

CTE and Skill Center Program Funding, Accounting & Data Reporting

2014

2013-15 Biennial Operating Budget:

<http://leap.wa.gov/leap/budget/lbns/1315Omni5034-S.SL.pdf>

School Apportionment and Financial Services Jolynn Berge, Chief Financial Officer

Prepared by:

- T.J. Kelly, Director of School Apportionment and Financial Services (360) 725-6301
 - Daniel Lunghofer, Data Analyst (360) 725-6177

Options

This report lays out two options for changing the CTE funding formula: (1) a resource-to-allowable expenditure method, and (2) an excess cost model.

The model recommended in this report is the resource-to-allowable expenditure method and would include the changes outlined in the recommendations below.

Please provide input on Recommendations from the 2014 report:

Revise Funding Formulas

Move funding for the positions of counselors, librarians, nurses, social workers, and psychologists under the other CIS staff ratio for CTE and Skill Center programs back to the general education allocation and fund them at an equal rate as the prototypical middle or high school. Total cost of this change is \$11.5 million.

- **Move** funding for the position of principals back to the general education allocation and eliminate the enhancement to CTE for principals. Total savings of this change is \$385,000.
 - **2018 Status:**
 - *This has never been seriously discussed on the hill, to my knowledge, and has not been implemented.*
 - **Thoughts for 2019:**
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- **Fund** a CTE director position for middle and high school CTE programs at a rate of 1:432 student FTE for middle school programs, and 1:600 student FTE for high school programs... The accounting manual would require that costs associated with this staffing position be coded to Activity 21 – Supervision within the CTE programs. Total cost of this change is \$8.2 million.
 - **2018 Status:**
 - *This has never been seriously discussed on the hill, to my knowledge, and has not been implemented.*
 - **Thoughts for 2019:**
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- **Revise** the funding formula to reflect how districts are spending the allocations by decreasing the MSOC allocation to \$770.37 per student FTE, and increasing the staffing funding formulas by funding a lower class size, the reallocation of which would result in a funded class size of 24.76 in middle and high school CTE. This change to the funding formula is cost neutral.
 - **2018 Status:**

- *Class size has already been lowered to 23. MSOC continues to increase by inflation.*
 - **Thoughts for 2019:**
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- **Fund** a CTE class size of 1:19 and a Skill Center class size of 1:16, as recommended by the Quality Education Council; which funds a meaningful staffing enhancement compared to that of basic education. Total cost of this change is \$66.0 million for CTE programs and \$8.0 million for Skill Centers.
 - **2018 Status:**
 - CTE class size has been reduced to 23.0; Skill Center class size has been reduced to 20.0.
 - FYI - OSPI will be forming a workgroup to discuss phase-in values of the prototypical school funding formula. The group must report to the legislature in 2019. I cannot say at this point what, if any, recommendations the group may come up with for CTE and Skill Centers. Pursuing this would be solely based on a needs assessment of the programs by WA-ACTE.
 - **Thoughts for 2019:**
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- **Fund** a mechanism for the startup of new CTE or Skill Center programs.
 - **2018 Status:**
 - Nothing has ever been considered here.
 - **Thoughts for 2019:**
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Expenditure Accounting System

- **Create** additional accounting codes that more closely align with the categories of costs funded in the MSOC categories. Beginning with the 2014–15 school year, school districts will report curriculum costs to OSPI through a separate activity code (Activity 33) in all programs. This will allow the comparison of the portion of the MSOC allocation intended for curriculum versus the actual costs to school districts for the acquisition and routine maintenance and/or replacement of curriculum. This would impact both CTE and Skill Center programs.
 - **2018 Status:**
 - This was implemented in 2013-14, and does not need to be discussed any longer.
 - **Thoughts for 2019:**
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- **Create** more transparency in regard to what is being charged to CTE; and provide a balance to these increase direct program charges by reducing the indirect rate that is allowed to the federal restricted rate (on average less than 4 percent). Reducing the indirect rate cannot occur without also implementing the recommendations for revising the funding formulas mentioned above.
 - **2018 Status:**
 - *The indirect rate has already been reduced.*
 - **Thoughts for 2019:**
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Data Reporting and Transparency

- **Implementation** of Activity 33 – Curriculum in the accounting manual as mentioned above.
 - **2018 Status:**
 - *Has been implemented and no longer needs to be discussed.*
 - **Thoughts for 2019:**
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- **Isolate** the basic education portion of CTE funding on the 1191 CTE reports from the value of the program enhancement. Beginning with the 2013–14 school year, the 1191CTE apportionment reports were reformatted to show the portion of the CTE allocation that could be attributed to general education versus attributed to the CTE enhancement. Examples of the report before and after OSPI made this change are available in Appendix B of original report.
 - **2018 Status:**
 - *Has been implemented and no longer needs to be discussed.*
 - **Thoughts for 2019:**
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