

K-12 Public School Funding

Presentation to:
the Idaho Task Force for Improving Education,
Fiscal Stability Committee

Paul Headlee
Budget & Policy Analysis
Idaho Legislative Services Office
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Presentation Outline

- The Big Picture: a 22-Year General Fund History
- Idaho K-12 Funding Formula Components
- Salary-Based Apportionment
- A Brief History of Idaho's Funding Model
- Build A New Model
- Factors for Consideration

Big Picture: 22-Year General Fund Appropriation History

- Public Schools received 47% of the FY 2014 General Fund Appropriation
- Public Schools averaged 48.2% of the annual General Fund Appropriation over the past 22 years

General Fund Original Appropriations

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total Gen Fund
2014	\$1,308.4	\$236.5	\$143.0	\$1,687.9	\$616.8	\$218.3	\$258.0	\$2,781.0
2013	\$1,279.8	\$228.0	\$138.0	\$1,645.7	\$610.2	\$205.5	\$240.7	\$2,702.1
2012	\$1,223.6	\$209.8	\$128.3	\$1,561.7	\$564.8	\$193.1	\$209.3	\$2,529.0
2011	\$1,214.3	\$217.5	\$129.9	\$1,561.7	\$436.3	\$180.7	\$205.1	\$2,383.8
2010*	\$1,231.4	\$253.3	\$141.2	\$1,625.8	\$462.3	\$186.8	\$231.7	\$2,506.6
2009	\$1,418.5	\$285.2	\$175.1	\$1,878.8	\$587.3	\$215.9	\$277.3	\$2,959.3
2008	\$1,367.4	\$264.2	\$166.2	\$1,797.7	\$544.8	\$201.2	\$276.9	\$2,820.7
2007*	\$1,291.6	\$243.7	\$148.4	\$1,683.7	\$502.4	\$178.0	\$229.7	\$2,593.7
2006	\$987.1	\$228.9	\$141.8	\$1,357.9	\$457.7	\$152.2	\$213.2	\$2,180.9
2005	\$964.7	\$223.4	\$138.3	\$1,326.3	\$407.6	\$142.8	\$205.5	\$2,082.1
2004	\$943.0	\$218.0	\$131.3	\$1,292.3	\$375.8	\$140.6	\$195.3	\$2,004.1
2003	\$920.0	\$213.6	\$130.4	\$1,264.0	\$359.6	\$145.0	\$199.3	\$1,967.9
2002	\$933.0	\$236.4	\$142.1	\$1,311.5	\$358.0	\$147.3	\$227.5	\$2,044.3
2001*	\$873.5	\$215.0	\$121.1	\$1,209.5	\$282.1	\$123.2	\$189.2	\$1,804.0
2000	\$821.1	\$202.0	\$110.4	\$1,133.4	\$270.7	\$108.5	\$162.1	\$1,674.7
1999	\$796.4	\$192.9	\$103.5	\$1,092.8	\$252.7	\$106.4	\$159.0	\$1,610.8
1998	\$705.0	\$178.6	\$94.4	\$978.0	\$236.6	\$90.3	\$134.0	\$1,438.9
1997	\$689.5	\$178.0	\$94.4	\$961.9	\$238.5	\$78.6	\$133.7	\$1,412.7
1996*	\$664.0	\$171.0	\$88.8	\$923.8	\$224.3	\$73.5	\$127.3	\$1,348.8
1995	\$620.5	\$164.5	\$87.8	\$872.8	\$226.9	\$50.3	\$114.2	\$1,264.2
1994	\$528.0	\$146.0	\$75.7	\$749.7	\$192.5	\$44.2	\$98.1	\$1,084.6
1993	\$497.0	\$139.0	\$73.1	\$709.1	\$163.9	\$37.5	\$96.6	\$1,007.1

Percentage of General Fund Original Appropriations

Fiscal Year	Public Schools	College & Universities	All Other Education	Total Education	Health & Welfare	Adult & Juv Corrections	All Other Agencies	Total
2014	47.0%	8.5%	5.1%	60.7%	22.2%	7.8%	9.3%	100%
2013	47.4%	8.4%	5.1%	60.9%	22.6%	7.6%	8.9%	100%
2012	48.4%	8.3%	5.1%	61.8%	22.3%	7.6%	8.3%	100%
2011	50.9%	9.1%	5.5%	65.5%	18.3%	7.6%	8.6%	100%
2010*	49.1%	10.1%	5.6%	64.9%	18.4%	7.5%	9.2%	100%
2009	47.9%	9.6%	5.9%	63.5%	19.8%	7.3%	9.4%	100%
2008	48.5%	9.4%	5.9%	63.7%	19.3%	7.1%	9.8%	100%
2007*	49.8%	9.4%	5.7%	64.9%	19.4%	6.9%	8.9%	100%
2006	45.3%	10.5%	6.5%	62.3%	21.0%	7.0%	9.8%	100%
2005	46.3%	10.7%	6.6%	63.7%	19.6%	6.9%	9.9%	100%
2004	47.1%	10.9%	6.6%	64.5%	18.8%	7.0%	9.7%	100%
2003	46.8%	10.9%	6.6%	64.2%	18.3%	7.4%	10.1%	100%
2002	45.6%	11.6%	7.0%	64.2%	17.5%	7.2%	11.1%	100%
2001*	48.4%	11.9%	6.7%	67.0%	15.6%	6.8%	10.5%	100%
2000	49.0%	12.1%	6.6%	67.7%	16.2%	6.5%	9.7%	100%
1999	49.4%	12.0%	6.4%	67.8%	15.7%	6.6%	9.9%	100%
1998	49.0%	12.4%	6.6%	68.0%	16.4%	6.3%	9.3%	100%
1997	48.8%	12.6%	6.7%	68.1%	16.9%	5.6%	9.5%	100%
1996*	49.2%	12.7%	6.6%	68.5%	16.6%	5.4%	9.4%	100%
1995	49.1%	13.0%	6.9%	69.0%	17.9%	4.0%	9.0%	100%
1994	48.7%	13.5%	7.0%	69.1%	17.8%	4.1%	9.0%	100%
1993	49.3%	13.8%	7.3%	70.4%	16.3%	3.7%	9.6%	100%
2010* Moved Deaf/Blind School from "Other Education" to "Public Schools"; Historical Society and Libraries to "All Other Agencies".								
2007* Adjusted for H1 of 2006 Special Session which increased Public Schools General Fund by \$250,645,700.								
2001* Moved Department of Environmental Quality and Veterans Services from H&W to "All Other Agencies".								
1996* Moved Juvenile Corrections from Health and Welfare to "Adult & Juv Corrections".								

K-12 Funding Components

- **Statutory Distributions**
 - **Primarily the Foundation Program found in Title 10, Chapter 33, Idaho Code**
- **Non-Statutory Distributions**
 - **Described in appropriation bill intent language**
- **Discretionary Funds**
 - **Set at a specific dollar amount in the annual appropriation bill and based on best 28 weeks Average Daily Attendance (ADA)**

K-12 Funding Flow

Available Funds



Statutory Distributions

- Salary Based Apportionment



Non-Statutory Distributions



Discretionary Funds

Salary-Based Apportionment Section 33-1004E, Idaho Code

1. Support Units (based on ADA)

multiplied by

2. Staff Allowance (1.1 instructional, .075 administrators, .375 classified)

multiplied by

3. Base Salaries plus min. salary for instructors

multiplied by

4. Statewide Experience and Education Index

= Salary-Based Apportionment

multiplied by

State-Paid Variable Benefit Rate for PERSI and FICA at 18.97%

plus

Unemployment Insurance

Salary Multiplier Table (“the Grid”)

Section 33-1004A, Idaho Code

				MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	1.0000	1.0375	1.0764	1.1168	1.1587	1.2022	1.2473
1	1.0375	1.0764	1.1168	1.1587	1.2022	1.2473	1.2941
2	1.0764	1.1168	1.1587	1.2022	1.2473	1.2941	1.3426
3	1.1168	1.1587	1.2022	1.2473	1.2941	1.3426	1.3929
4	1.1587	1.2022	1.2473	1.2941	1.3426	1.3929	1.4451
5	1.2022	1.2473	1.2941	1.3426	1.3929	1.4451	1.4993
6	1.2473	1.2941	1.3426	1.3929	1.4451	1.4993	1.5555
7	1.2941	1.3426	1.3929	1.4451	1.4993	1.5555	1.6138
8	1.3426	1.3929	1.4451	1.4993	1.5555	1.6138	1.6743
9	1.3929	1.4451	1.4993	1.5555	1.6138	1.6743	1.7371
10	1.3929	1.4993	1.5555	1.6138	1.6743	1.7371	1.8022
11	1.3929	1.4993	1.5555	1.6138	1.7371	1.8022	1.8698
12	1.3929	1.4993	1.5555	1.6138	1.7371	1.8698	1.9399
13+	1.3929	1.4993	1.5555	1.6138	1.7371	1.8698	2.0126

This table determines the statewide index for experience and education

Salary Multiplier Table (“the Grid”) Section 33-1004A, Idaho Code with Base Salary of \$23,123

Base	\$23,123			MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	\$23,123	\$23,990	\$24,890	\$25,824	\$26,793	\$27,798	\$28,841
1	\$23,990	\$24,890	\$25,824	\$26,793	\$27,798	\$28,841	\$29,923
2	\$24,890	\$25,824	\$26,793	\$27,798	\$28,841	\$29,923	\$31,045
3	\$25,824	\$26,793	\$27,798	\$28,841	\$29,923	\$31,045	\$32,208
4	\$26,793	\$27,798	\$28,841	\$29,923	\$31,045	\$32,208	\$33,415
5	\$27,798	\$28,841	\$29,923	\$31,045	\$32,208	\$33,415	\$34,668
6	\$28,841	\$29,923	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968
7	\$29,923	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316
8	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316	\$38,715
9	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316	\$38,715	\$40,167
10	\$32,208	\$34,668	\$35,968	\$37,316	\$38,715	\$40,167	\$41,672
11	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$41,672	\$43,235
12	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$43,235	\$44,856
13+	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$43,235	\$46,537

This is an example of a single salary schedule

Salary Multiplier Table (“the Grid”) Section 33-1004A, Idaho Code with \$31,000 Minimum Salary

				MA	MA + 12	MA + 24	MA + 36
Years	BA	BA + 12	BA + 24	BA + 36	BA + 48	BA + 60	PhD
0	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
1	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000
2	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,045
3	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,045	\$32,208
4	\$31,000	\$31,000	\$31,000	\$31,000	\$31,045	\$32,208	\$33,415
5	\$31,000	\$31,000	\$31,000	\$31,045	\$32,208	\$33,415	\$34,668
6	\$31,000	\$31,000	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968
7	\$31,000	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316
8	\$31,045	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316	\$38,715
9	\$32,208	\$33,415	\$34,668	\$35,968	\$37,316	\$38,715	\$40,167
10	\$32,208	\$34,668	\$35,968	\$37,316	\$38,715	\$40,167	\$41,672
11	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$41,672	\$43,235
12	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$43,235	\$44,856
13+	\$32,208	\$34,668	\$35,968	\$37,316	\$40,167	\$43,235	\$46,537

A Brief History of Idaho's Funding Model

- Periods of relative stability and minor change followed by short periods of reform to the funding model
- Recently, that trend has reversed and we have seen a period of change and reform during the past decade

A Brief History on the Funding Model

- ❑ Single salary schedules common in school districts since early 1950s
- ❑ State funding based on weighted average daily attendance and state average cost per student, 1960s – 1970s
- ❑ State funding to districts based on support units and state average cost, 1980s
- ❑ No statewide salary schedule prior to 1990s
- ❑ Lawsuits and turmoil in Idaho, early 1990s
- ❑ “Select Committee on Thoroughness” (task force) was formed 1993
 - ❑ Held meetings across the state
- ❑ Senate Bill 1560 (1994 Session)
 - ❑ New funding formula using a statewide salary grid, base salaries, and staff allowances
 - ❑ Established base salaries. Instructors set at \$19,328. This was determined by taking 82% of the national average instructor salary (\$35,000) and dividing by the statewide index ($\$28,700/1.4849 \text{ index} = \$19,328$)
 - ❑ Required \$90+ million more for public schools
- ❑ HB 1 removed 0.3% M&O local levy and increased sales tax by 1 cent (FY 2007)
- ❑ Recession during FY 2010 and FY 2011 resulted in funding reductions and some program eliminations
- ❑ Students Come First reform efforts in FY 2012 and FY 2013
- ❑ Propositions 1, 2, and 3 in FY 2013

Building a New Model

Determine what you want to change. Below are some themes from the March 15, 2013 meeting minutes of the Fiscal Stability Committee:

	In Current model?	
	Yes	No
Easy to Understand		
Stability		
Provides Accountability		
Fully-Funded		
Considers Rural Idaho		
Equitable		
Adequate/Competitive		
Flexibility		
Focus on Achievement		
Equalized		

Factors for Consideration

Below are examples of factors for consideration when recommending changes to the current state public school funding model:

- Years of Service (steps)
- Hard to Staff Subjects
- Levels of Responsibility
- Average Daily Attendance
- School District Size
- Wage Indexes (CPI)
- Reward Leadership
- Tiered Salary Schedule
- Weighted for Special Ed. Students
- Dual System – Opt in
- Group Performance
- Educational Experience (lanes)
- Established Staffing Levels
- Hard to Staff Schools
- Individual and School Performance
- Enrollment
- School District Location
- Reward Professional Development
- More Flexibility with More Results
- Move to a Career Ladder
- Recruitment Incentives
- Individual Merit Pay

Build a New Funding Model

Example: Build upon the single salary schedule with other factors

Factor (a)	Factor (b)	Factor (c)	Factor (d)	Factor (e)	Factor (f)
Years of Service	Base Salary	ADA or enrollment	Levels of Responsibility	?	?

Build a New Funding Model

Example: Create a Career Ladder for Instructor Compensation

Factor (a)	Factor (b)	Factor (c)	Factor (d)	Factor (e)	Factor (f)	Factor (g)
Level	Years of Experience	Base Pay	Hard to Fill Position	Performance Bonus	Mentor	Leadership
Entry	1	\$xx,xxx	\$x,xxx			
	2	\$xx,xxx	\$x,xxx	\$x,xxx		
Professional	3	\$xx,xxx	\$x,xxx	\$x,xxx		
	4	\$xx,xxx	\$x,xxx	\$x,xxx	\$x,xxx	
	5	\$xx,xxx	\$x,xxx	\$x,xxx	\$x,xxx	
	6	\$xx,xxx	\$x,xxx	\$x,xxx	\$x,xxx	
Master	7	\$xx,xxx	\$x,xxx	\$x,xxx	\$x,xxx	\$x,xxx

Questions

Paul Headlee, Deputy Manager
Budget & Policy Analysis
Idaho Legislative Services Office
208.334.4746
pheadlee@lso.idaho.gov