Education Funding Task Force Recommendations: Republican Guiding Principles

Prepared by House and Senate Republican Caucus Staff
January 4, 2017

Sec.2(2) Compensation Sufficient to Recruit and Retain

- We recognize that, on average, overall compensation is market rate; but some districts are paying below market rate and some are paying far above. We must provide compensation sufficient to recruit and retain K-12 staff statewide for the state's program of basic education; however, we must recognize that compensation should be reflective of market realities, and not be an artificial result of school district compensation practices.
- The legislature should adopt a compensation allocation policy that provides clear limitations on salaries, but retains sufficient local flexibility to tailor to unique district needs and available workforce.
- The legislature should increase beginning teacher salaries above the current state salary allocations.

Sec 2(2)(a) Future Salary adjustments

 We recognize the utility of future salary adjustments. The legislature should explore options including automatic adjustments or periodic reviews to rebase salaries according to economic and demographic realities.

Sec 2(2)(b) Local Labor Market adjustments

 We recognize that the cost of implementing the state's program of basic education can differ regionally. The legislature should consider adjustments across regions in our state to compensate for actual differences. Factors could include cost of living and teacher attrition rates.

Sec 2 (4) Recommendations for improving or expanding existing educator recruitment and retention programs

- We must examine the unique regional factors that affect recruitment and retention before adopting a one size fits all model. We should focus our existing resources on the most effective programs, including expansion of the BEST mentoring program.
- The legislature should direct PESB to explore ways to recruit more non-traditional, effective teachers with real life experience and expertise in their field.
- The legislature should direct PESB to provide human resources "best practices" training for districts.

Sec 2(5)(b) Collective Bargaining

- Collective bargaining laws must be reformed to ensure compensation practices are in line with new policies. Collective bargaining may continue within the new salary limitations expressed above. Health benefits will be removed as a permissive bargaining subject.
- The legislature should explore other limitations on union activities, including mandatory membership, ghost leave, and teacher strikes.

Sec 2(5)(c) Clarifying between basic education and enrichment

- The legislature must clarify and tighten up compensation practices to ensure that local levies are used only on enrichment outside of the state's program of basic education.
- The legislature could consider adopting a specific list of authorized enrichment activities with a process for other activities to be approved to encourage local innovation.

Sec 2(5)(e) Health Benefits

• The legislature should create a statewide health benefits system (SEBB) to ensure equity and improved administration of health care.

Sec 2(3) Additional legislation for all day K and K-3 reduction

 The legislature should explore opportunities to adjust funding limitations for K-3 class sizes – for example, the legislature could direct school districts to prioritize reduced class size funding, within current operating budget appropriation levels, in the schools where lower class sizes will have the greatest impact according to actual student needs.

Sec 2(5)(a) Local M&O Levies

- We value a high quality, well rounded educational experience and understand the importance of local control. To that end, the legislature should maintain some local M&O levy authority for true enrichment purposes. For more information, please refer to section III (Finance) "Sec 2(5)(d) Required district reporting, accounting, and transparency of data and expenditures."
- We prefer a local levy system that promotes equity among districts with regard to student enrichment.

Sec 2(5)(d) Required district reporting, accounting and transparency of data and expenditures

- Modifies accounting and budget development processes for school districts
 - Requires a local revenue fund to deposit local excess levy funds and local effort assistance payments in sub-funds for segregating from other state and federal funds received so that it is clearly auditable.
 - Directs district accounting of expenditures, including school employee salaries, to indicate revenue source and whether a basic education or non-basic education expenditure.
- Expands the annual district budget development process to include a four-year budget outlook that includes a four-year enrollment projection.
- The legislature should require expenditure reporting based on the adopted funding model
- Adds a financial health indicator for school district
 - Directs the Office of the Superintendent of Public Instruction to consider a district's four-year budget outlook when ranking districts by financial health.
- Augments school district audits by state auditor
- Requires the regular financial audits of school districts by the state auditor to include a review of the expenditure of school district excess levy funds to ensure that such funds are not expended on any supplemental contract beyond the state-funded for certificated instructional staff to provide remedial education instruction and services.

2(5)(F) Sources of state revenue

- Education is our paramount duty, we need to fund education first, before other priorities of government. The legislature should explore opportunities to dedicate existing law revenue growth to K-12.
- Any revenue conversation should consider:
- Repairing the regressive levy structure; and,
- the use of existing resources (i.e. redeploy resources more efficiently).