

A RECENT INQUIRY TO OSPI REGARDING USE OF ESSER FUNDS AND OTHER TAX DOLLARS

Your Name: [REDACTED]

Your Email Address: [REDACTED]

Which of the following best describes your role as it pertains to your question today?

Question Category: School Funding

Your Question:

Hello-

I saw a note in the "A Citizens Guide to Washington State- K-12 Finance", Page 18- "Beginning with levies collected in calendar year 2021, school district enrichment levies are subject to a new requirement for pre-ballot approval by OSPI. Before a school district may submit an enrichment levy to the voters, it must receive OSPI's approval of an expenditure plan for the enrichment levy. OSPI may approve the plan if it is determined that the district will spend enrichment levy revenues and other local revenues only for permitted enrichment activities."

My concern is that the South Kitsap School District historically puts something in the levy about the "band" or "sports" but in reality has over 400 unfunded employees (their number) and grants pay raises in union contracts in excess of the CPI which use up most of the "enrichment funds" they are trying to get from the public.

Will this process put a stop to this practice when they submit what the funds will actually be used for or will "excess staff" to help with student learning be approved as a use of "enrichment funds". As state employees, they all get state pay along with inflation indexed pay raises. I realize the booklet also talks about administrators and classified employees utilizing the bargaining process but this too is flawed as a catch all for "enrichment".

What will be the approved uses for "enrichment funds" as well as justification. I also realize you don't want to get into local politics or local school board authority but it seems to me the intent of the legislature is to do just that. Allow you to be the "honest" broker since the legislature has now fully funded education, raised teacher salaries to 6th highest in the nation, and raised classified pay well in excess of local hourly wages. If WA was ranked in the top 10 states in terms of academic achievement, salary increases might be justified but, in reality, we are in the bottom 10, yet we pay very high wages for little in return.

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: Friday, August 19, 2022 12:45 PM
To: [REDACTED]
Subject: FW: RE: [External]Form submission from: Ask OSPI

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: "T.J. Kelly" <Thomas.Kelly@k12.wa.us>
Date: 8/19/22 10:31 AM (GMT-08:00)
To: [REDACTED]
Cc: Carrie Hert <Carrie.Hert@k12.wa.us>, Michelle Matakas <Michelle.Matakas@k12.wa.us>
Subject: RE: [External]Form submission from: Ask OSPI

Hello Mr. [REDACTED]

The pre-ballot expenditure plan process is an opportunity for OSPI to review and approve the narrative and projected expenditures of levy proceeds in broad expenditure categories. Districts are allowed to use levy funds to hire staff above the prototypical school model allocation. So, if this aligns with your definition of "excess staff", this is an allowable use of levy proceeds according to state law. It is also likely, some of those 400 staff are funded through federal dollars or unique grant opportunities.

Since the pre-ballot levy expenditure plan requirement went into place, there have been several instances where the initial submission of a school district's plan did not get approved. In all cases, we have been able to work with the districts to resolve any concerns and ultimately grant approval.

School Districts are employers of their staff, not the state, so they are local employees that are funded (in part) by state allocations. The state budget provides inflationary increases to the state allocation for base pay. Those dollars are subject to local collective bargaining.

Ultimately, the determination of whether or not enrichment funds were used for enrichment purposes only is made by the State Auditor's Office (SAO). You can find this language in section 503 of EHB 2242 linked here: <https://lawfilesexternal.wa.gov/biennium/2017-18/Pdf/Bills/Session%20Laws/House/2242.SL.pdf?q=20220819102040>. You can see in the language that if an audit results in findings that a school district has failed to comply with the requirement of enrichment levies being used for enrichment purposes only, then within ninety days of completing the audit the auditor must report the findings to OSPI, the Office of Financial Management, and the education and operating budget committees of the legislature. Since this law went into effect, there have been no such reports of unallowable use of enrichment levy proceeds made by the SAO.

T.J. Kelly
Chief Financial Officer
Office of Superintendent of Public Instruction (OSPI)

8/19/2022