

Multiple Agency Fiscal Note Summary

Bill Number: 6483 P S SB	Title: All-day kindergarten
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Bond Retirement and Interest	Fiscal note not available								
Office of State Treasurer	Fiscal note not available								
Superintendent of Public Instruction	.3	72,000	72,000	.0	0	0	.0	0	0
Total	0.3	\$72,000	\$72,000	0.0	\$0	\$0	0.0	\$0	\$0

Estimated Capital Budget Impact

Agency Name	2013-15		2015-17		2017-19	
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Superintendent of Public Instruction						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	1,224,400	263,200	513,200	263,200	513,200
Total \$	\$0	\$1,224,400	\$263,200	\$513,200	\$263,200	\$513,200

Prepared by: Christine Thomas, OFM	Phone: (360) 902-3068	Date Published: Preliminary 3/10/2014
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 37894

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 6483 P S SB	Title: All-day kindergarten	Agency: 350-Supt of Public Instruction
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0	0.6	0.3	0.0	0.0
Account					
General Fund-State 001-1	0	72,000	72,000	0	0
Total \$	0	72,000	72,000	0	0

Estimated Capital Budget Impact:

	2013-15		2015-17		2017-19	
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	1,224,400	263,200	513,200	263,200	513,200
Total \$	\$0	\$1,224,400	\$263,200	\$513,200	\$263,200	\$513,200

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 Howson	Phone: 360-786-7142	Date: 03/07/2014
Agency Preparation: Randy Newman	Phone: 360 725-6267	Date: 03/10/2014
Agency Approval: Randy Newman	Phone: 360 725-6267	Date: 03/10/2014
OFM Review: Christine Thomas	Phone: (360) 902-3068	Date: 03/10/2014

Request # PSSB 6483-3

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.

Section 101 describes the legislative intent to provide financial assistance to school districts that need additional help in providing school facilities for education reform. According to the bill, the legislature intends to provide eight hundred twenty five million dollars (\$825 million) to fund school facility projects.

Section 301 would create the specialized STEM facility grant program which must be administered by the superintendent of public instruction (OSPI) in consultation with the STEM education innovation alliance and the statewide STEM organization. OSPI will be required to contract with the statewide STEM organization to evaluate and rank grant applications to be included in the superintendents and governor's budgets. OSPI would be allowed to modify the rank order for inclusion in its capital budget request. The first rank-ordered list of projects is due to the office of financial management and legislative committees by October 30, 2014. After the first submission, OSPI is required to create a biennial grant application cycle for subsequent biennia.

Section 301(6) would require OSPI to write rules to ensure new space added with funding provided by this grant program is included in the eligible inventory for the school construction assistance program.

Section 301(7) would require OSPI in consultation with the STEM education innovation alliance to prepare a plan for evaluating student performance outcomes resulting from the STEM facility grant program. The evaluation plan and estimated cost must be submitted to the legislature by January 1, 2015. The plan must provide an initial evaluation report on student outcomes by January 1, 2019. Also, the report must consider options for expanding the grant program to improve STEM facilities for middle and elementary schools.

Section 302 would appropriate funding for specific STEM projects, funding for the contract with the STEM organization for activities outlined in section 301, and funding for top ranked projects.

Section 401 would create the all-day kindergarten facility grant program which must be administered by OSPI in consultation with an advisory committee. The advisory committee is to be made up of three school district facility managers, one each from an urban, suburban, and rural school district, selected by OSPI, and four community members selected by the governor representing parents and organizations concerned with early education and student academic performance.

OSPI is required to develop grant application materials in consultation with the advisory committee, review applications for accuracy and financial reasonableness, and administer the grant awards. The advisory committee is required to review the applications against criteria established in section 401(4) and recommend a single rank-ordered list. OSPI may modify the rank-ordered list for inclusion in its capital budget request, but must submit the rank-ordered list to the governor and fiscal committees of the legislature by October 30, 2014.

Section 401(6) would require OSPI to write rules to ensure new space added with funding provided by this grant program is included in the eligible inventory for the school construction assistance program.

Section 402 would appropriate funding for the top ranked projects and administrative costs for implementing the grant program.

Section 501 would require OSPI to determine what features of smaller class size most reliably produce improvements in student outcomes, what is the current status of those class size features in the state's public schools, and how best to achieve class size reductions for kindergarten through third grade based on the class size features that produce the most reliable gains in student outcomes.

OSPI would be required to complete an inventory of public school classroom capacity in order to determine the current status of the actual number of students in physical classrooms in elementary schools. The determination must be specified by grade level, or by kindergarten, primary grades, and elementary grades for classrooms with multi-grade enrollments. In addition, OSPI must determine the current status of student-teacher ratios in elementary schools in the same grade level specifications as the physical space determination.

OSPI would be required to consider the information and determinations in making provisions and criteria for a grant program to assist school districts to implement state-funded class size reductions in kindergarten through third grade. OSPI is required to submit the grant provisions and criteria to the appropriate committees of the legislature.

Section 502 appropriates funding for the required tasks in section 501, and requires the report on determinations and recommendations to be submitted to the appropriate legislative committees by December 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.

No impact to cash receipts.

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.

Section 301(7) would require OSPI in consultation with the STEM education innovation alliance to prepare a plan for evaluating student performance outcomes resulting from the STEM facility grant program.

OSPI estimates it would need 0.50 FTE (Program Supervisor, WMS 2) and 0.10 FTE (Administrative Specialist 1) to create a plan, in consultation with the STEM education innovation alliance to evaluate the student performance outcomes resulting from the STEM facility grant program. It's assumed OSPI staff will need to meet with the STEM organization at least five times during the course of developing the evaluation plans. The estimated cost of staffing and meeting expenses is \$72,000 in fiscal year 2015. The plan must be submitted to the legislature by January 1, 2015.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years		0.6	0.3		
A-Salaries and Wages		43,900	43,900		
B-Employee Benefits		20,700	20,700		
C-Professional Service Contracts					
E-Goods and Other Services		3,600	3,600		
G-Travel		3,800	3,800		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$72,000	\$72,000	\$0	\$0

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 2014	FY 2015	2013-15	2015-17	2017-19
Administrative Program Specialist 1	58,656		0.1	0.1		
WMS 2	76,112		0.5	0.3		
Total FTE's	134,768		0.6	0.3		0.0

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2014	FY 2015	2013-15	2015-17	2017-19
Acquisition					
Construction					
Other		1,224,400	1,224,400	776,400	776,400
Total \$		1,224,400	1,224,400	776,400	776,400

Capital Budget Administration

Section 301 – STEM

OPSI estimates it would need a 1.0 FTE (administrative program specialist 2) to draft and develop the required grant application materials and facilitate the meetings with the STEM organizations. Also, the position would review all grant applications to verify they meet the criteria in section 301(3), administer grant awards, provide technical assistance to school districts, create the biennial grant application cycle for subsequent biennia, and create the rules to ensure space added by this grant process counts as eligible inventory for the SCAP program.

In order to develop and implement this new grant program, OPSI will need to collect and verify current STEM facility inventory and condition to meet the requirements outlined in section 301(3) and 301(4). The position needed above will be involved in the data collection and determining the adequacy of STEM facilities.

The bill requires OPSI to contract with the statewide STEM organization to evaluate applications against the criteria and recommend a single rank-ordered list of grant applications. Section 302 provides \$250,000 for this contract. OPSI assumes this level of funding will be needed for the required contract in future biennia.

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See Attachment 1 for cost detail.

Section 402 All-Day Kindergarten

OSPI will incur costs related to the creation and development of the new all-day kindergarten facility grant program. Staffing costs will be incurred to create the grant application, staff the advisory committee, administer the new grants awarded, and write rules to ensure the new space added with this new grant funding will be included in the eligible inventory for SCAP.

OSPI estimates it will need 1.0 FTE (administrative program specialist 2) in fiscal year 2015 to complete the tasks outlined and each fiscal year thereafter to administer the new grant program. In addition, travel costs and other meeting expenses will be incurred by the advisory committee during the development of the grant program, and to review and rank grant applications. OSPI expects the advisory committee to meet twice monthly from July – September in order to create a framework for the grant program, and develop the rank-ordered list due October 2014. Monthly meetings will occur after September to develop the biennial grant application cycle. OSPI assumes, the advisory group will continue to meet three times per year in future biennia.

In order to verify whether a district needs additional classroom as required in section 401(4) (a), OSPI will need to collect and verify current classroom inventory. The position needed above will be involved in the data collection and verification of the data.

See Attachment 1 for cost detail.

Section 501 K-3 Class Size Reduction

OSPI will incur and absorb the costs of determining what features of smaller class sizes most reliably produce improvements in student outcomes, what is the current status of those class size features in the state's public schools, and how best to achieve class size reductions for kindergarten through third grade based on the class size features that produce the most reliable gains in student outcomes.

OSPI assumes based on the projected future biennia cost (\$274.5 million) of the kindergarten/third grade class size reduction grant program, it would need an additional 1.0 FTE (administrative program specialist 2) in fiscal year 2016 and each fiscal year thereafter to create the grant program, including the grant application process, support the required advisory committee, and administer grant awards. Also, It's assumed the legislature will be creating additional grant criteria on how funds will be distributed and the needed FTE will be tasked with applying the criteria to the grant applications and making initial funding recommendations to be evaluated by the advisory committee.

The bill directs OSPI to complete the inventory of public classroom capacity in order to determine the current status of the actual number of students in physical classrooms in elementary schools. The determination is required to be specified by grade level, or by kindergarten, primary grades, and elementary grades with multigrade enrollments. OSPI will need additional resources to collect a complete statewide inventory of classrooms and the ability to report this data to stakeholders (school districts, the office of financial management, and the legislature).

Currently, inventory and condition data is entered voluntarily by districts into the Inventory and Conditions of Schools (ICOS) system. In order to have a complete inventory of physical classrooms statewide, OSPI would develop a sub system component in ICOS to collect and report classroom data as required for K-3 class size reduction and incorporate the facility data needs for the STEM and all-day kindergarten grant programs. This sub system would be a survey tool which would be used annually to collect school facility inventory and condition data needed for each of the newly established grant programs.

In addition to resources to develop the annual survey tool for the new grant programs, OSPI would need funding available to provide school districts grants to complete the inventory and condition data required in the survey or hire consultants to provide technical assistance to districts. Currently, OSPI has study and survey and K-12 inventory and condition funding available but the funding is not sufficient to collect the required data for all school districts in fiscal year 2015. Additional funding will be needed to accelerate the facility data collection from districts. OSPI estimates it would need an additional \$500,000 for the expedited data collection efforts for K-3 class size reduction.

See Attachment 1 for cost detail.

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.

Sections 301 and 401 require rule changes to ensure space added by the new grant programs are included in the eligible inventory for the school construction assistance program.

Office of Superintendent of Public Instruction
PSSB 6483 - STEM, All-Day Kindergarten, and K-3 Class Size Reduction
Attachment 1 - Capital Administration

Section 301 - Specialized STEM Facility Grant Program

Object		FY 2015	Total 2013-15 Biennium	FY 2016	FY 2017	Total 2015-17 Biennium	FY 2018	FY 2019	Total 2017-19 Biennium
A	Salaries & Wages	\$68,000	\$68,000	\$68,000	\$68,000	\$136,000	\$68,000	\$68,000	\$136,000
B	Employee Benefits	\$31,700	\$31,700	\$31,700	\$31,700	\$63,400	\$31,700	\$31,700	\$63,400
C	Professional Services Contract (STEM Organization)	\$250,000	\$250,000		\$250,000	\$250,000		\$250,000	\$250,000
E	Goods & Services	\$9,600	\$9,600	\$9,600	\$9,600	\$19,200	\$9,600	\$9,600	\$19,200
G	Travel	\$6,700	\$6,700	\$6,700	\$6,700	\$13,400	\$6,700	\$6,700	\$13,400
J	Capital Outlays	\$5,000	\$5,000			\$0			\$0
N	Grants		\$0			\$0			\$0
Total		\$371,000	\$371,000	\$116,000	\$366,000	\$482,000	\$116,000	\$366,000	\$482,000
FTE	Administrative Program Specialist 2	1.00	0.50	1.00	1.00	1.00	1.00	1.00	1.00
			-			-			-
Total		1.00	0.50	1.00	1.00	1.00	1.00	1.00	1.00

Section 401 - All-Day Kindergarten Facility Grant Program

Object		FY 2015	Total 2013-15 Biennium	FY 2016	FY 2017	Total 2015-17 Biennium	FY 2018	FY 2019	Total 2017-19 Biennium
A	Salaries & Wages	\$68,000	\$68,000	\$68,000	\$68,000	\$136,000	\$68,000	\$68,000	\$136,000
B	Employee Benefits	\$31,700	\$31,700	\$31,700	\$31,700	\$63,400	\$31,700	\$31,700	\$63,400
C	Professional Services Contract		\$0			\$0			\$0
E	Goods & Services	\$7,600	\$7,600	\$7,500	\$7,500	\$15,000	\$7,500	\$7,500	\$15,000
G	Travel	\$17,700	\$17,700	\$8,900	\$8,900	\$17,800	\$8,900	\$8,900	\$17,800
J	Capital Outlays	\$5,000	\$5,000			\$0			\$0
N	Grants		\$0			\$0			\$0
Total		\$130,000	\$130,000	\$116,100	\$116,100	\$232,200	\$116,100	\$116,100	\$232,200
FTE	Administrative Program Specialist 2	1.00	0.50	1.00	1.00	1.00	1.00	1.00	1.00
			-			-			-
Total		1.00	0.50	1.00	1.00	1.00	1.00	1.00	1.00

Section 501 - K-3 Class Size Reduction

Object		FY 2015	Total 2013-15 Biennium	FY 2016	FY 2017	Total 2015-17 Biennium	FY 2018	FY 2019	Total 2017-19 Biennium
A	Salaries & Wages	\$77,100	\$77,100	\$20,200	\$20,200	\$40,400	\$20,200	\$20,200	\$40,400
B	Employee Benefits	\$36,600	\$36,600	\$9,200	\$9,200	\$18,400	\$9,200	\$9,200	\$18,400
C	Professional Services Contract	\$100,000	\$100,000			\$0			\$0
E	Goods & Services	\$9,700	\$9,700	\$1,700	\$1,700	\$3,400	\$1,700	\$1,700	\$3,400
G	Travel		\$0			\$0			\$0
J	Capital Outlays		\$0			\$0			\$0
N	Grants to school districts for school facility inventory and condition data.	\$500,000	\$500,000			\$0			\$0
Total		\$723,400	\$723,400	\$31,100	\$31,100	\$62,200	\$31,100	\$31,100	\$62,200
FTE	Business Analyst (Information Technology Specialist 4)	0.25	0.13			-			-
FTE	IT Support/Coordination	0.50	0.25			-			-
FTE	Data Analyst	0.25	0.13			-			-
FTE	Information Technology Specialist 5		-	0.25	0.25	0.25	0.25	0.25	0.25
FTE	Administrative Program Specialist 2		-	1.00	1.00	1.00	1.00	1.00	1.00
Total		1.00	0.50	1.25	1.25	1.25	1.25	1.25	1.25

Total

Object		FY 2015	Total 2013-15 Biennium	FY 2016	FY 2017	Total 2015-17 Biennium	FY 2018	FY 2019	Total 2017-19 Biennium
A	Salaries & Wages	\$213,100	\$213,100	\$156,200	\$156,200	\$312,400	\$156,200	\$156,200	\$312,400
B	Employee Benefits	\$100,000	\$100,000	\$72,600	\$72,600	\$145,200	\$72,600	\$72,600	\$145,200
C	Professional Services Contract	\$350,000	\$350,000	\$0	\$250,000	\$250,000	\$0	\$250,000	\$250,000
E	Goods & Services	\$26,900	\$26,900	\$18,800	\$18,800	\$37,600	\$18,800	\$18,800	\$37,600
G	Travel	\$24,400	\$24,400	\$15,600	\$15,600	\$31,200	\$15,600	\$15,600	\$31,200
J	Capital Outlays	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
N	Grants	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
Total		\$1,224,400	\$1,224,400	\$263,200	\$513,200	\$776,400	\$263,200	\$513,200	\$776,400
FTE		3.00	1.50	3.25	3.25	3.25	3.25	3.25	3.25