

**Agency:** 359 WA Charter School Commission  
**Decision Package Code/Title:** CL Unemployment and Leave Buyout Costs  
**Budget Period:** 2015-17  
**Budget Level:** M2 - Inflation and Other Rate Changes

**Recommendation Summary Text:**

Request for \$102,524 to be appropriated to the Washington State Charter School Commission for unforeseen unemployment claims and leave buyout. The Washington State Charter School Commission was created to authorize and provide oversight of public charter schools throughout Washington State (RCW 28A.710.070).

**Fiscal Detail**

<b>Operating Expenditures</b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
001-1 General Fund - Basic Account-State	39,902	65,624	105,526
<b>Total Cost</b>	<b>39,902</b>	<b>65,624</b>	<b>105,526</b>

**Package Description:**

The Washington State Charter School Commission was created to authorize and provide oversight of public charter schools throughout Washington State (RCW 28A.710.070).

The agency has 4.0 FTE. Of these:

- The Executive Director provides strategic leaderships of the agency;
- The Deputy Director provides operational leadership of the agency;
- The School Quality & Accountability Director manages the agency's systems of compliance data collection of public charter schools; and
- The Executive Assistant provides executive level administrative support to the agency.

There has been no turnover among the staff in the agency's two (2) year of operations.

On September 4, 2015 the Washington State Supreme Court ruled that the Charter School Law (28A.710) was unconstitutional. As the ruling effectively struck down the entire law and the agency is authorized by the law (28A.710.070), the agency will be unable to continue operations as a state agency past June 30, 2016 when the ruling takes effect.

Once the agency ends operations, the agency's employees will file unemployment claim, and will begin to draw weekly benefits. The agency employees will also request a leave buyout. The cost to the Washington State Charter School Commission could total \$102,524 and there are no supplemental or surplus funds to cover this expense. This agency has had a history of high employee

retention, and has not had any unemployment claims or leave buyouts since its creation. It is impossible for a micro-agency with little or no turnover and without surplus funding to cover such an expense.

If this unemployment and leave buyout costs are not funded, the Washington State Charter School Commission will have to divert the funds necessary to cover this expense from other services, thus hampering the agency's mission to provide oversight of public charter schools throughout Washington State while those schools remain authorized to draw state apportionment dollars. This expenditure will likely mean the partial reduction of one staff. This would be extremely detrimental as this micro-agency attempts to provide oversight of public charter schools and wind-down its operation in a responsible manner.

## **Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

### **Performance Measure Detail**

**Activity:**

**Incremental Changes**

No measures submitted for package

*Is this decision package essential to implement a strategy identified in the agency's strategic plan?*

The funding will allow the Washington State Charter School Commission to carry on its mission and allow the agency to continue to be able to provide oversight of public charter schools and wind-down its operation in a responsible manner.

*Does this DP provide essential support to one or more of the Governor's Results Washington priorities?*

*What are the other important connections or impacts related to this proposal?*

None

*What alternatives were explored by the agency, and why was this alternative chosen?*

The agency has no alternative but to try to pay the unemployment claims through savings in other areas of the budget. However, with the agency pursuing the divergent paths of providing oversight to public charter schools and winding-down its operations, it is highly unlikely it will have any surplus in any area of the 2015-17 budget.

*What are the consequences of adopting or not adopting this package?*

As stated above, the effect would be a dramatic reduction in the oversight of public charter schools, due to potential loss of a portion of a staff position. Lack of funding would leave the agency with fewer personnel to ensure the state dollars apportioned to public charter schools are used in an effective and responsible manner. The agency also would be unable to responsibly wind-down its operations.

*What is the relationship, if any, to the state's capital budget?*

None

***What changes would be required to existing statutes, rules, or contracts, in order to implement the change?***

None

***Expenditure and revenue calculations and assumptions***

Agency assumes each former employee will claim the full twenty-six weeks allowed for unemployment benefits. The Employment Security web-site was used to determine the weekly benefit for each position.

Executive Director	\$664 per week x 26 weeks = \$17,264
Deputy Director	\$664 per week x 26 weeks = \$17,264
Administrative Assistant	\$532 per week x 26 weeks = \$13,832
School Quality & Accountability Director	\$664 per week x 26 weeks = \$17,264

Agency also assumes that each former employee will request a full leave buyout.

Executive Director	\$16,993
Deputy Director	\$13,036
Administrative Assistant	\$6,640
School Quality & Accountability Director	\$3,233

This scenario assumes the agency will remain open through June 30, 2016.

***Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?***

None, this is a one time cost.

<b><u>Object Detail</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
A Salaries And Wages	39,902		39,902
B Employee Benefits		65,624	65,624
<b>Total Objects</b>	<b>39,902</b>	<b>65,624</b>	<b>105,526</b>