



Federal Funding Adjustments

2024 Supplemental Operating Budget Decision Package

Recommendation Summary

The Office of Superintendent of Public Instruction (OSPI) currently lacks the federal appropriation authority needed to access all portions of federal funds available this biennium. OSPI requests an additional \$477,559,000 in federal appropriation authority in the current biennium. The requested increases reflect changes in anticipated federal grant awards to OSPI.

Fiscal Details (Funding, FTEs, Revenue, Objects)

Operating Expenditures	FY 2024	FY 2025	FY 2026	FY 2027
Fund 001-2	\$224,089,000	\$250,933,000	\$250,933,000	\$250,933,000
Fund 001-8	\$2,537,000	\$0	\$0	\$0
Total Expenditures	\$226,626,000	\$250,933,000	\$250,933,000	\$250,933,000
Biennial Totals	\$477,559,000		\$501,866,000	
Staffing	FY 2024	FY 2025	FY 2026	FY 2027
FTEs	0	0	0	0
Average Annual	0		0	
Revenue	FY 2024	FY 2025	FY 2026	FY 2027
Fund 001 Source Code 03-84	\$88,752,000	\$125,077,000	\$125,077,000	\$125,077,000
Fund 001 Source Code 03-10	\$137,874,000	\$125,856,000	\$125,856,000	\$125,856,000
Total Revenue	\$226,626,000	\$250,933,000	\$250,933,000	\$250,933,000
Biennial Totals	\$477,559,000		\$501,866,000	
Object of Expenditure	FY 2024	FY 2025	FY 2026	FY 2027
Obj. N	\$226,626,000	\$250,933,000	\$250,933,000	\$250,933,000

Package Description

What is the problem, opportunity, or priority you are addressing with the request?

OSPI receives federal funds primarily from the Departments of Education and Agriculture. The majority of those funds (approximately 96%) are expended as grants to school districts. OSPI's expenditures are a function of the federal award amounts and the grant draw rates by school districts. When OSPI's federal expenditure authority is less than that of the anticipated awards and disbursement rates of federal funds, the agency is unable to grant funds to school districts at the maximum allowable capacity.

What is your proposed solution?

This request increases OSPI's federal expenditure authority to match anticipated awards and disbursement rates.

What are you purchasing and how does it solve the problem?

Providing OSPI with additional federal appropriation authority for the current biennium equal to the anticipated awards and disbursement rates will allow the agency to pay out needed federal funds to school districts at a maximum allowable capacity.

What alternatives did you explore and why was this option chosen?

No alternatives were explored. This request is for additional authority in programs 010, 025, 026, 055, 05X, 060, and 061 to spend federal dollars awarded to the Superintendent of Public Instruction. The consequences of not receiving the increase in authority would result in OSPI not being able to provide the maximum the amount of federal funding passed through to school districts, which would result in reverting back federal funds.

Performance Measures

Performance outcomes:

School districts statewide will have access to federal funds for various programs, such school food service programs, in response to federal pandemic dollars and a change in the Community Eligibility Provision.

Assumptions and Calculations

Expansion or alteration of a current program or service:

The requested adjustment would allow OSPI to match the federal appropriation authority with the available federal grant funds.

OSPI requests the following biennial increases in 2023–25:

- Program 010, EA 040: \$26,450,000
- Program 025, EA 160: \$263,730,000
- Program 026, EA 060: \$76,714,000
- Program 026, EA 2F0: \$2,537,000

- Program 055, EA 400: \$1,350,000
- Program 05X, EA TF0: \$2,092,000
- Program 060, EA TA0: \$5,760,000
- Program 061, EA 440: \$98,926,000

Detailed assumptions and calculations:

Each year, Congress and the U.S. Department of Education adjust funding allocations. Based on current information about funding levels and school district draw rates, OSPI projects the need for adjustments to the agency's federal appropriation authority.

Workforce assumptions:

None.

How our Proposal Impacts Equity in the State

At the forefront of every program, policy, and decision, OSPI actively focuses on ensuring all students have access to the instruction and support they need to succeed in our schools. This request provides OSPI with the ability to provide federally funded programs to teachers and students and supports the Superintendent's priority to ensure educational equity. In addition, this request ensures all federal funds are provided to school districts to directly support students, educators, and staff, instead of allowing funds to revert back to the federal government.

Strategic and Performance Outcomes

Strategic framework:

This request supports all four of Superintendent Reykdal's Strategic Goals. First and foremost, this request aligns with Strategic Goal #4, which focuses on OSPI's customer service. The agency's primary customers are school districts, and by extension, the administrators, educators, students, and families served by school districts across the state. In order to drive the other three goals, which are 1) Equitable Access to Strong Foundations, 2) Rigorous, Learner-centered Options in Every Community, and 3) A Diverse, Inclusive, and Highly Skilled Workforce, the agency must be able to grant and pay out all state and federal funding to the maximum allowable capacity. When these four goals are supported, this in turn supports the Governor's first Results Washington goal, a world-class education available to all Washingtonians.

Other Collateral Connections

Intergovernmental:

There would be tribal and local governmental impacts to the extent that federal education funds are granted to state-tribal education compact schools and school districts.

Stakeholder response:

Students have the potential to be impacted by the reduction in grant funds that school districts would have access to. OSPI expenditures cannot exceed its appropriation authority, therefore, OSPI would have to limit payments of federal funds to districts.

Legal or administrative mandates:

None.

Changes from current law:

None.

State workforce impacts:

None.

State facilities impacts:

None.

Puget Sound recovery:

N/A