

The Future of Highly Capable Programs in Washington State.

Background.

Highly Capable Programs have been around since before there was state funding. Some programs have been in existence for more than 40 years. Those early programs were totally funded by the districts. Most recently, for each \$1 received from the state, districts have provided up to \$5 of their own funds to support these programs. (Source: Information from Annual Reports available at <http://www.k12.wa.us/HighlyCapable/reports.aspx>)

Starting in 1984, the state authorized funding for HCP, beginning at the 1% FTE level. The funding in the 85-87 biennium totaled \$4,646,000. There was a substantial jump in 91-93, to \$10,605,000; a drop to the \$8.8 million range the next two biennia; a jump to \$11,977,000 in 97-99. The next big jump was to \$17,434,000 for 07-09 when the percentage went to 2.314% FTE.

(Amounts taken from the documents at the WA State Fiscal Information web site.)

These programs are **CATEGORICAL**. They are not a part of basic education, they are not mandated, their funding is at the discretion of the Legislature. Districts which participate must comply with the WACs and file annual reports with OSPI. No district is required to accept state funds and as of the last annual report made public, only 216 of the 295 districts did so.

Why did advocates decide that HCP should be a part of basic education?

1. Inclusion would mandate provision of appropriate services to identified highly capable students. Currently, services are discretionary.
2. The program would cease to be categorical and its funding would be more stable. It would also come under the protection of the provision that funding for basic education not be reduced until all other options have been exhausted, including cutting social welfare programs.

What does educational reform mean for HCP?

When implemented, the present status of HCP will cease to exist. The funding of

the categorical program as it currently exists will also be eliminated. There is no way to combine the two. It is either one or the other - categorical or part of basic education.

The WACs will need to be rewritten. We have been told that the Annual Reports will still need to be made.

The provisions of ESHB 2261 Sections 102(8) and 104(1) are clear. "The instructional program of basic education provided by each school district shall include: Programs for highly capable students under RCW 28A.185 through 28A.185.030."

Also clear is Section 106(2). "The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.165.180, or 28A.155 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service."

This means that appropriate services are mandated, that they constitute a basic education for identified students (Section 708(1)) , but that the funding will come out of the state basic education allocation at the discretion of the district. Districts can spend as much or as little of their basic education dollars on HCP services as they wish but they must provide them. (It will be up to local advocates to lobby their school boards for appropriate services.)

The new definition of basic education and the prototypical school funding formula are to go into effect with the start of the upcoming biennium, July 1, 2011. HCP will become a part of basic education beginning with the opening of the school year in September 2011. SB 5475 embodies **some** of these elements but delays inclusion of HCP in the new definition.

Funding of the new definition and formula.

In recognition of the fact that there are costs over and above providing a classroom, a qualified teacher, text books and other curriculum materials, the legislation provided for:

Sec. 708(2) "Supplementary funds provided by the state for the program for highly capable students under RCW 28A.150.260 shall be categorical funding to provide services to highly capable students as determined by a school district

under RCW 28A.185.030."

These supplemental funds are to be calculated as set out in SHB 2776 Sec. 2. (Due to the overlapping terminology, in the future I will refer to the supplemental funding in Sec. 708 as 'Section 708 funds' instead of the term categorical.

"To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on two and three hundred fourteen one-thousandths percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2.159 hours per week in extra instruction with fifteen highly capable program students per teacher."

OSPI has advised us that districts will need to apply for these Section 708 funds. They will not automatically flow as do basic education funds.

In addition, the legislation provides for MSOC funds (Maintenance, Supplies and Operating Costs) for student technology; utilities; curriculum, textbooks, library materials, and instructional supplies; instructional professional development for certificated and classified staff; other building-level costs including maintenance, custodial, security and central office administration.

The Highly Capable Program Technical Working Group studied the funding formulas as part of its work and made specific recommendations for the Section 708 supplemental funds and the MSOC funds. (See their Report to the Legislature. <http://www.k12.wa.us/HighlyCapable/Workgroup/default.aspx>)

The TWG recommendations would provide a substantial additional amount of funds specifically for HCP services.

"Based on the best practices and research findings presented in earlier sections of this report, the group affirmed the assumption of a class size of 15, but recommended five instructional hours per week, rather than 2.159. Further, it was determined that the five instructional hours per week be assumed only at grades K–6 to support pull-out models and that an additional 1.5 hours be allocated for counseling and HCP management. The group recommended that middle schools and high schools each be allocated 3.1 hours for counseling and HCP management since HCP instruction is more a matter of scheduling than pull-out instruction at these grades. The 3.1 hour total provides 1.55 hours each for a counselor and HCP

specialist. These hours are consistent with American Counseling Association standards for student to staff ratios. Using the earlier enrollment assumption of 2.314 percent, this model would generate .16 FTE additional teacher at elementary schools, .083 FTE additional certificated staff at middle schools, and .115 FTE certificated staff at high schools.

"Based on HCP end-of-year reports and national research findings, the group determined that the current enrollment limit of 2.314 percent is a constraint based more on funding than comprehensive identification of eligible students. The group found that HCPSs comprise at least 5 percent of total enrollment and recommended that the above enrollment assumption be revised from 2.314 percent to 5 percent to mitigate the number of identified, but unserved, HCPSs. Using this assumption the funding model would generate .347 FTE additional teacher at elementary schools (rather than .16), .179 FTE additional certificated staff at middle schools (rather than .083), and .248 FTE additional certificated staff at high schools (rather than .115).

"The HCPTWG also assumes that the salary and benefits used to calculate the allocations for these added FTEs will be based on average teacher salary. However, the group recommends that each district's staff mix be used for salary and benefits rather than the statewide average. It is the group's intent that these funds be used to provide highly trained certificated teachers to deliver instruction to HCPSs using appropriate HCP service models/strategies." (Page 24)

MSOC was calculated at an additional \$138.77 per FTE (Page 25) and professional development at various levels ranging from \$1969 to \$2717 (Page 26).

These recommendations have the **potential** if adopted to drive out very large amounts of money strictly for HCP.

Current Situation.

It is recognized that these Section 708 funds and MSOC, including the revised formula, are unlikely to be allocated during this difficult budget period but our feeling is that better an underfunded mandate than no mandate at all. Once mandated, funding can be adjusted upward as the fiscal situation improves.

2261 and 2776 call for phased implementation with a goal of completion in 2018. Some of the proposed changes are quite expensive and it was felt that phase-in

was going to be easier on the budget than doing it all in one big gulp. The state's current financial position would not allow total implementation in 2011 anyway.

If the inclusion of HCP in basic education is delayed to 2013-2014, as proposed in SB 5475, the programs remain categorical and state funding must be provided in the biennial budget. The Governor's biennial budget proposal already on the table does not include any funding for HCP. There is no way to know what the legislative version might contain.

Considering the grave pressures on district funds, is it likely that districts will continue to expend their own funds on programs the state refuses to fund? If these programs disappear for the next biennium, but are mandated in 2013, it will cost more to reinstate these programs than was saved by not funding them in the 2011-2013 biennium. It will also be disruptive to students' learning and progress.

Another factor to consider, if the Legislature can (and does) defer implementation to 2013, what is to stop them from doing it again and again, *ad infinitum*. Deferral simply hangs us out on a limb for everyone to take pot shots at.

Biennial Budget

We will strongly advocate for implementation in full in 2011. This means that HCP will be mandated. Districts will be required to provide appropriate services out of their basic education allocations though the amount cannot be set by the Legislature. We also hope that some amount of Section 708 funds will be appropriated along with MSOC but have not taken a position on how much this should be. We need to see what is in the budget proposed by the Legislature.

If implementation is delayed (SB 5475), it is our position that we would advocate to obtain as much funding for the current categorical program (which will still exist) as we can. Again, we will signal we are willing to accept a cut but it must be proportional. The budget proposed by the Governor provides no funds for HCP (as a categorical program based on her request to delay implementation of HCP inclusion).