determine what, if any, fiscal impact that section of the bill will have.***

## UW: FISCAL NOTE ESTIMATES

CASH RECEIPTS						
Fund Title/Number	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
<i>(ex: 149, Operating Fees Account)</i>						
Tuition Revenue (UW Bothell)\$11,838		\$142,056	\$142,056	\$142,056	\$142,056	\$142,056
Tuition Revenue (UW Seattle)\$11,838		\$177,570	\$177,570	\$177,570	\$177,570	\$177,570
Tuition Revenue (UW Tacoma)\$11,838		\$118,380	\$118,380	\$118,380	\$118,380	\$118,380
<b>TOTAL</b>	<b>0</b>	<b>438006</b>	<b>438006</b>	<b>438006</b>	<b>438006</b>	<b>438006</b>
EXPENDITURES						
Fund Title/Number	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
<i>(ex: 001, General Fund-State)</i>	\$40,244	\$183,604	\$183,604	\$183,604	\$183,604	\$183,604
<b>TOTAL</b>	<b>40244</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>
Object	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
Salaries & Wages	\$29,000	\$70,965	\$70,965	\$70,965	\$70,965	\$70,965
Employee Benefits	\$6,844	\$16,748	\$16,748	\$16,748	\$16,748	\$16,748
Personal Service Contracts						
Goods and Services		\$60,460	\$60,460	\$60,460	\$60,460	\$60,460
Travel	\$0	\$13,867	\$13,867	\$13,867	\$13,867	\$13,867
Capital Outlays (computers)	\$4,400	\$0	\$0	\$0	\$0	\$0
Inter Agency Fund Transfers						
Grants, Benefits Services						
Debt Service						
Interagency Reimbursement						
Intra-Agency Reimbursement		\$21,564	\$21,564	\$21,564	\$21,564	\$21,564
Other: Specify						
<b>TOTAL</b>	<b>40244</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>	<b>183603.8</b>

FTEs						
Job Title, Annual Salary	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16
<b>UWSeattle</b>						
<i>Faculty (1) (Curriculum Dev)-20% of 80,000</i>	15,000					
<i>Faculty Coordinator (ADS)-\$500/mo x 12</i>		2,066	2,066	2,066	2,066	2,066
<i>Recruiter/Advisor- 15% of 47,000(over 4 qtrs)</i>		3,447	3,447	3,447	3,447	3,447
<i>Learning Support Specialist - 15% of 60,000 (over 4 qtrs)</i>		3,447	3,447	3,447	3,447	3,447
<i>Computer Support Analyst - 15% of 60,000 (over 4 qtrs)</i>		2,183	2,183	2,183	2,183	2,183
<i>Office Assistant - 15% of 38,000 (over 4 qtrs)</i>		14,206	14,206	14,206	14,206	14,206
<i>Faculty(2) 50% each of 80,000(over 4 qtrs)</i>		-	-	-	-	-
<i>Mentor stipends</i>		6,000	6,000	6,000	6,000	6,000
<b>UWBothell</b>						
<i>Assistant Professor(Curriculum Dev)-20% of 70,000</i>	14,000					
<i>Faculty Coordinator (ADS)-\$500/mo x 12</i>		-	-	-	-	-
<i>Recruiter/Advisor- 10% of 47,000(over 4 qtrs)</i>		-	-	-	-	-
<i>Learning Support Specialist - 10% of 36,000 (over 4 qtrs)</i>		-	-	-	-	-
<i>Computer Support Analyst - 10% of 37,200 (over 4 qtrs)</i>		3,304	3,304	3,304	3,304	3,304
<i>Office Assistant - 10% of 24,000 (over 4 qtrs)</i>		-	-	-	-	-
<i>Faculty(2) 50% each of 80,000(over 4 qtrs)</i>		3,200	3,200	3,200	3,200	3,200
<i>Mentor stipends</i>		6,667	6,667	6,667	6,667	6,667
<b>UWTacoma</b>						
<i>TEDUC 517 Sec Math Methods I - Faculty (100%)</i>		6667	6667	6667	6667	6667
<i>TEDUC 519 Sec Math Methods II- Faculty (100%)</i>		6667	6667	6667	6667	6667
<i>Field Supervision for Sec Math (10 students)</i>		10000	10000	10000	10000	10000
<i>Reflective Seminar (PT Faculty at 50%)</i>		3112	3112	3112	3112	3112
<b>Total</b>	29,000	70,965	70,965	70,965	70,965	70,965

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6696 S SB	<b>Title:</b> Education reform	<b>Agency:</b> 350-Supt of Public Instruction
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## Part I: Estimates



No Fiscal Impact

### Estimated Cash Receipts to:

<b>ACCOUNT</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	<b>FY 2010</b>	<b>FY 2011</b>	<b>2009-11</b>	<b>2011-13</b>	<b>2013-15</b>
FTE Staff Years	0.0	8.3	4.2	7.0	3.3
<b>Account</b>					
General Fund-State 001-1	0	2,811,516	2,811,516	5,040,829	3,188,828
General Fund-Federal 001-2	0	37,700,000	37,700,000	15,400,000	15,400,000
General Fund-Private/Local 001-7	0	912,339	912,339	6,917,509	4,094,869
<b>Total \$</b>	0	41,423,855	41,423,855	27,358,338	22,683,697

### Estimated Capital Budget Impact:

	<b>2009-11</b>		<b>2011-13</b>		<b>2013-15</b>	
	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total \$</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



*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:	Elise Greef	Phone: 360-786-7708	Date: 02/06/2010
Agency Preparation:	JoLynn Berge	Phone: 3607256293	Date: 02/08/2010
Agency Approval:	JoLynn Berge	Phone: 360725-6293	Date: 02/08/2010
OFM Review:	Amy Skei	Phone: 360-902-0572	Date: 02/08/2010

Request # 6696-1

Bill # 6696 S SB

## 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.*

#### PART I - ACCOUNTABILITY FRAMEWORK

Section 102 - Requires the Superintendent of Public Instruction, beginning December 1, 2010, to annually identify schools that are the persistently lowest-achieving schools in the state, using federal definitions.

Section 103 - Beginning in January 2011, the Superintendent of Public Instruction shall annually recommend to the State Board of Education (SBE) school districts for designation as action districts. A district with at least one school identified as a persistently low-achieving school shall be designated as a required action district based on the availability of federal school improvement grants and criteria developed by the Superintendent. The Superintendent of Public Instruction shall provide a school district superintendent with written notice of the recommendation for designation as required action district. Districts may request reconsideration of the designation. A district designated as a required action district shall be required to notify all parents of students attending a school identified as a persistently low-achieving school of the designation.

Section 104 - Requires the Superintendent of Public Instruction to contract with an external review team to conduct an academic performance audit of the district of each persistently low-achieving school in a required action district to identify the potential reasons for the school's low performance and lack of progress. Audit findings are to be made available to the local school district, its staff, the community, and the SBE.

Section 105 - Requires superintendents of a school district designated as a required action district to submit an action plan to the OSPI for review and to approve the plan if it is consistent with federal guidelines. After approval by OSPI the plan is to be sent to the SBE for approval. A required action plan must implement one of four federal intervention models required for receipt of school improvement grants. For any district designated for required action, the parties of any collective bargaining agreement must reopen the agreement or negotiate an addendum to make changes to terms and conditions of employment that are necessary to implement an action plan.

Section 106 - A required action plan developed by a district must be submitted to the SBE for approval. The SBE must accept for inclusion in a required plan the final decision by the Superior Court on any issue certified by the Public Employment Relations Commission (PERC).

Section 107 - The SBE may direct the Superintendent of Public Instruction to require a school district that has not submitted a final required action plan for approval, or has submitted but not received SBE approval of a required action plan, to redirect the district's Title I funds based on the academic performance audit findings.

Section 108 - OSPI must provide required action districts with technical assistance and eligible federal school improvement grant funds to implement its plan. Districts must provide OSPI with progress reports on plan implementation.

Section 109 - OSPI must provide a report twice per year to the SBE regarding the progress made by all school districts

Request # 6696-1

designated as required action districts.

Section 110 - Requires the SBE to develop an accountability index to identify schools and districts for continuous improvement. The SBE in cooperation with OSPI, shall annually recognize schools for exemplary student performance as measured on the accountability index.

## PART II - EVALUATIONS

Sec 201. Requires all school districts to establish evaluation criteria for superintendents and classified staff. Requires annual reporting by school districts to OSPI of evaluation information. Requires school districts to provide evaluation information to their local communities.

Sec 202. (2) Requires a four-level rating system for classroom teachers and principals and specifies minimum criteria for each system.

(3)(a) Extends the number of evaluations from two to three for employees in the third year of provisional status.

(7)(a) Directs the Superintendent of Public Instruction to create models, along with input from other stakeholders, for these systems and make them available for use in 2011-12.

(7) (a) and (b) Establishes a phase-in schedule beginning in 2010-11 with selected pilot districts who agree to collaborate in the development of the evaluation systems and requiring statewide implementation in 2013-14. Pilot districts are required to submit all student data available to OSPI.

(10) Requires districts to develop and use a locally bargained short-form evaluation emphasizing professional growth and be linked to certificated classroom teacher evaluation criteria.

Sec 203. Extends provisional status for non-supervisory certificated staff from two to three years.

Sec 204. Requires the Superintendent of Public Instruction to analyze the evaluations systems during the phase in years along with a workgroup of other stakeholders.

## PART III - ENCOURAGING INNOVATIONS

Sec 301. Amends the law pertaining to supplemental contracts to include implementing innovative activities to close the achievement gap or develop learning opportunities in science, technology, engineering, and mathematics. Beginning September 1, 2011, school districts are required to report to OSPI a description of the innovation activities included in supplemental contracts. OSPI must report annually a summary of this information to the legislative education committees.

## PART IV Educator Preparation Options

Section 401: Fiscal year 2011 will be a developmental phase for the evidence based assessment of teaching

effectiveness as adopted by the PESB. While this fiscal note displays the full cost of developing the assessment, the PESB expects these costs will be covered entirely by private foundation funds and current operating funds and does not anticipate the need for new funding. For fiscal year 2012 the assessment will enter the pilot phase and a vendor will be sought and secured. The cost of the assessment is estimated to be \$300 per candidate. PESB will likely have to coordinate this section with the Higher Education Coordinating Board (HECB) as this assessment program is similar to current alternate routes scholarship programs that PESB is administering.

Sections 402 - 405: The PESB is charged with providing oversight to all educator preparation programs. The volume of new non-higher education providers, including those proposing to offer an alternative route program, is unknown. New programs will require technical assistance related to any proposals they will submit to the PESB and also oversight in complying with ongoing state and federal data and reporting requirements for operating an approved program. An additional FTE for program support would enhance the ability to ensure program quality and consumer protection, as well as more expediently establish new alternative route programs.

Section 406: It is assumed that the Educational Service Districts (ESD's) will convene the meetings and that the PESB will have one staff member attend each of the meeting. There should be a total of nine meetings (one for each of the nine ESD's).

Sections 407 - 408: No fiscal impact to the PESB.

## PART V - COMMON CORE ADOPTIONS

Section 501 - Requires the Superintendent of Public Instruction to revise the essential academic learning requirements and standards authorized by RCW 28A.655.070 by August 2, 2010.

## PART VI - PARENTS AND COMMUNITY

Section 602 - Beginning with the 2010-11 school year, each school district shall annually invite parents and community leaders to provide feedback regarding their experiences with the school. The school shall summarize the responses in its annual report under RCW 28A.655.110.

Requires OSPI to create a workgroup that by September 1, 2010 has developed a model feedback tool for districts to use to facilitate the feedback process.

Section 604 – Requires OSPI's Center for Student Improvement (CISL) by September 1, 2010 to determine measures to evaluation the level of parent involvement and recognize schools that are most successful, beginning with the 2010-2011 school year.

## PART VII – COLLECTIVE BARGAINING

No cost impact.

### 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.*

None.

## **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.*

## **PART I - ACCOUNTABILITY FRAMEWORK**

### **Overall Assumption for Sections 101 to 110:**

This bill represents a reprogramming of our federal dollars school improvement grant dollars. OSPI received \$42,476,886 in additional school improvement ARRA grants in FY10. We expect \$30 million to be carried over and available in FY11. Additionally, OSPI's estimated regular school improvement award is \$7.7 million for FY11. OSPI's estimate for FY11 is based on prior year grant levels. While the current estimate on the U.S. Department of Education's website shows a FY11 estimate of \$22 million, this is contingent upon congressional approval.

OSPI assumes these resources are available and will be used for activities outlined below for Sections 101-110. OSPI assumes that the number of districts identified as "required action" is dependent upon the amount of federal funding available.

### **Section 101**

No costs.

### **Section 102**

Requires the Superintendent of Public Instruction, beginning December 1, 2010, to annually identify schools that are the persistently lowest-achieving schools in the state, using federal definitions.

### **Section 103**

OSPI is required to provide a school district superintendent with written notice of the recommendation for designation as required action district. A district designated as a required action district shall be required to notify all parents of students attending a school identified as a persistently low-achieving school of the designation.

### **Section 104**

Requires OSPI to contract with an external review team to conduct an academic performance audit of the district of each persistently low-achieving school in a required action district to identify the potential reasons for the school's low performance and lack of progress. Audit findings are to be made available to the local school district, its staff, the community, and the SBE.

### **Section 105**

Requires superintendents of school districts designated as a required action district to submit an action plan to the OSPI for review and to approve the plan that it is consistent with federal guidelines. School districts must develop the plan in

collaboration with stakeholders. OSPI is required to provide districts with technical assistance in preparing the plan, if requested by the district. A required action plan must implement one of four federal intervention models required for receipt of school improvement grants.

For any district designated for required action, the parties of any collective bargaining agreement must reopen the agreement or negotiate an addendum to make changes to terms and conditions of employment that are necessary to implement an action plan. If districts are unable to come to agreement with their employee organization, a mediator is to be appointed by the Public Employment Relations Commission, and if mediation is not successful, the issue is to be referred to superior court for final determination.

#### Section 106

A required action plan developed by a district must be submitted to the SBE for approval. The SBE must accept for inclusion in a required plan the final decision by the Superior Court on any issue certified by the Public Employment Relations Commission (PERC).

#### Section 107

No costs. While this may result in districts repurposing their Title I funds, OSPI assumes that offsetting services will be in place, meaning that different schools or student might end up being served, but additional costs would not be incurred.

#### Section 108

OSPI must provide required action districts with technical assistance and eligible federal school improvement grant funds to implement its plan.

#### Section 109

State costs only, as noted in OSPI Cost section below.

#### Section 110

Requires the SBE to develop an accountability index to identify schools and districts for continuous improvement.

#### OSPI Cost

Section 103 allows districts to appeal OSPI's recommendation to the SBE that the district be designated a "required action district". OSPI would need 80 hours of staff time to process these appeals (\$4,500 for salary and benefits) each year, beginning in FY11.

Section 109 requires OSPI to provide a biannual (twice per year) report to the SBE on progress made by required action districts. Since this is not a federal requirement, there are state costs. OSPI would need 120 hours of a program supervisor's time for this work, beginning in FY12 (\$6,000 per year for salary/benefits).

#### SBE Cost

Section 103 (3) requires districts to notify parents of required action designations. SBE would develop a communication model for districts to use. This would require 10 hours of staff time in FY11 (\$1,500 for salary and benefits). SBE could absorb this cost with currently available resources.

Section 105 (1) and Section 106 directs school districts to submit their required action plans to the SBE for review. Beginning in FY12, and each subsequent year, SBE would need 1 Program Supervisor FTE (\$133,000 for salary/benefits/goods/service/travel and equipment for FY12 and \$128,000 each year thereafter) to review and process these plans.

Section 110 requires the SBE to recognize schools for exemplary student performance. SBE would need \$50,000 per year to fund recognition ceremonies, beginning in FY12. This assumes no monetary awards would be given.

#### District Cost

Section 105 requires districts to reopen their collective bargaining agreements to reach agreement on the terms required by a “required action plan”. Districts must go to mediation and possibly to superior court to gain resolution. Mediation and court costs are not allowable federal expenditures. It is unknown how many districts will incur costs for mediation and court proceedings.

## PART II EVALUTIONS

### OVERALL ASSUMPTIONS:

- (1) OSPI consulted with school districts in developing the district costs for this bill.
- (2) OSPI assumes that the revision in teacher evaluations only applies to classroom teachers and NOT to all certificated staff in districts.
- (3) OSPI assumes that superintendents, classified staff and certificated non-classroom teachers do not have four tier evaluation ranking systems, unless this is a district level decision.
- (4) OSPI uses district enrollment as a basis for determining district costs because size of district is the primary factor estimating how many affected employees a district has.

OSPI Total Costs: \$5,596,950  
District Total Costs: \$8,302,697  
Overall Total Costs: \$13,899,647

#### Section 201(2)(a)

Requires school districts to establish performance criteria and an evaluation process for superintendents and classified staff. (2)(a) Requires districts to report annually to OSPI: the evaluation criteria and rubrics; a description of each rating and the number of staff in each rating.

#### OSPI Cost

OSPI assumes that all districts already have evaluations in place for both superintendents and classified staff, based on inquiry and responses from the Public School Employees Association and the School Personnel Association. Therefore, no costs are associated for requiring evaluations for superintendents and classified staff.

OSPI will need to develop the reporting system, provide instructions on how to report, provide technical assistance during the reporting period, review and clean the data, and summarize the data. A .5 program supervisor FTE each year (development and maintenance) is needed. Additionally, OSPI will need IT support to develop and maintain this system (1.0 FTE until the phase in is complete and to assist with data for workgroups and a .25 FTE each year after that for

maintenance). This plan assumes that OSPI would be able to use the iGrants system and that districts are reporting evaluation data at a summary level and not at an employee level. The cost for these FTE's per year, beginning in FY11, would be \$184,000 for salaries/benefits, goods/services/travel and equipment for the first year, \$174,000 in FY 2012, \$233,000 in FY2013, \$148,000 in FY14 and \$101,000 each subsequent year.

#### District Cost

To report annually, districts will need staff to compile all district information, review for accuracy and submit the report in the iGrant system. OSPI estimates this will take a minimum of 4 hours per year for the smallest districts. Based on an average school district personnel salary of \$47 per hour, and estimating the number of hours for 295 districts to complete this work as 7,076 hours per year, this would cost \$332,572 per year, beginning in FY14, see attached Table 1 for details.

#### Sec 201 (2)(b) and (c)

Requires districts' staff assignment plans to be amended to prioritize high need schools and classrooms and requires districts to provide hiring, evaluation and assignment policy information to its community.

#### OSPI Cost

None

#### District Cost

OSPI assumes that districts will provide this information by directing interested parties to district websites, where this has been posted electronically. Notification of this information is assumed to take place via district emails, or as part of existing communications (newsletters).

#### Sec 202 (2)

Requires school districts to revise their evaluation criteria for all certificated, classroom teachers that includes a four-level rating system. (2)(b) outlines minimum criteria to be included in such evaluations. (2)(c) further requires the revised evaluations to include student growth data, if available and appropriate.

#### OSPI Cost

OSPI as part of the work required in Section (7), will develop a model evaluation for districts to use. OSPI costs associated with that development are included in that section. No other OSPI costs have been assumed for Sec 102 (2) (a)-(c).

#### District Cost

The cost of revising certificated classroom teacher evaluations has two parts: the cost of revising the board policies and the cost of revising the evaluations. Districts will have to have public meetings, employee meetings, contract negotiation meetings and will incur legal costs to revise and adopt a new evaluation. OSPI's cost assumptions include the assumption that many districts will use the model developed by OSPI workgroups, however, there is still significant costs to districts, as they will need to amend the models to some degree to fit their specific district bargaining agreements and other related factors.

OSPI estimates that it will cost a total of \$1.2 million (in FY13) for all school district boards to revise their policies for



the new evaluations, see attached Table 2. For a district with 1,500 FTEs, costs would be \$6,600 for board policy changes. These costs are for all evaluation changes included in this entire bill and would be one-time costs.

OSPI estimates that it will cost a total of \$1.9 million (in FY13) for all school districts to revise their certificated classroom teacher evaluations (one-time costs), see attached Table 3. For a district with 1,500 FTEs, costs would be \$7,700.

This assumes that districts will only use data already available to them, and data that they currently use for other purposes, so no additional data costs to analyze, extract or clean data are needed for the new evaluations, other than reporting costs which were stated above.

#### Sec 202 (3)(a)

Changes the required number of times third year provisional status classroom teachers and certificated personnel must be evaluated. It increases it from two to three times per year.

#### OSPI Cost

None

#### District Cost

OSPI assumes on average that it takes one hour per evaluation to complete this work. As of 2008-2009 there were 2,899 third year certificated instructional FTE's in the K-12 system. Using a factor of 10% to inflate this to headcount, OSPI assumes there are 3,189 (2,899 x 110%) third year certificated staff per year that would be required to have the additional evaluation. Using an average administration hourly rate of \$51, the cost of the third evaluation is \$162,639 per year, beginning in FY11 (\$51 x 3,189).

#### Sec 202 (6)

Requires school districts to revise their evaluation criteria for principals that includes a four-level rating system. (6)(b) outlines minimum criteria to be included in such evaluations. (6)(c) further requires the revised evaluations to include student growth data, if available and appropriate.

#### OSPI Cost

OSPI as part of the work required in Section (7), will develop a model evaluation for districts to use. OSPI costs associated with that development are included in that section. No other OSPI costs have been assumed for Sec 103 (6) (a)-(c).

#### District Cost

The cost of revising principal evaluations has two parts: the cost of revising the board policies and the cost of revising the evaluations. Districts will have to have public meetings, employee meetings, contract negotiation meetings and will incur legal costs to revise and adopt a new evaluation. OSPI's cost assumptions include the assumption that many districts will use the model developed by OSPI workgroups, however, there is still significant costs to districts, as they will need to amend the models to some degree to fit their specific district bargaining agreements and other related factors.

Costs for revising board policies were included in the cost analysis for Section 102 above.

OSPI estimates that it will cost a total of \$1.9 million for all school districts to revise their principal evaluations (one-time costs) in FY13, see attached Table 4. For a district with 1,500 FTEs, costs would be \$7,700.

This assumes that districts will only use data already available to them, and data that they currently use for other purposes, so no additional data costs to analyze, extract or clean data are needed for the new evaluations, other than reporting costs which were stated above.

#### Sec 202(7) (a), (b) and (c)

Directs OSPI, in collaboration with other stakeholders, to create models for implementing the evaluation system criteria, student growth tools, professional development programs, and evaluator training for certificated classroom teachers and principals. This section requires various experts to be consulted and for classroom teachers and principals to be prominently represented in the work. The models must be available for use in the 2011-2012 school year, with required implementation for all districts by 2013-2014. OSPI is required to evaluate pilot results, recommend appropriate changes and submit reports to both the legislature and the governor.

#### OSPI Cost

OSPI would need 5 FTE's (one Project Manager, two program staff and two administrative support staff) to staff the workgroups, lead the development of the new evaluation models, develop and implement required training, revise the system based on pilot results and prepare required reports. These FTEs would be need from July 2010 until August 2013. Total cost of these FTE's, including salary, benefits, goods/services/travel and equipment is \$526,000 in FY11, \$501,000 in FY12 and \$142,000 in FY13.

OSPI would need resources to form three workgroups (one oversight workgroup and two sub workgroups, one for principals, and one for teachers). These workgroups would meet regularly (approximately 22 times) in FY11, FY12 and FY13 to develop and refine the evaluation models. OSPI assumes each workgroup would be comprised of 11 stakeholders (state associations, including PTA), 3 representatives of that employee classification, 1 OSPI staff and 12 individuals representing the 6 pilot districts, for a total of 29 members per workgroup.

Careful consideration was given to the number of workgroups to be formed. OSPI assumes that there are significant differences in duties between certificated classroom teachers and principals, and that two separate workgroups would address each employee group's unique needs more appropriately.

During the 2012-2013 school year, OSPI and the workgroups would analyze the pilot districts' evaluative data, recommend appropriate changes and form a plan for statewide implementation. Reports from OSPI are due on July 1, 2011 and July 1, 2012. Costs for the workgroups are \$192,000 in FY11 and FY12 and \$48,000 in FY13.

OSPI assumes pilot districts will be selected during the summer of 2010, and these districts would use their own evaluations models during the 2010-2011 school year. Grants would be given to the pilot districts in the amount of \$175,000 per year, to hire staff and cover costs of student data gathering and submission for this project. Total pilot grants would be \$1,050,000 for FY11 and FY12. The pilot districts would be members of the statewide workgroups and the pilot districts' evaluations would be studied as part of the new evaluations to be developed. Pilot models developed by the workgroups would be available for use by the pilot districts in the spring of 2012.

Training costs to implement the new system are assumed to be \$330,000 in FY13. OSPI would contract for training

(cost of training contract is estimated to be \$200,000, and \$130,000 in costs for training participants who travel to ESDs for the training) to be given twice at each ESD, with a “train the trainers” model being used. Critical district staff, 3 from each district under 2000 enrollment (280 districts) and 6 from all above 2001 enrollment (15 districts) would attend.

#### District Cost

Districts would be reimbursed for travel and substitute costs, as noted above. OSPI assumes that districts would not incur additional training costs because evaluation training would occur as part of already scheduled district in-service time.

OSPI assumes that it takes an additional .5 hour per evaluation given, in the first year a new evaluation is implemented. This is additional time because the evaluation is new. 65,400 K-12 staff would be required to receive this new evaluation. Total cost during the implementation year, FY14, are estimated to be \$1.7 million, using an average per hour administrator rate of \$51/hr. See attached Table 5 for details.

#### Sec 202 (10)

Requires districts to develop and use a locally bargained short-form evaluation emphasizing professional growth and be linked to certificated classroom teacher evaluation criteria.

#### OSPI Cost

None

#### District Cost

Cost to districts to create this form in total for all districts is \$220,000 (FY13). A district with enrollment of 1,500 FTEs would incur costs of \$1,530. These are one-time costs. See attached Table 6.

#### Sec 204

Requires OSPI analyze the phase-in years of the evaluations.

#### OSPI Cost

OSPI assumes that the workgroups formed to create the models would also perform the analysis of the evaluations. OSPI has included 2 meetings during FY12 and 2 meetings in FY13 in the meeting costs noted above for this work.

#### District Cost

None.

#### Sec 205

No costs.

### PART III ENCOURAGING INNOVATIONS AND PERFORMANCE

#### Sec 301

Beginning September 1, 2011, school districts must annually provide a description of innovation activities included in supplemental contracts to OSPI. OSPI must report a summary of this information to the legislative education

committees.

#### OSPI Costs

OSPI will need staff to develop a reporting form, review and summarize reported data and write the annual report. OSPI estimates this work will take 180 staff hours in FY11 (\$12,000 salary/benefits/goods/services) and 120 staff hours (\$8,000 salary/benefits/goods/services) in FY12 and each year thereafter to perform this work.

#### DISTRICT Costs

OSPI assumes that all districts will choose to include innovation activities in at least one supplemental contract. Annual cost of districts to report is \$32,000 per year.

### PART IV-EXPANDING PROFESSIONAL PREPARATION OPTIONS

#### PESB cost impact

##### SECTION 401:

The PESB assumes that during fiscal year 2011 there will be a developmental phase in for the evidence based assessment of teaching effectiveness. The estimated cost for this phase would be about \$609,000. The PESB expects that the costs will be covered by a combination of existing private foundation funding (\$539,000) and existing PESB resources (\$70,000). However, if the PESB budget is reduced in the upcoming fiscal year the PESB funding plan for this phase may not be possible.

Starting in fiscal year 2012 the assessment will enter into the pilot phase and it is assumed that the state will incur the cost for the candidates to take the assessment. PESB estimates about 3,000 candidates would be eligible to take the assessment at a price of \$300 per assessment, which results in a cost estimate of \$900,000 per fiscal year.

##### SECTIONS 402 - 405:

The PESB would need 1 Program Manager FTE (WMS 2 level) in order to provide technical assistance and oversight to all educator preparation programs. This positions responsibilities are to provide information and guidance to proposed and approved educator preparation programs related to meeting the requirements of PESB WAC; to manage all aspects of accreditation site visits, including team composition, conduct of visit, review of institution programs, and reporting; to collect and summarize required data and reports; to provide targeted, limited-term support related to implementation of new regulations; to provide intervention and assistance for new and struggling programs; and to provide information from research and best practices to inform Board policies and approved program practices. This FTE would cost \$69,024 for salary, \$33,480 for benefits, \$5,812 for goods and services, \$6,684 for travel and \$5,000 for one time costs associated with the new position for a total cost of \$120,000.

##### SECTION 406:

It is assumed that the Educational Service Districts (ESD's) will convene the meetings required in this legislation and that the PESB will have one staff member attend each of the nine total meetings (one for each of the nine ESD's). The ESD's would incur costs for convening the meetings per section 406. It is estimated that in holding the 9 meetings described in the bill there would be an estimated 43 attendees per meeting. The 43 attendees would be comprised of 2 members of the ESD from the region where the meeting was held, 20 representatives from the school districts within that region, 20

representatives from the PESB educator preparation programs within that region, and one representative from the PESB. The total cost for holding these 9 meeting is estimated at \$71,000 per fiscal year of which \$64,250 is travel and \$6,750 is goods and services.

#### SECTIONS 7 - 8:

No fiscal impacts.

### PART V - COMMON CORE ADOPTION

Section 501 - Requires the Superintendent of Public Instruction to revise the essential academic learning requirements and standards authorized by RCW 28A.655.070 by August 2, 2010. OSPI assumes that this work would need to start immediately.

#### OSPI Cost

The cost of this work would be \$110,000 (meeting and travel costs for 24 people to attend 6 meetings for reading/language arts and 6 meetings for math) to convene workgroups to complete revised essential academic learning requirements and standards and adopt a national common core of standards. While this fiscal note displays the full cost of adopting common core standards, OSPI expects these costs will be covered entirely by resources available in currently allocated state assessment funding, unless this funding is reduced.

#### District Cost

In addition to the OSPI costs for implementing the Common Core standards, there will be district costs to inform principals and teachers of the revised standards and possibly purchase new or supplementary instructional materials. At this point in time, we do not know how different the standards will be relative to our current standards, the statewide cost cannot be estimated.

### PART VI - PARENTS AND COMMUNITY

Section 602 - Beginning with the 2010-11 school year, each school district shall annually invite parents and community leaders to provide feedback regarding their experiences with the school. The school shall summarize the responses in its annual report under RCW 28A.655.110.

OSPI is required to form a workgroup whose members include representatives from teacher, principal and parent associations. By September 1, 2010 the workgroup must have developed a model feedback tool for districts to use that facilitates the required feedback process.

Section 604 – Requires OSPI’s CISL department, by September 1, 2010, to determine measures to evaluate the level of parent involvement in districts and to recognize schools that are most successful in regards to these parent involvement measures. OSPI assumes that the first schools are recognized during the 2010-2011 school year.

#### OSPI Cost

Section 602 - OSPI estimates it will take 400 staff hours and other costs for goods/services and travel in FY11 (\$25,000), to complete all work required in Section 602. OSPI assumes the workgroup will have 6 members and will meet 3 times in FY11, total meeting costs are estimated at \$8,000.

Section 604 – OSPI assumes that it will take a .5 Program Supervisor FTE to complete this work in FY11, with staffing levels decreasing to a .25 FTE in FY12 and all years thereafter (\$69,000 in FY11 and \$32,000 in FY12). OSPI assumes that a 6 member workgroup, that includes parents will be formed to developed the measures and that the group will meet 3 times in FY11 (\$8,000).

Section 604 requires OSPI to recognize schools that excel in parent involvement. OSPI would need \$34,000 per year to fund recognition ceremonies, beginning in FY11. This assumes no monetary awards would be given.

#### District Cost

Section 602 - The cost of inviting feedback, collecting it and including a summary of the feedback in the existing report is assumed to be 4 hours per school per year. Using a classified staff salary average of \$34 per hour, and given that there are about 2400 schools, total cost is \$326,400 (4 hours x \$34 x 2400) per year, beginning in FY11. These costs assume that most districts will modify the feedback tool developed by the state to some degree.

Section 604 – OSPI assumes that 80% of schools will choose to submit data for this recognition program, and on average will take a school 4 hours to collect and submit data. Total costs annually for 80% of schools to submit is \$392,000.

### Part III: Expenditure Detail

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

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years		8.3	4.2	7.0	3.3
A-Salaries and Wages		559,711	559,711	957,324	462,802
B-Employee Benefits		262,517	262,517	466,082	226,140
C-Personal Service Contracts		150,000	150,000	150,000	
E-Goods and Services		231,732	231,732	693,463	220,384
G-Travel		512,555	512,555	668,960	179,502
J-Capital Outlays		45,000	45,000	5,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services		38,750,000	38,750,000	17,500,000	17,500,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-9 Local District Costs		912,339	912,339	6,917,509	4,094,869
<b>Total:</b>	\$0	\$41,423,854	\$41,423,854	\$27,358,338	\$22,683,697

**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 2010	FY 2011	2009-11	2011-13	2013-15
Exempt - Leader of Team	90,000		1.0	0.5	0.6	
Information Technology Specialist 5	71,494		1.0	0.5	1.0	0.3
Secretary Senior	35,117		1.0	0.5	0.6	
Secretary Senior 2	35,117		1.0	0.5	0.6	
WMS Band 2	69,024		1.0	0.5	1.0	1.0
WMS Band 2a	77,259				1.1	1.1
WMS Band 2b	71,494		0.5	0.3	0.5	0.5
WMS Band 2c	77,259		0.8	0.4	0.4	0.4
WMS Band 2-Principal Program	70,000		1.0	0.5	0.6	
Manager						
WMS Band 2-Teacher Program	70,000		1.0	0.5	0.6	
Manager						
<b>Total FTE's</b>	666,764		8.3	4.2	7.0	3.3

**Part IV: Capital Budget Impact**

None.

**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.*

**Table 1: Cost for Districts to Report Evaluation Information Annually**

District Enrollment	Number of Districts	Number of hours to complete annual report	Number of hours x districts	Cost per district
Less than 50	75	4	300	\$ 204
50-200	99	16	1584	\$ 816
201-500	54	32	1728	\$ 1,632
501-1000	29	40	1160	\$ 2,040
1001-2000	23	48	1104	\$ 2,448
2001 and larger	15	80	1200	\$ 4,080
Total	295		7076	
Average salary per hour (admin)			\$ 51	
Total Cost of Reporting Annually			\$ 360,876	



**Table 2: Cost for Districts to Develop Revised Board Policies for Evaluations**

District Enrollment	Number of districts with this enrollment	Number of hours to complete	Number of hours x districts	Cost per district
Less than 50	75	26	1,942	\$ 1,321
50-200	99	52	5,127	\$ 2,641
201-500	54	104	5,594	\$ 5,283
501-1000	29	129	3,755	\$ 6,603
1001-2000	23	156	3,588	\$ 7,956
2001 and larger	15	260	3,900	\$ 13,260
Total	295		23,906	
Average salary per hour (average for admin staff)			\$ 51	
Total Cost of Staff time			\$ 1,219,209	

**Table 3: Cost for Districts to Develop New Certificated Teacher Evaluations**

District Enrollment	Number of districts with this enrollment	Number of hours to implement new evaluation system	Total number of hours for districts	Cost per district	Cost per district, with legal fees
Less than 50	75	20	1,500	\$ 1,020	\$ 2,016
50-200	99	40	3,960	\$ 2,040	\$ 4,032
201-500	54	80	4,303	\$ 4,064	\$ 8,048
501-1000	29	100	2,888	\$ 5,080	\$ 10,060
1001-2000	23	120	2,760	\$ 6,120	\$ 12,120
2001 and larger	15	200	3,000	\$ 10,200	\$ 20,200
Total	295		18,411		
Average salary per hour (average for admin staff)				\$ 51	
Total Cost of Staff time			\$ 938,967		

Number of employees in district	Number of districts with this enrollment	Cost of legal fees	Cost x Number of districts
Less than 50	75	\$ 996	\$ 74,700
50-200	99	\$ 1,992	\$ 197,208
201-500	54	\$ 3,984	\$ 215,136
501-1000	29	\$ 4,980	\$ 144,420
1001-2000	23	\$ 6,000	\$ 138,000
2001 and larger	15	\$ 10,000	\$ 150,000
	295		
Total Cost of Legal Fees			\$ 919,464

**Grand Total****\$ 1,858,431**

**Table 4: Cost for Districts to Develop New Principal Evaluation**

District Enrollment	Number of districts with this enrollment	Number of hours to create new evaluation system	Total number of hours for districts	Cost per district	Cost per district, with legal fees
Less than 50	75	20	1,500	\$ 1,020	\$ 2,016
50-200	99	40	3,960	\$ 2,040	\$ 4,032
201-500	54	80	4,303	\$ 4,064	\$ 8,048
501-1000	29	100	2,888	\$ 5,080	\$ 10,060
1001-2000	23	120	2,760	\$ 6,120	\$ 12,120
2001 and larger	15	200	3,000	\$ 10,200	\$ 20,200
Total	295		18,411		
Average salary per hour (average for admin staff)				\$ 51	
Total Cost of Staff time				\$ 938,967	

Number of employees in district	Number of districts with this enrollment	Cost of legal fees	Cost x Number of districts
Less than 50	75	\$ 996	\$ 74,700
50-200	99	\$ 1,992	\$ 197,208
201-500	54	\$ 3,984	\$ 215,136
501-1000	29	\$ 4,980	\$ 144,420
1001-2000	23	\$ 6,000	\$ 138,000
2001 and larger	15	\$ 10,000	\$ 150,000
	295		
Total Cost of Legal Fees			\$ 919,464

**Grand Total****\$ 1,858,431**

**Table 5: Additional Cost for Districts to Give New Evaluations (First Year Only)**

Classification	Number of Staff in these classifications statewide (from S-275)	Additional time to give a new eval (first year only)	Total additional hours in implementation year
Principals	4,853	0.5	2,427
Cert. Classroom Teachers	60,570	0.5	30,285
Total	65,423		32,712
Average salary per hour (average admin salary)			\$ 51
Total Cost to Give New Evals (First Year Only)			\$ 1,668,287

**Table 6: Cost for Districts to Create Short Form Evaluation**

District Enrollment	Number of Districts with this Enrollment	Number of hours to complete evaluation form	Number of hours x number of districts	Cost per district
Less than 50	75	2	180	\$ 122
50-200	99	10	950	\$ 490
201-500	54	19	1037	\$ 979
501-1000	29	24	696	\$ 1,224
1001-2000	23	30	690	\$ 1,530
2001 and larger	15	50	750	\$ 2,550
Total	295		4303	
Average salary per hour (average admin salary)			\$ 51	
Total Cost of Reporting Annually			\$ 219,463	

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6696 S SB	<b>Title:</b> Education reform	<b>Agency:</b> 699-Community/Technical College System
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.
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### Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.
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### Estimated Capital Budget Impact:

<b>Total \$</b>						

*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: Elise Greef	Phone: 360-786-7708	Date: 02/06/2010
Agency Preparation: Paula Moore	Phone: 360-704-4384	Date: 02/16/2010
Agency Approval: Denise Graham	Phone: 360-704-4350	Date: 02/16/2010
OFM Review: Marc Webster	Phone: 360-902-0650	Date: 02/16/2010

Request # -1

## 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.*

Under SSB 6696, a community college may apply to the Professional Educator Standards Board (PESB) to become an approved provider of an alternative teacher certification program. (Sec. 402)

SSB 6696 also requires Educational Service Districts (ESDs), with the Professional Educator Standards Board (PESB), to annually convene school districts in their region and approved educator preparation programs to review educator workforce data, make projections of certificate needs, and identify how preparation program recruitment and enrollment plans reflect that need. (Sec. 406)

The needs assessment conducted by the Higher Education Coordinating Board (HECB) for new degree programs, and the joint report by the HECB, State Board for Community and Technical Colleges (State Board), and Workforce Training and Education Coordinating Board (WTECB) must include data and input from the PESB. (Sec. 407)

The HECB must also establish service regions for public institutions of higher education that offer educator preparation programs. Based on data from the needs assessment, the HECB will determine if there is reasonable program access in each service region. If access is determined to be inadequate, the higher education institution responsible for the region must submit a plan to the HECB for meeting the need. (Sec. 408)

### 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.*

Please see expenditures section for detail. If colleges establish a program, either tuition or the full cost for a self-support course plus regular college fees will be charged to the participating students.

### 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.*

Fiscal impact for SSB 6696 is indeterminate.

### ALTERNATIVE CERTIFICATE PROGRAMS

At this time, it is not known how many, if any, community colleges will apply to the PESB to offer an alternative certificate program. Additionally, it is not known if, after approval, the community college would seek additional state funds to offer the program, or if it would offer the program as a contracted course funded entirely through the participating students.

However, if a college does opt to apply, and is approved by the PESB, the following scenario may be applicable: The State Board assumes any college seeking to offer an alternative certification would need one year of planning time prior to offering the program to students.

The State Board also assumes the alternative route would be offered only to students who have already earned a BA degree. The individuals enrolling in the program would likely be placebound and/or working and may need to access courses in a flexible manner, such as through distance learning.

This analysis assumes any participating college would employ a full-time instructor one-year prior to enrollment to develop the program's curriculum, develop partnerships with local school districts, apply for approval with the PESB, and recruit students.

Based on research on other states where community colleges offer alternative certification programs, the programs are typically one year in duration and students enroll full-time for 45 credits. The State Board assumes a program would operate with one cohort of 15 to 20 students per year, with one full-time instructor per cohort. The students would be enrolled in upper-divisional courses and pay upper-divisional tuition rates on par with those charged to the applied baccalaureate students.

If, for example, a college opted to apply in Fall of 2010, then for fiscal year 2011, a college would need one year to prepare, at a cost of \$85,000 for a full-time instructor (\$60,000 salary, \$10,000 benefits), course development materials (\$10,000), and travel (\$5,000). This cost may be paid by state and tuition funds or a college's local funds. Once the program was operational, the following year, regardless of whether it was state-funded or contract funded, the full-cost of instruction would be approximately \$11,000 per student (the combined state and tuition cost per applied baccalaureate student). At an estimated cohort of 20 students, the total cost would be \$220,000 per year.

#### DEGREE PROGRAM ASSESSMENTS

The HECB is currently the lead agency for the biennial assessment on new degree programs and demand from employers for higher education graduates. The State Board assumes any cost associated with including the requirements of SB 6696 in the assessment would be explained in the HECB's fiscal note. The State Board itself does not anticipate any costs regarding this new requirement.

#### PLANS FOR INCREASING ACCESS TO TEACHER CERTIFICATION PROGRAMS

At this time, the State Board does not see any costs to the community and technical colleges associated with the requirements for higher education institutions to submit a plan to increase regional access to teacher certification programs. At this time, none of the community or technical colleges offer educator preparation programs approved by the PESB. However, that may change if a college begins operating a PESB approved alternative certification program.

### **Part III: Expenditure Detail**

### **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.*