Weighted Student Formula/School Financial Plan Implementation Manual
Draft Version 6.0
For distribution beginning November 1, 2007

Table of Contents:

A Funds .................................................. 2
B Carryover ............................................... 5
C Calculation of WSF Allocation and Adjustments 6
D Positions .............................................. 9
E Salary Costs ........................................... 13
F Other Costs Related to Positions .................. 15
G Personnel Issues ..................................... 17
H Concerns Regarding Specific Programs ............ 20
I Creating the Financial Plan ......................... 25
J Submitting the Financial Plan ....................... 29
K Amendments to the Approved Financial Plan .... 30
L School Community Council ......................... 31
M Other Issues .......................................... 32
N References, Resources, and Forms ............... 33
O Appendices (Listing) ................................. 33
P Forms (Listing) ....................................... 33
Glossary of Terms ..................................... 34
Purpose of this Manual
To provide school administrators and the school staff who assist with fiscal matters with detailed information regarding the implementation of the Weighted Student Formula (WSF) in School Year (SY) 2007-08 and creation of the financial plan for SY 2008-09.

A. FUNDS

1. Funds in WSF for SY 2008-09
Only selected general fund programs are included in WSF. Federal, trust, special, interdepartmental transfer, revolving, and local school account funds are not affected by WSF for SY 2008-09.

2. Programs included in the WSF
In the initial year of implementation, SY 2006-07, the funding for many former discrete programs were included in the WSF for allocation. The list is included in the attached Crosswalk of Program IDs, which is divided into WSF, Categorical, and Centralized. The list of programs has not changed for SY 2008-09.

3. Programs not included in WSF
• Federal (Title I and other federal funds), special, interdepartmental transfer, revolving, trust, and local school account fund programs are NOT included.
• General fund programs that are not in WSF in SY 2008-09 include, but may not be limited to: Article VI, Vocational Education, Athletics, At-Risk programs, Hawaiian Studies and Hawaiian Language Immersion Program, Special Education, School Health Aides, Diagnostic Services, Utilities (other than Telephone), Student Transportation, Food Service, major Repairs & Maintenance, and A+.
• For a detailed list, please see the Categorical and Centralized section of the attached Crosswalk of Program IDs, which is divided into WSF, Categorical, and Centralized sections.

4. Adding more programs to WSF
In future years, it is possible that some (or many) categorical and/or centralized programs and positions will be included in WSF, giving schools the resources to purchase services from state offices or elsewhere. For further information about the impact of adding more programs to the WSF, see “Increasing School Expenditures by School Principals (HB 2002, HD2, SD1, CD1).” This report is available through the DOE’s web site. To view the report, go to www.doe.k12.hi.us, click on Reports (Other), then click on Legislative Reports.
5. **Program IDs to use in Budget and FMS for WSF**
   - Funds are allocated in **Program ID 42100**, Weighted Student Formula.
   - Expenditure Plans are automatically loaded in the specific WSF Program IDs entered into the approved Financial Plan (see list below). This applies to the initial allocation only.
   - After receiving a WSF allocation in the Budget System, if there is any “Balance” in Program ID 42100, the school must move the allocation to the specific WSF Program IDs using the WSF Transfer screens on the Budget System Allocation menu.
   - Program ID 42100 cannot be used for Expenditure Plans. The funds must be moved into the WSF Program IDs listed in the chart below. The WSF Buy Back Program IDs for career and technical student organizations are available on the Financial Plan templates beginning FY 2008-09.
   - If the school requires a more detailed breakout of the funds, the allotment can be plan-adjusted in FMS to sub-orgs (for Character B and C, or Character 20).

<table>
<thead>
<tr>
<th>Section of AFP</th>
<th>Program ID Number</th>
<th>Program ID Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standards Based Education</td>
<td>42101</td>
<td>WSF-Instruction</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42102</td>
<td>WSF-ESLL</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42103</td>
<td>WSF-Instructional Support</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42121</td>
<td>WSF Buy Back DECA (Distributive Education Clubs of America)*</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42122</td>
<td>WSF Buy Back Skills USA*</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42123</td>
<td>WSF Buy Back FFA (Future Farmers of America)*</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42124</td>
<td>WSF Buy Back FCCLA (Family Career and Community Leaders of America)*</td>
</tr>
<tr>
<td>Standards Based Education</td>
<td>42125</td>
<td>WSF Buy Back HOSA (Health Occupation Students of America)*</td>
</tr>
<tr>
<td>Quality Student Support</td>
<td>42104</td>
<td>WSF-Student Services</td>
</tr>
<tr>
<td>Quality Student Support</td>
<td>42105</td>
<td>WSF-Student Body Activities</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42106</td>
<td>WSF-Enabling Activities I</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42107</td>
<td>WSF-Enabling Activities II</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42108</td>
<td>WSF-Enabling Activities III</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42109</td>
<td>WSF-Enabling Activities IV</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42110</td>
<td>WSF-Enabling Activities V</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>42111</td>
<td>WSF-Enabling Activities VI</td>
</tr>
<tr>
<td>School Operations</td>
<td>42112</td>
<td>WSF-School Administration</td>
</tr>
<tr>
<td>School Operations</td>
<td>42113</td>
<td>WSF-School Facility Services</td>
</tr>
<tr>
<td>School Operations</td>
<td>42114</td>
<td>WSF-Protocol Fund</td>
</tr>
</tbody>
</table>

* Please refer to the current memo from the Office of Curriculum, Instruction, and Student Support (OCISS) regarding the buy back procedures for these career and technical student organizations.

6. **LSB-1 Buy/Sell Program ID 15194**
   Program ID 15194, LSB-1 Buy/Sell is used when adjustments are made to WSF positions **after** the Academic and Financial Plan has been approved.
Personnel changes may be made after the Academic and Financial Plan has been approved via the LSB-1 (Buy/Sell) process.

- If a school wishes to establish additional positions, an LSB-1B request should be submitted to “buy” positions. All “bought” positions will be established using Program ID 15954, and the funds to pay for the position will be reduced from the school's allocation in Program ID 42100.

- If a school wishes to reduce a vacant position to generate operating funds for use in Characters A1, B, or C, an LSB-1S should be submitted to “sell” the position. All proceeds from “sold” positions will be added to the school’s allocation in Program ID 42100 for reallocation by the school.
B. CARRYOVER

1. **Carryover of WSF Program IDs**
   FY 2007-08 carryover to FY 2008-09: Planned Carryover will remain in the same WSF Program ID as the allocation. FMS balance carryover from WSF Program IDs will be lumped into WSF Program ID 42100-08, and allocated in Character F. This is the same procedure as the two prior years.

2. **Carryover of Categorical Program IDs**
   Those categorical Program IDs which currently have carryover privileges will continue to carry over in the same Program ID; there is no change due to WSF.

3. **Limitations on Carryover**
   Carryover for the DOE is limited to 5% of the total general fund appropriation (HRS §37-41.5). Each school should do its best to limit its general fund carryover to 5% of the school's allocations to ensure the DOE does not exceed the statutory limit.

4. **Documentation of Carryover in Financial Plan**
   If a school is planning to use carryover to fund the financial plan, a notation should be included in the Carryover sheet of the template regarding the way it will be used. Carryover dollars are not included on the Financial Plan template.
C. CALCULATION OF WSF ALLOCATION AND ADJUSTMENTS

1. **Student Characteristics**
   The WSF allocation is calculated based on student characteristics. The data used to calculate WSF allocations for FY 2008-09 is as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Enrollment</th>
<th>ESLL</th>
<th>F/R Lunch</th>
<th>Transience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall 2007 (projected, for use in preparing AFPs)</td>
<td>Projected 2008-09</td>
<td>% of SY 2007-08 as of Sept 2007</td>
<td>% of SY 2007-08 as of Sept 2007</td>
<td>% of SY 2006-07 year-end</td>
</tr>
<tr>
<td>June 2008 initial allocation (amount matches Fall 2007 projection)</td>
<td>Projected 2008-09</td>
<td>% of SY 2007-08 as of Sept 2007</td>
<td>% of SY 2007-08 as of Sept 2007</td>
<td>% of SY 2006-07 year-end</td>
</tr>
<tr>
<td>August 2008 adjustment for Official Enrollment</td>
<td>1st Semester Official 2008-09 (August 8, 2008)</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
</tr>
<tr>
<td>September 2008 adjustment for enrollment increases</td>
<td>September 26, 2008 count</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
</tr>
<tr>
<td>January 2009 adjustment for enrollment increases</td>
<td>2nd Semester Official 2008-09 (Jan 19, 2009)</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
<td>% of SY 2007-08 year-end</td>
</tr>
</tbody>
</table>

2. **WSF Allocation and Updates**
   Each school’s initial WSF allocation amount for a school year could change as many as three times for one fiscal year, as various factors related to the calculation are updated. The chart lists the allocation calculations and timing.

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Transmitted Via</th>
<th>Dollars in Allocation</th>
</tr>
</thead>
</table>
| Fall Prior to the School Year       | WSF Tentative Allocation Calculation (for Academic/Financial Plan development) | Spreadsheet on the DOE website (accessible only from DOE network) | • Appropriation in budget  
• Minus holdback for Enrollment Adjustment  
• Minus holdback for “virtual school” (i.e., enrollment reserve to mitigate allocation decreases if official enrollment greater than projected) |
| June Prior to the School Year       | WSF Allocation                        | Allocation Notice in Lotus Notes, and loaded into the Budget System Expenditure Plan screens | • Same as the tentative calculation used for AFP |
August of the School Year | WSF Allocation Official Enrollment Adjustment | Allocation Notice in Lotus Notes (includes decreases to schools with lower enrollment, increases for schools with higher enrollment, and will also reflect any change in demographics) | • Appropriation as adjusted by the recently ended Legislative Session  
• Minus Governor’s and BOE’s restrictions, if any  
• Minus holdback for Enrollment Adjustment  
• Holdback for “virtual school” (enrollment reserve) zeroed out

September of the School Year | WSF Allocation Enrollment Increase Adjustment | Allocation Notice in Lotus Notes (includes increases to schools with higher enrollment, no decreases) | • Holdback for Enrollment Adjustment

January of the School Year | WSF Allocation – Mid-Year Enrollment Adjustment | Allocation Notice in Lotus Notes (includes increases to schools with higher enrollment, no decreases) | • Remaining balance of holdback for Enrollment Adjustment

## Timeline for WSF SY 2008-09 Allocations and Adjustments

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tentative Total Allocation for Financial Plan</td>
<td>Initial Allocation (Character F)</td>
<td>Adjusted Allocation (up or down 100%)</td>
<td>Adjusted Allocation (up 75%)</td>
<td>Adjusted Allocation (up 50%)</td>
<td></td>
</tr>
</tbody>
</table>

### 3. WSF Allocation Notices

There are initially two WSF Allocation Notices in Lotus Notes:

- A Character “A” allocation for the amount of average salaries plus fringes for the positions in all schools’ plans.
- A Character “F” allocation for each school, based on the total in the approved Financial Plan for Characters A1 (Casual/Hourly), B (Supplies and Other Current Expenses), and C (Equipment).

All WSF adjustment allocation notices (August, September, and January) will be in Character “F.” If schools choose to use the Character “F” funds for positions, the LSB-1 process must be followed to buy the positions.

### 4. Details of allocation calculations

A file with data specific to every school showing the tentative FY 2008-09 WSF allocation is at [http://reach.k12.hi.us/empowerment/wsf/](http://reach.k12.hi.us/empowerment/wsf/).

### 5. Official Enrollment Adjustment

In the August allocation adjustment, schools may lose or gain funds. If a principal expects that the official enrollment will be less than the projected
enrollment, it would be prudent to have a contingency plan such as leaving some positions vacant until the WSF adjustment is calculated. If the DOE’s allocation is restricted, the impact will be included in the August adjustment.

Allocation adjustments are in Program ID 42100. Schools need to transfer this adjustment amount to the various WSF programs using the “WSF Transfer” screen in the Budget System.

Schools receiving a negative allocation will be notified that they must reduce expenditure plans to place an amount in “Difference” and move the amount to Program ID 42100 to clear the negative allocation. The schools will be responsible to clear the negative allocation. If the negative has not been cleared after two weeks, the Budget Branch may reduce expenditure plans to clear the deficit, and notify the school of the expenditure plans which have been reduced. The school will then be responsible for making further adjustments if the school disagrees with the Program IDs/Characters reduced by the Budget Branch.

6. **September Enrollment Adjustment**
   To account for students who enroll shortly after the Official Enrollment Count date, schools with an increase in enrollment as of September 26, 2008 will receive a WSF allocation increase. The net increase in school attendance will be used to determine this allocation. The percentage of students with weighted student characteristics will be applied in the same manner as in August. The allocation adjustment will be prorated so that schools will receive 75% of the funds.

7. **Mid-Year Enrollment Adjustment**
   To account for students who transfer in at the end of the first semester, the school will receive a WSF allocation increase if it has a net increase based on the 2nd semester official enrollment count date. The net increase in school attendance will be used to determine this allocation. The percentage of students with weighted student characteristics will be applied in the same manner as in August. The allocation adjustment will be prorated so that schools will receive 50% of the full-year funding.

8. **Funding for Enrollment Adjustments**
   Schools’ WSF allocations may be reduced if there is a net decrease in either the September or the mid-year enrollment due to withdrawals that should have been taken prior to the OEC. The Budget Branch held back $5 million from the tentative WSF allocation so that it has funds available for schools with net gains in enrollment in September and January. The total WSF holdback amount will be allocated to schools. If the amount retained was in excess of the amount required for the mid-semester enrollment adjustment, every school will receive a pro-rata allocation.
D. POSITIONS

1. **Positions included in WSF**
   Funding for many types of positions (including casual or hourly personnel) has been placed into WSF. A sampling of the types of positions funded from WSF is listed below. **(Note:** This is not a complete listing.) There is no separate funding for these positions. If the positions are included in the Academic and Financial Plan, WSF funds should be identified as the funding source for these positions, or another source of funds will need to be identified by the school.

   - **Salaried Positions (FTEs)**
     If these positions were established at the school in November 2007 for FY 2007-08, they were pre-loaded into the Financial Plan template.

<table>
<thead>
<tr>
<th>Teachers</th>
<th>Student Services Coordinators</th>
<th>Principals</th>
</tr>
</thead>
<tbody>
<tr>
<td>SASAs</td>
<td>Counselors</td>
<td>Vice-Principals</td>
</tr>
<tr>
<td>Student Activities Coordinators</td>
<td>High-Risk Counselors</td>
<td>Registrars</td>
</tr>
<tr>
<td>School Librarians</td>
<td>Library Assistants</td>
<td>Clerks</td>
</tr>
<tr>
<td>Education Assistants</td>
<td>Clerk Stenos</td>
<td>Clerk-Typists</td>
</tr>
<tr>
<td>Account Clerks</td>
<td>School Security Attendants</td>
<td>School Custodians and Swimming Pool Custodians</td>
</tr>
</tbody>
</table>

   - **Casual or Hourly Hires**
     These positions must be included in the Financial Plan if they are to be used by the school.

<table>
<thead>
<tr>
<th>Part-Time Temporary Teachers (PTTs) for World Languages, ESL</th>
<th>Classroom Cleaners</th>
<th>Class-size Reduction PTTs for 3rd grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Para-professional Tutors (PPTs)</td>
<td>Adult Supervisors</td>
<td>PSAP consultants</td>
</tr>
<tr>
<td>Substitute Teachers from Priority Funds</td>
<td>PCNC Coordinator</td>
<td></td>
</tr>
</tbody>
</table>

   **Note:** Meal Count Assistants are paid from the School Food Services program, not from WSF.

2. **Position funding split between multiple Program IDs**
   - Certificated positions can be funded by a maximum of two Program IDs, with each at 50% FTE.
   - Classified and SSP positions can be funded by a maximum of three Program IDs, with each at 25% or more of the FTE, for no more than 100% FTE. If the total FTE of a classified or SSP position is less than 50%, the Office of Human Resources must submit a proposal for bargaining unit exclusion to the union for agreement. Schools may find it difficult to fill positions that are less than half time.
3. **Positions not included in School Financial Plans**

Some programs with staff assigned to work on school campuses are considered to be “centralized” programs, and their positions have not been included in the Financial Plan templates. These currently include:

- School Based Behavioral Health
- School Food Service (Cafeteria Managers, Cooks, Bakers, Cafeteria Helpers, Meal Count Assistants)
- Afterschool Plus (A+) Program

4. **Position shared by multiple schools**

- If more than one school plans to share a position, each school’s AFP must account for their portion of the salary and fringe costs, although the position will be established at one school (or perhaps at the complex Org ID).
- The narrative of the Academic Plan should list the schools which will be sharing the position, and state where the position will be established.
- The “host” school should include 1.00 FTE in the Salaried Personnel section of the AFP. A negative amount should be added in the Current Expenses section, using Description – Cash Adjustments for the portion of the salary that will come from another school. Use the “Principals Notes” column to indicate the shared position (e.g., “Position to be shared with _____, _____, and _____ schools on a 25%/25%/25%/25% basis”).
- The sharing schools should include their portion of the salary cost in the Current Expenses section, using Description – Cash Adjustments.
- After the allocations are received, the sharing school(s) should use the LSB-3 form to transfer their portion of the salary cost to the Org ID where the position is established.
- When agreeing to share a position with another school, principals should also consider issues such as:
  - the cost of mileage if the employee needs to travel between the schools;
  - who will be responsible for supervision and the performance evaluation of the employee;
  - the employee’s schedule at each school;
  - how to determine priorities when more than one school urgently requires the employee’s assistance.

5. **Combined functions**

Principals may combine positions to more effectively use personnel. Positions should be within the same bargaining unit, and the capabilities and qualifications of individuals in combined positions should match the requirements of the positions. A half-time 10-month certificated position **cannot** be combined with a half-time 12-month certificated position, due to difficulties with record-keeping on the benefits.
6. **Mandated positions**
   The purpose of WSF is to give schools the flexibility to achieve their academic and financial goals. As one example of this flexibility, there are no mandated positions. There are mandatory **functions** which must be completed on a regular basis. These functions are generally carried out by individuals:
   - A management and supervision function (e.g., principal);
   - Administrative functions (e.g., SASA, clerks);
   - Instructional support functions (e.g., registrar);
   - Instructional support functions which include student support functions (e.g., student services coordinator and counselors); and
   - Safety and well-being functions (e.g., school security attendants and custodians).

   The principal and School Community Council will determine how these various functions are to be completed on a regular basis, within applicable federal and state laws, Board of Education policies, and collective bargaining agreements.

   The school is not required to have a 12-month Student Services Coordinator position, if there are other means to ensure that the student support functions cited above can be completed even when school is not in session.

   The school is not required to have a PCNC Coordinator, but must meet the expectations of BOE Policy 2403, “Parent/Family Involvement.” If the school receives Title I funds the school is also expected to regularly assess the effectiveness of its parent involvement activities.

7. **Positions specific to school levels**
   School plans may include types of staff not formerly allocated to certain school levels. For example, an elementary school’s plan could include a security attendant or student activities coordinator, which were formerly allocated only to secondary schools.

8. **Class size**
   - As a guideline, Board of Education Policy 2237 lists optimum class sizes of 20:1 for grades K-3, and 26:1 for grades 4-12. This is a guideline, not a requirement.
   - The policy states that the maximum class size for grades K-2 shall be 25 students.
   - An average of 26.15 students per teacher is a state-wide contractual obligation. It is not a school-by-school requirement.
   - A school deviating significantly from the Board of Education’s policy should be able to justify the deviation.

9. **Staffing formulas**
   Under WSF, principals have the discretion to explore alternatives to the
historic staffing formulas for positions funded by WSF. Positions not in WSF programs will continue to be allocated to schools as they are now allocated.

10. **Class size grievance**
   The AFPs will be developed with input from teachers, reviewed by the School Community Councils, and approved by the Complex Area Superintendents. These will be checks and balances on principals’ personnel actions that might otherwise lead to a grievance.
E. SALARY COSTS

1. **Average Salaries**
   For the SY 2008-09 plans, the average salaries were calculated for all general funded positions in the Fiscal Biennium 2007-2009 biennial budget that have school Organization IDs in the Uniform Accounting Code. Average salaries will be re-calculated every two years, when a new biennial budget is prepared, to reflect changes to pay schedules.

   The complete list of average salaries for Fiscal Biennium 2007-2009, “Average Salaries for FY 2009 AFP,” is attached. For SY 2009-10, a new computation will be made, which will be used in the SY 2009-10 Excel template.

2. **Combined average for Bargaining Unit 05**
   For Bargaining Unit 05 members (such as teachers, librarians, counselors, 10-month student services coordinators, 10-month student activities coordinators, and 10-month registrars) the average salary is based on all 10-month positions, regardless of object code description. For 12-month BU05 members, the average salary is 10-month times 1.2.

3. **Principals**
   For principal positions, the average salary is based on the school level (Elementary, Middle, and High School) and the projected enrollment size of the school. This is the same classification used by the Office of Human Resources to determine principal levels. The levels are:
   
   - Elementary principal (under 200)
   - Elementary principal (200-599)
   - Elementary principal (600-999)
   - Elementary principal (1000+)
   - Elementary principal multitrack
   - Middle principal (under 400)
   - Middle principal (400-899)
   - Middle principal (900+)
   - Middle principal multitrack
   - High School principal (under 600)
   - High School principal (600-1199)
   - High School principal (1200-1799)
   - High School principal (1800+)

4. **Rates for casual hires**
   Casual positions are those which are paid by the day or by the hour. The current rates used in the Casual Personnel System are online in the ISSB web site. Go to [http://www.issb.k12.hi.us/](http://www.issb.k12.hi.us/), click on Casual Personnel, click on Occupational Groups Table. The table can be sorted alphabetically (by
Occupational Group Description) and also by Occupational Group Code, which groups similar positions together.

5. **Increase in classroom cleaner hourly pay rate**
The 2007 Legislature added funding to WSF to accommodate an increase in classroom cleaner hourly pay from $7.25/hour to $8.00/hour. Funds have been added to the WSF “pot” to pay for the increases.

6. **Variation from minimum wage**
Some principals have reported difficulty attracting applicants for casual hire jobs such as classroom cleaners and adult lunch supervisors and believe that higher pay may be a solution. Principals may recommend through their Complex Area Superintendent to the Assistant Superintendent, Office of Human Resources, with supporting justification, to consider a change to the compensation pay rate for the Classroom Cleaner or Adult Supervisor category. Among other factors, the duties and responsibilities of the Classroom Cleaner or Adult Supervisor would need to be reviewed in determining an appropriate compensation rate for the job class. If a higher pay were to be approved, it would apply to all employees in the job class, at all schools, not just the schools requesting the pay raise.

7. **Position classifications**
The school may determine that a position classification that the school has not used previously is needed. The complete list of non-certificated position classifications is available through the state’s Department of Human Resources Development, at [http://www.hawaii.gov/hrd](http://www.hawaii.gov/hrd). From the home page, click on Position Classification and Compensation, then click on Class Specifications and Minimum Qualifications.

If the school requires a position type on this list, and the position is not among the pull-down options on the Excel Financial Plan, contact the Budget Branch’s Preparation or Execution Section to request a customized revision of the school’s template. The Budget Branch will coordinate with the Office of Information Technology Services – Information Systems Services Branch (OITS-ISSB) to revise the template for the school. After the AFP has been approved by the CAS, the school office must work with the district classified PRO to establish the position.
F. OTHER COSTS RELATED TO POSITIONS

1. **Fringe costs**
   The AFP must include a budget for fringe costs for all positions included in the AFP.
   a. Fringe costs for WSF positions are automatically calculated based on the average salaries in the WSF budget.
   b. Fringe costs for general fund categorical positions are calculated on the template, but charged to specific fringe Program IDs.
   c. Budgets for programs with positions to be paid from non-general funds (i.e., federal, special, or trust fund) must include fringe costs, as is the current practice.

   The fringe rate for salaried positions in general fund programs for FY 2008-09 is 36.46%. For non-general funds, the actual fringe cost is charged for salaried positions and casual hires.

2. **Substitutes**
   Substitutes for sick leave, vacation leave, vacancies, and vicing positions for WSF-funded positions will continue to be centrally paid. The school does not need to include these costs in the AFP. However, the school should ensure that the substitutes that are hired are for positions that are in the AFP, and not hire substitutes for unbudgeted positions. Substitutes for classified and SSP positions must be due to the valid absence of an incumbent employee. Substitutes for school-initiated reasons, such as professional development, are not paid for centrally and should be budgeted in the school’s AFP.

3. **Salary differentials**
   Differentials such as grade level chairs, department chairs, and band will be centrally paid. The school does not need to include these costs in the AFP. The cost of these differentials has been included in the calculation of the average salaries.

4. **Temporary Assignment Pay**
   The differential pay for a teacher-in-charge or for other employees in temporary assignments will also be paid centrally for SY 2008-09. The school does not need to include these costs in the AFP.

5. **Principal mentor costs**
   The cost of mentors for schools with Academic Certification for Excellence (ACE) candidates will be centrally paid.

6. **Callback pay for teachers**
   It is possible for a teacher to be recalled on non-work days if the CAS gave prior approval for work that the teacher would normally do during their normal work day. The procedure is that the school submits a letter to the CAS with the justification, recall dates and funding source and requests approval. After the last day of recall, the school submits the Timesheet (D56) and the CAS-
approved letter to OHR-Certificated Transactions for payment authorization. The Timesheet should use Object Code 2720, Recall Duty Premium. The Financial Plan should show the projected costs in Character A1, Object 2720.

7. **Overtime**
   Overtime must be paid by the school.
   **Exception:** For SY 2008-09, custodial overtime will continue to be paid centrally.

8. **Collective bargaining increases**
   The pay raises and step movements that are negotiated and funded after the DOE’s budget is submitted to the Legislature are paid centrally from a separate allocation from the Department of Budget and Finance (B&F). The increased salary amounts are not included in the average salary. There is a time lag between the payment of the increases and the change to the DOE’s budget. For example, the budget and the average salaries for FY 2008-09 are based on the pay schedules that ended June 30, 2005, because the budget was prepared in summer 2006.

   The pay raises funded during the 2007 Legislative Session are allocated separately to the DOE for FY 2007-08 and FY 2008-09. These pay raises will be included in the average salary calculations for FY 2010, and the WSF allocations to schools will be increased by the amount B&F adds to the DOE’s budget.
G. PERSONNEL ISSUES

1. **School Personnel List**
   On November 1, 2007, OITS took a “snapshot” of all positions established at the school. This data was provided to schools in an Excel file that schools can download from a web site at http://165.248.6.166/data/wsf/index.asp. The same November 1, 2007 data was used to fill in the FTE data in the school’s Financial Plan templates for FY 2008-09 planning. The School Personnel List included all positions (Classified, Certificated, and SSP) from all funding categories (WSF, Categorical, Centralized) to assist with development of the AFP. Principals are able to manipulate the Excel file (e.g., sort the file, print the data, update incumbent name if an employee leaves) when preparing the AFP. The Personnel List is only for the school’s information purposes; it does not need to be submitted to any offices.

2. **Reducing staff**
   The Office of Human Resources (OHR) follows established staff reduction procedures for WSF positions that are not funded in the AFP for the next school year.

3. **Enrollment Adjustment positions**
   The principle of WSF is that the weights substitute for “district help,” determining objectively and transparently the support each school receives. There are no district reserve positions or cash reserves under WSF.

   The preliminary WSF allocation was based on a school’s projected enrollment, and will be adjusted (up or down) as of the official fall enrollment date. Schools will receive dollars if their enrollment increases, and may use the dollars to add positions. WSF allocation adjustments will be made in September, and again in January 2009, for schools whose enrollment grows after the official fall enrollment.

   When schools prepare their AFPs, they should also identify contingency plans in the event enrollment is lower or higher than projected. Schools whose official enrollment is below projected enrollment will need to implement “Plan B” (the contingency plan) that ideally was developed at the time they developed their AFPs.

4. **Revising position descriptions**
   A school administrator might revise a position description that downgrades the position. It is not permissible to downgrade filled positions for the purposes of saving money or respond to performance issues. Poor performance is a supervision issue, not a classification issue.
5. **Outsourcing**  
The use of contracted employees instead of state employees is governed by Section 89A-1 in HRS. The procedures that must be followed if outsourcing is desired have not yet been developed.

For FY 2008-09, outsourcing will not be available except for classroom cleaning as described in “Concerns Regarding Specific Programs.” The outsourcing process will take time and require assistance from the state Office of Collective Bargaining and managed competition. Before a school can outsource, it will need to determine clearly what the in-house cost is, and whether the in-house cost can be reduced to where it is competitive with outsourcing. If custodial services are outsourced, standards for health and safety still need to be met.

Procedures for contracting for classroom cleaning have been published by the Office of Business Services (OBS) in a 6/25/07 memo from Randy Moore, Assistant Superintendent for the Office of Business Services, to Principals. Please note the memo was issued prior to the change in office name from OBS to the Office of School Facilities and Support Services (OSFSS).

6. **Reducing permanent versus temporary positions**  
The positions funded through the WSF allocation will be decided each year so there is technically no “reducing” of those positions. The school should first look to reduce vacant positions. New positions created by schools under WSF are temporary, unless a school needs to take a permanent employee who is displaced from another school.

7. **Filling WSF positions**  
The regular hiring process (recruit, screen, interview, recommend, etc.) applies when filling a WSF position. Existing DOE and collective bargaining procedures regarding filling positions must be followed. The principal cannot move an incumbent from an existing position to a newly created position without following recruitment procedures.

8. **Positions versus dollars**  
For programs in the WSF allocation, the resources will be allocated via funds, not positions based on staffing formula. Previously, those resources were allocated via staffing formula. With WSF allocation, this has changed. However, employees will still be in the schools (based on the schools’ AFPs) and will still have position numbers.

All categorical programs will continue to be allocated as in previous years - a combination of position and funds, or positions only or funds only. There is no change.

What is different is that the principal has the flexibility to determine the best use of WSF positions to improve student achievement. Staffing needs are
based on which WSF positions are needed to implement the AFP that is submitted to the School Community Council for recommendation and approved by the Complex Area Superintendent. That means that principals cannot "cherry pick" individuals.

9. **Applicability of bargaining unit contracts**

Principals do not have the authority to make personnel or operational changes in a manner contrary to bargaining unit contracts. Principals, like all supervisors, are responsible for following the law, policies, rules, regulations and collective bargaining agreements. Act 51/04, which included the implementation of WSF, does not give principals or the DOE unilateral authority to ignore or violate any of the above. All DOE employees are responsible for implementing Act 51 within the boundaries set by law, policies, etc. Act 51/04 does not override collective bargaining. The intent of Section 63 in Act 51/04 was to address implementation of specific sections of Act 51/04. It was not intended to override personnel rules and regulations nor override what the DOE agreed to in our respective contracts.

For HGEA and HSTA, the exception to the contract process is in place and provides a process to get the changes recognized and approved.

The DOE honors its contracts with HGEA, HSTA and UPW.

10. **Role of the Personnel Regional Officers (PRO) in WSF**

One role of the PROs is to place any incumbents displaced because of staff reductions resulting from the AFP. The PROs also assist the principal in recruiting and filling WSF positions included in the AFP.

The PRO also assists the principals and CASs in reviewing the positions included on the AFP prior to CAS approval of the AFP. After the AFP has been approved by the CAS, the PRO receives a copy of the email with the Summary of the Financial Plan as confirmation that the CAS has approved. The PRO verifies that the certificated positions funded by WSF on the approved Financial Plan are properly listed on the School List report for the next school year, and positions that are not funded are deleted from the School List report.
H. CONCERNS REGARDING SPECIFIC PROGRAMS

1. **E-rate**
   Eligibility for E-rate, and E-rate procedures, did not change due to WSF.

2. **English Language Learners (ELL)**
   The principal has discretion over the way services will be provided to ELL students, and the total amount of the WSF budget that will be used for these services. The WSF budget for ELL should generally be equal to or greater than the FY 2005-06 allocation for ELL Program ID 16887, English for Second-Language Learners. Please note that Program ID 34660, District Resource Services-ELL, is NOT in the WSF. The districts will continue to have Bilingual/Bicultural School-Home Assistant positions and District Office Teacher positions to support the ELL program.

3. **Custodial staffing**
   The staffing formulas for custodial positions are guidelines, not rigid, and they are department guidelines, not bargaining unit requirements. Custodial staffing (and classroom cleaning) will be determined through the AFP and may differ from current practice. Schools that want to change their custodial staffing will need to provide a rationale in their AFPs, which require School Community Council review and CAS approval. Health and safety standards must be met.

4. **School custodian working as a classroom cleaner**
   The school’s WSF allocation will NOT be increased if a half-time school custodian or cafeteria helper also works as classroom cleaner and is paid the custodian or cafeteria helper hourly rate. The increased hourly cost will be covered centrally via a monthly automated JV which reduces the school’s expenditures by the increased hourly cost (i.e., posts a credit to expenditures). The JV can be seen on the FMS DAFMZ011 report in the Expenditures section.

5. **Salary of Head Custodian**
   The average salary chart used to prepare the Financial Plan does not distinguish between the cost of a head custodian or other custodians.

6. **Volunteers working as classroom cleaners**
   Schools may provide for classroom cleaning by using volunteers. If a school determines that fewer school custodial positions are required due to the use of volunteers, please discuss the plan with the PRO to ensure that the proper parameters are followed to be in compliance with HRS §302A-1507, regarding Classroom cleaning project.

7. **Contracting classroom cleaner services**
   Hawaii Revised Statutes allows "mechanisms" for cleaning classrooms, in
§302A-1507 (copied below). When considering a contract to clean classrooms, principals should be mindful of the following:

- The collective bargaining contract with UPW requires that part-time custodians must be afforded the opportunity to work additional hours as classroom cleaners before casual employees may be hired.
- No full-time custodial staff employed at the school may be displaced due to the contract.
- Procurement law requires that contracts of $25,000 or more must be competitively bid.

Procedures for principals to follow to contract for classroom cleaning are in a 6/25/07 memorandum from Randy Moore, Assistant Superintendent, OBS.

§302A-1507 Classroom cleaning project; established. (a) There is established a classroom cleaning project in all public schools, excluding new century charter schools and new century conversion charter schools. Each school, through its school community council, may develop mechanisms to provide for classroom cleaning, including but not limited to having parent, student, or other community groups clean the classrooms on a regular, continuing basis. (b) Schools may use any available resources to achieve the purposes of this section; provided that no full-time custodial staff employed at the school shall be displaced. [L 1996, c 89, pt of §2; am L 2004, c 51, §31]
8. **Reimbursement for custodial services from non-school operations on the campus**
   Some schools host non-school operations on their campus (such as public charter schools, state and district offices, adult community schools). These operations are not included in the calculations of the school’s WSF allocation, but the school may provide custodial services to these operations. If the school provides custodial or cleaning services, the school will be entitled to request reimbursement from the non-school operations for the costs of providing such services. These operations will receive a separate allocation for custodial services and/or classroom cleaners. The methodology for calculating and requesting reimbursement is being developed by OSFSS.

9. **School Facilities Support Services provided by OSFSS**
   OSFSS is responsible for some providing certain services at school facilities. A memo dated 3/3/07 from Randy Moore, Subject: Custodian and Facilities Responsibilities under Weighted Student Formula, includes a matrix detailing the responsibilities of schools and OSFSS.

10. **School custodial purchases from WSF funds**
    Schools are responsible for the following purchases:
    - custodial safety supplies and shoes;
    - custodial restroom supplies;
    - floor wax and sealant;
    - custodial equipment (floor vacuum cleaners, wet & dry vacuum cleaners, floor polishers, weed whackers, custodial carts, hand trucks, dollies, ladders, trimmers, etc); and
    - custodial cleaning supplies.

11. **School-level Repairs & Maintenance (R&M)**
    The R&M costs the school must cover with WSF funds are:
    - wall clock;
    - re-finish material for gym floor;
    - repair irrigation system;
    - landscape for school;
    - re-key locks;
    - material for community projects;
    - small hand tools for repairs; and
    - hiring a consultant to carry out electrical power study for school-installed air conditioning units (BOE Policy 6700).

    For further questions, or if schools run into emergencies regarding the above R&M needs, please contact:
    Francis Cheung
    Engineering Program Manager
    DOE-Office of School Facilities and Support Services
    Facilities Maintenance Branch
    Phone: 831-6731
12. **Safety Managers**

The Safety Manager program is operated under a centralized contract. OSFSS has developed a procedure for contracting for a safety manager under WSF. The annual cost for contracting each of the current 10-month safety managers is $43,000 for SY 2007-08; if fewer contracted safety managers are requested by schools, the cost will be more due to shared overhead costs. To include a contract for safety manager in the Financial Plan, go to the School Operations input sheet, in the Current Expenses section, select SVC FOR FEE (NON-STATE), enter a cost of $43,000, select the WSF-School Facility Services Program ID, and add a note in the Principals’ Notes column that the contract is for a safety manager. These funds will need to be transferred to OSFSS using form LSB-3 to enable a centralized contract to be executed.

13. **Article VI Teachers**

The Article VI teacher positions are not included in WSF for SY 2008-09, they are Categorical positions. This may change in future school years. The tentative SY 2008-09 Article VI teacher allocation was determined by OCISS, and sent to the CASs and PROs via email on October 24, 2007. Schools will be notified of the changes to the tentative allocation after the official enrollment count date.

14. **Changes to Categorical allocations**

Requests to alter staffing of categorical programs must be discussed with and approved by the Program Manager for the categorical program. If the request is to sell categorical positions that have been allocated to the school, the school must work with the program manager for the categorical program.

15. **Protocol Funds**

Schools may transfer WSF funds into Program ID 42114 for the purchase of items such as lei and refreshments. The recommended cap for protocol expenditures in one year is $1 per student, or $1,000 per school, whichever amount is greater. Protocol funds should be used judiciously, as expenditures will be reviewed and if necessary this policy may be adjusted. (Reference October 13, 2006 memo from Superintendent Patricia Hamamoto, Subject: Discretionary Protocol Account Changes.)

16. **Out of State Travel**

Costs for out-of-state travel may be included on the Financial Plan, paid with WSF funds, **only if the approved Academic Plan includes an Enabling Activity that requires out-of-state travel**. The Enabling Activity must detail the estimated cost of the travel expenses (e.g., per diem, conference registration, air fare, car rental) and the Financial Plan must include a reference to the Enabling Activity in the "Acad Plan" column (Column M) for each of the estimated expenses.
17. **Career and Technical Student Organizations**

Career and Technical Student Organizations (CTSOs) are recognized as integral to the career and technical education program. All funding for these organizations is included in the WSF allocation. In order to access statewide activities for CTSOs, a buy-back procedure has been established by the Office of Curriculum and Student Services. The procedures for SY 2007-08 are described in a June 13, 2007 memorandum from Linda Unten, Acting Assistant Superintendent, Subject: Weighted Student Formula Buy Back Procedures for Career and Technical Education Student Organizations (CTSOs).
I. CREATING THE FINANCIAL PLAN

1. Excel template files
   OITS-ISSB assists the Budget Branch in providing a template to each school to create the financial plan. The templates are pre-loaded with the following data:
   - Current school year positions (WSF and Categorical only) as of November 1, 2007
   - Prior school year expenditure plans for general and federal funds, including WSF programs
   - Prior school year FMS expenditures

2. Delivery of Excel template files to the school
   The template (an Excel file) for each school is posted on a website, so the file can be downloaded at the school. This website can only be accessed from within the DOE network. The address is:
   http://165.248.6.166/data/wsf/index.asp
   After the approved AFPs have been received electronically, the Excel templates can no longer be downloaded.

3. Pre-loaded template data
   Schools have varying amounts of detail on the pre-loaded Excel template file. The non-salary data on the files is either from the prior year’s Expenditure Plans in the Budget System (for general and federal funds), or based on the actual expenditures from FMS. If one school summarized multiple expenditures into one Object Code (e.g., Classroom Supplies), that school will appear to have less detail than another school which used many Object Codes in its Expenditure Plan.

4. Procedure for Creating the First Draft of the Financial Plan
   a. Review the Academic Plan with its prioritized activities (developed after analyzing student data, obtaining community input, and identifying targeted interventions).
   b. Check the Office of Information Technology Services-Information Resource Management Branch’s (OITS-IRMB) enrollment projections for next school year as published in Lotus Notes, DOE Memos & Notices.
   c. Review the current personnel list provided by the Office of Human Resources (OHR), verify that all positions listed are at the school, verify what positions fall under WSF versus other funding categories.
   d. Review last year’s allocations, detailed by WSF and Categorical (data from prior year expenditure plan and established positions will be provided in Excel).
   e. Review last year’s actual expenditures by Object Code (FMS report DAFR385A).
   f. Identify the cost of items to be included (average salaries, substitute teacher costs, other casual hire costs, equipment, telephone, office
operations such as copy machine, security alarm service, equipment maintenance).

g. Identify other available resources (e.g., special and trust funds, new grants, Local School Account).

h. Review the categorical allocations from prior year to determine the likelihood that each fund will continue to be allocated (refer to Lotus Notes “DOE Budget Alloc Details FY 2007” database for specific Program ID allocation notices and rationales).

i. Identify the fixed costs such as positions required, office operations, telephone, custodial supplies.

j. Identify the costs that can be covered by anticipated categorical funds.

k. Identify the costs that can be shared with other schools in the complex or complex area (e.g., professional development, equipment).

l. Prioritize the remaining needs using criteria determined by the school, such as the school’s vision and goals, programs required for restructuring.

m. Plan to use the WSF funds for highest-priority costs that are not covered by categorical funds.

n. Prepare a prioritized list of other needs that will be funded if additional funds are available (e.g., carryover from prior year, savings in fixed costs, new appropriations from the Legislature, new grants).

o. Prepare a contingency plan to be used if WSF allocation decreases or increases due to a change in enrollment (e.g., identified vacant positions that will not be used and which can be “sold,” or planned expenditures that can be deferred or funded through other means).

Note: The Financial Plan should contain all costs at the school, except centralized costs such as Food Services and SBBH. The Academic Plan only contains the costs related to the interventions described in the plan. The school’s total financial costs are not included on the Academic Plan.

5. **Differences in Projected Enrollment**

   If the principal believes the OITS enrollment projection is too low for the next school year, and more teachers will be needed, there are two options:

   - **Option 1.** Include additional teacher positions in the AFP, and a low amount of funds for supplies and equipment, expecting that an increased allocation will be received in August and can be used for supplies and equipment. When the official enrollment count date is near, if the principal sees that the enrollment will not be greater than the projection, the additional vacant positions can be “sold” via the LSB-1 process.  
     **Pros:** Allows adequate time for recruitment for teachers.  
     **Cons:** The school’s purchase of supplies and equipment may be delayed.

   - **Option 2.** Prepare the AFP to match the projected enrollment. Hold back on expending WSF supply and equipment funds during July. When the official enrollment count date is near, if the principal sees that the enrollment will exceed projection, begin the LSB-1 “buy” process to add teachers, with the expectation that an increased allocation will be
received. During the period between May 1 and the enrollment adjustment allocation, LSB-1Bs can be submitted to “buy” positions even if the school will not have sufficient allocation to pay for the positions until the enrollment adjustment allocation is received.

Pros: Allows the school to wait longer before making a final determination regarding the number of teachers required.

Cons: May be more difficult to recruit for and fill teacher positions that are established through the LSB-1 “buy” process close to the time school begins.

6. **Categorical funds (including federal funds)**
   The AFP should be updated to include the categorical positions which have been tentatively allocated. Non-salary amounts for categorical programs do not need to be adjusted unless the principal predicts that a particular categorical program or federal grant will no longer be allocated to the school. The categorical funds are included in the AFP to provide a complete picture of the school’s resources. The FTEs and amounts submitted in the final AFP do not affect nor determine the actual allocation of categorical funds.

7. **Special and Trust funds**
   The data for special and trust funds that are pre-loaded in the Excel Financial Plan Templates are the amounts actually expended through FMS in the prior fiscal year. When preparing the AFP, the principal should zero out the items for special or trust funds that are not expected to be available to the school in the plan year, such as one-time donations in trust funds. For funds which are not expected to have significant variation, the principal could leave the amounts at the pre-loaded level.
   - Special funds at the school could include:
     - Summer School and other out-of-school hour programs
     - Reimbursement for Lost Textbooks
     - Driver’s Education
   - Trust funds at the school could include:
     - Donations and Gifts
     - Athletic gate receipts
     - Grants from private business, agencies, or foundations (e.g., Alu Like, Office of Hawaiian Affairs)
     - Funds from private grant sources may be used to hire staff such as teachers and EAs. Please note that the actual salaries and fringe benefit costs for these positions will be paid by the school.
   
   The special and trust funds are included in the AFP to provide a complete picture of the school’s resources. The FTEs and amounts submitted in the final AFP do not affect nor determine the actual availability of special and trust funds.

8. **User Fees**
   Schools and/or SCCs are not permitted to assess user fees for students.
9. **Measures to prevent financial mistakes in preparing and implementing the AFP**
   
a. The principal will have a listing of all school personnel, with source of funding, for reference when preparing the financial plan.

b. The Excel template includes a worksheet which shows the number of WSF positions established at the school as of November 1, 2007, the number in the plan, and the difference (gain/loss of FTEs). This worksheet should be reviewed by the CAS prior to electronic approval of the financial plan.

c. The principal, PRO, and CAS will receive an email with a pdf of the Summary report from the Financial Plan when it is approved by the CAS. The principal should compare this report to the Summary from the version of the Financial Plan the principal intended to submit, to verify the correct version was submitted.

d. The PRO will use the summary of position changes (from the Excel template) to follow up on personnel actions required to implement the plan.

e. The data from the AFP Excel worksheets will be used to create each school's WSF allocation, and expenditure plans for the WSF programs into the Budget System based on the details in the AFP.

f. The Budget Branch, OHR, and the PRO will monitor positions established and identify discrepancies between AFP and actual, if any, so the discrepancies can be corrected.

g. Any changes to the positions in the CAS-approved AFP must be made through the LSB-1 “buy/sell” procedure.

h. FMS will continue to control expenditures for supplies and equipment for all funds (except Local School Accounts), based on either the allotment received from the Budget System Expenditure Plan or the cash received (depending on the type of fund).
J. SUBMITTING THE FINANCIAL PLAN

1. **Electronic submittal by principal to CAS**
   The principal submits their Financial Plan electronically to the CAS, not to the Budget Branch. The submittal must be done from a computer which is on the DOE’s intranet.

   If a principal has created more than one version of the Financial Plan precautions should be taken to ensure the correct version is submitted for CAS approval. A separate folder should be used for the “draft” versions of the plan, to distinguish them from the “final” version.

2. **Hard copy submittal by principal to CAS**
   CASs have the discretion to determine which of the financial plans is to be submitted to them in hard copy. Please check with the CAS if instructions have not been provided.

3. **Electronic submittal by CAS to Budget Branch**
   After the CAS has reviewed and approved the financial plan, the CAS will submit the plan electronically to the Budget Branch. The submittal must be done from a computer which is on the DOE’s intranet.

   **Note:** This is the final official Financial Plan, that will be used to create the WSF expenditure plans and allocations for each school within the Budget System, and which the PROs will use to check the WSF positions required at each school. Any amendments to the plan made after CAS approval will not be automatically reflected either in the Budget System or in the personnel listings. See Section K for further information.

   When the CAS electronically approves the financial plan, a pdf file of the Financial Plan Summary Worksheet will automatically be generated and emailed to the principal, the PRO, and the CAS. The principal should save this file to the principal’s computer, and verify that it matches the Summary Worksheet from the version of the plan the principal is following.

4. **Hard copy submittal by CAS to state office**
   No hard copies are required to be submitted to state office.

5. **Posting on web**
   The School Documents Online site will post the Summary Worksheet automatically.
K. **AMENDMENTS TO THE APPROVED FINANCIAL PLAN**

1. **Amendments for enrollment changes**
   If the official enrollment is greater than the projected enrollment, and the school requires additional staffing, the school must fund the increased staffing with the funding received from the increased allocation. The increased staffing must be purchased using the LSB-1 buy/sell procedure, initiated by the school. The Personnel Regional Officer (PRO) does not have any district reserve positions to allocate to accommodate increased enrollment.

2. **Amendments due to vacancy of a planned position**
   If the school has recruitment difficulties and cannot fill a position that was included in the approved AFP, the position can be sold and funds used for other expenditures, using the LSB-1 buy/sell procedure. A chart is available showing the dollar values of positions + fringe at bi-weekly intervals. The full year’s dollar value of the position cannot be returned to the school due to the need for central funds to pay for substitutes and budgeted vacancy savings.

3. **Timeline for adding or reducing staff**
   The buy/sell process will begin May 1, 2008 for SY 2008-09 (prior to the beginning of the school year) and will end on February 27, 2009. Positions can be bought beginning May 1, prior to the school receiving an enrollment increase allocation, to increase the probability of filling the positions prior to the beginning of the school year. Schools will not be able to sell vacant positions for SY 2008-09 after February 27, 2009. The LSB-1 form requires the signature of the Complex Area Superintendent.

   Additional information, including blank forms, is in the section titled School Based Budgeting Implementation Procedures in the Lotus Notes database “Budget Execution Procedures” for more information regarding the LSB-1 process and regarding processing times.

4. **Amendments due to change in implementation approach**
   If the school’s expenditures vary from the AFP due to changes in approach to implement the AFP, the reason for the variance should be explained to the School Community Council (SCC). It is not necessary to submit an amended plan.

5. **No revisions to approved Financial Plans**
   It is not necessary to submit a revised Financial Plan template to the Budget Branch if any of the above amendments have been made.
1. **The School Community Council (SCC) and the AFP**
   
   Please note the School Community Council Handbook II (dated October 2006) includes the following:

   Successful councils practice good stewardship and act as a whole, taking responsibility for communicating with all role groups and for the benefit of all children rather than as individuals representing a role group and specific agendas. The SCC provides an opportunity for input to the school’s Academic and Financial Plan as well as recommendations for revisions. (page 9)

   The CAS is the final approver of the Academic and Financial Plan. (page 14)

   The principal is designated by state statute to develop the Academic and Financial Plan. The SCC may recommend changes while the principal has the final authority to determine the content of the Academic and Financial Plan. He or she is responsible for providing the SCC rationale for not incorporating into the plan any of the SCC’s recommendations. An Assurances and Recommendation for Approval form has been developed for that purpose. (page 14)

2. **SCC Monitoring of the Financial Plan**
   
   A summary report of plan versus expenditures is being programmed for principals to update the status of the plan implementation to the SCC. A sample report layout is attached. The principal should expect to report summary financial data to the SCC. Some SCCs may also request more detailed data.

   The existing FMS Allotment Status Reports will continue to omit positions which are paid from the Central Salary account. This includes the on-line reports and the monthly DAFR4480-A report. These reports should not be used for monitoring the plan because the plan includes positions which are paid through the Central Salary account.

   The existing FMS Expenditure Status Report (DAFR385A) will continue to show actual salaries. This report should not be used for monitoring the plan because the plan is based on average salaries.

   The existing FMS-Budget Balance Reports will continue to show actual salaries without an allocation for Central Salary Program IDs. This report should not be used for monitoring the plan.
M. OTHER ISSUES

1. **Program manager’s monitoring responsibilities for WSF expenditures**
The program managers for programs that have been merged into WSF are not responsible for monitoring the schools’ expenditures for those programs. The accountability to improve student achievement, by following the AFP in the use of funds, rests with the principal.

2. **Educational Specialist Responsibilities for Programs in WSF**
The educational specialist's primary role is to (1) conduct research and development of processes and practices to continually improve the quality of program implementation, (2) conduct quality monitoring, and (3) provide technical assistance to schools. A related responsibility is the allocation of other funds for programs in the WSF (e.g., federal funds for ESLL).

3. **Allowable expenditures under WSF**
WSF expenditures must comply with state procurement rules and policies.

4. **Geographic exceptions**
The timeline for geographic exceptions will not change.

5. **Master Calendar**
The master calendar should be finished before the AFP is finalized. When the principal knows which courses the students want to take, the principal can use that data in developing the plan.

6. **Long-term plan for small schools**
The DOE does not currently have a formal plan for small schools. WSF will give communities the opportunity to design programs for small schools that may keep them financially viable.
N. References, Resources, and Forms

The following resources provide access to statutory, policy, and contractual authorities; and Standard Practice documents, procedures, and forms:
1. Standard Practice No. 0403 Developing an Academic and Financial Plan
2. Standard Practice No. 1611 Weighted Student Formula (General Description)
3. BOE Policies http://lilinote.k12.hi.us/STATE/BOE/POL1.NSF
4. School Community Council Handbook  
http://reach.k12.hi.us/empowerment/scc/
5. WSF downloads for principals http://165.248.6.166/data/wsf/index.asp

O. Appendices
1. Glossary of Terms
2. Average Salaries (for FY 2007-08 and FY 2008-09 AFP calculations)
3. How to use the Financial Plan template
4. Financial Plan Rubric for Principals
5. Sample Monitoring Report for SCC
6. Program ID Crosswalk (Lists FY 2007-08 Program IDs in WSF/Categorical/ Centralized, and indicates the section of the Financial Plan Template the Program ID is found: Standards Based Education, Quality Student Support, School Operations)

P. Forms
Please refer to the Budget Branch References database on Lotus Notes for copies of these and other forms:
1. Request to Buy WSF Position(s) (LSB-1B)
2. Request to Sell WSF Position(s) (LSB-1S)
3. School WSF Transfer Documentation (LSB-2)
## Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic and Financial Plan (AFP)</td>
<td>The document which provides guidance to a school for the next school year to improve student achievement and meet targets.</td>
</tr>
<tr>
<td>Allocation</td>
<td>Official notification of spending authorization to expending agency or office. This is the distribution of appropriated funds to schools and offices.</td>
</tr>
<tr>
<td>Allotment</td>
<td>Crediting the financial accounts with the amounts specified in the approved expenditure plan. Expenditures can only be charged against allotments. The allotment period is for one fiscal year.</td>
</tr>
<tr>
<td>Appropriation</td>
<td>An amount of money set aside by law for a specific public purpose. Unless otherwise allowed by law, no government funds can be expended by any department unless first appropriated by the legislature through law. These appropriated amounts are usually based on the budget requests submitted by the departments.</td>
</tr>
<tr>
<td>Carryover</td>
<td>Funds which were not spent in the prior year, and are still available for spending in the current year.</td>
</tr>
<tr>
<td>Complex Area Superintendent (CAS)</td>
<td>The person who supervises schools in a complex area and provides area-wide program coordination and support of special education, special services, and federal-funded programs.</td>
</tr>
<tr>
<td>Categorical</td>
<td>Funds which are expended at the school, and must be expended for the specific purpose for which the funds are provided.</td>
</tr>
<tr>
<td>Centralized</td>
<td>Funds which are expended by the complex area, district, or state office on behalf of the school or in support of schools. Examples include school food services, related services for special education students, utilities, state administration, and complex area administration.</td>
</tr>
<tr>
<td>Collective Bargaining (CB)</td>
<td>The process of negotiating agreements between employer and unions. Also used to refer to the additional funding required to pay negotiated pay increases.</td>
</tr>
<tr>
<td>Continuous Improvement (CI)</td>
<td>The section of the AFP which addresses procedures, operations, systems, practices development or refinement, communication systems, data management systems, and culture building programs.</td>
</tr>
<tr>
<td>E-rate</td>
<td>The Schools and Libraries Universal Service Support Mechanism which provides discounts to assist most schools and libraries in the United States to obtain affordable telecommunications and Internet access.</td>
</tr>
</tbody>
</table>
| English Language Learners (ELL)   | The program which provides federally-mandated instruction, transitional bilingual support, and multicultural education services for students of limited English proficiency in accordance with:  
• the Department's Identification, Assessment, and Programming System (IAPS) for students in the English Language Learners (ELL) Program  
• Title VI civil rights laws  
• No Child Left Behind legislation.                                                                                                                                                                                                                                                                                                                         |
<p>| Expenditure                       | The process of spending monies. The payout or outlay of cash for services and goods.                                                                                                                                                                                                                                                                                                                                                                                                       |</p>
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure Plan</td>
<td>A detailed plan of expenditures which shows how the allocated amounts will be spent during the year by programs, by sources of funds, and by objects of expenditure. The expenditure plan occurs right before or during the implementation of the budget. It is an updated version of the authorized budget. The purpose of the expenditure plan is to make sure sufficient funds are set aside for planned expenditures. In this way, the necessary funds are in the proper allotment ledgers when the charges, whether they occur through payroll or purchase orders, are processed.</td>
</tr>
<tr>
<td>Fiscal Year (FY)</td>
<td>The period from July 1 through June 30. The Fiscal Year is often referred to by the year in which the FY ends. For example, FY 2009 is the period from July 1, 2008 through June 30, 2009.</td>
</tr>
<tr>
<td>Geographic Exception (GE)</td>
<td>A process which allows students to apply for enrollment at a school other than the school in their home geographic area. Students are granted a GE status for a variety of reasons. While anyone may apply for a GE, students who attend one of the schools identified as “in need of improvement” is given priority to transfer to a school located on the same island that is not identified as needing improvement. A GE request for a special Program of Study (for example, Learning Centers and Hawaiian Immersion) will also receive priority consideration.</td>
</tr>
</tbody>
</table>
| Hawaii Government Employees’ Association (HGEA)             | The labor organization chosen as the exclusive representative by bargaining units 2, 3, 4, 6, 8, 9, and 13, representing supervisory, clerical, scientific and professional employees, and professional nurses. Employees represented include:  
  • Principals  
  • Vice Principals  
  • Athletic Directors  
  • Secretaries  
  • Clerks  
  • Data Processing Systems Analysts  
  • Personnel Technicians  
  • Psychologists  
  • Speech Language Pathologists  
  • Occupational Therapists  
  • Physical Therapists  
  • Educational Assistants  
  • Educational Specialists  
  • Administrators |
| Hawaii Revised Statutes (HRS)                              | The laws of the State of Hawaii. The HRS can be viewed online from the Hawaii State Legislature site (www.capitol.hawaii.gov) from the Status and Documents page.                                           |
| Hawaii State Teachers’ Association (HSTA)                  | The labor organization chosen as the exclusive representative by bargaining unit 5 representing Hawaii state public school teachers. Employees include:  
  • Teachers  
  • Counselors  
  • Librarians  
  • Student services coordinators |
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information Resource Management (IRM)</strong></td>
<td>The Information Resource Management Branch of the Office of Information Technology Services develops policies, procedures, and guidelines relating to information resource management, coordinates the development of operational plans for the information systems and services of the public school system, and provides information technology support services for various Department-wide computer applications. The branch sections include the Student Information Services Section, the Information Access Support Section, the Lotus Notes Support Section, the Information Management Architecture Section, and the Student Services Application Section.</td>
</tr>
<tr>
<td><strong>Instructional</strong></td>
<td>Services which are provided in the classroom, face-to-face with students.</td>
</tr>
<tr>
<td><strong>Master Calendar</strong></td>
<td>The schedule of classes offered at a secondary school.</td>
</tr>
<tr>
<td><strong>Non-instructional</strong></td>
<td>Services which are provided outside the classroom.</td>
</tr>
<tr>
<td><strong>Office of Human Resources (OHR)</strong></td>
<td>The state office which administers a comprehensive personnel program for certificated and classified employees of the public school system within the framework of established laws, policies, and accepted principles of personnel management.</td>
</tr>
<tr>
<td><strong>Office of Information Technology Services (OITS)</strong></td>
<td>The state office which exercises technical oversight of information processing and telecommunication systems, facilities, and services of the public school system and department-wide operations to ensure that information technology and telecommunications support are being provided efficiently and effectively, and in accordance with laws, policies, and accepted principles of management.</td>
</tr>
<tr>
<td><strong>Personnel Regional Officer (PRO)</strong></td>
<td>The positions in each district which provide liaison between OHR offices, complex areas and schools to facilitate timely and effective employment and personnel management support.</td>
</tr>
<tr>
<td><strong>Quality Student Support (QSS)</strong></td>
<td>The section of the AFP which addresses support for students which are not successful; school or classroom programs for students; behavioral, discipline, harassment, bullying programs or procedures; and school procedures for safety and security of individuals and/or groups.</td>
</tr>
<tr>
<td><strong>School Operations (SO)</strong></td>
<td>The section of the AFP which addresses school administration and school facility services.</td>
</tr>
<tr>
<td><strong>Standards Based Education (SBE)</strong></td>
<td>The section of the AFP which addresses curriculum, assessment, instruction, and professional development.</td>
</tr>
<tr>
<td><strong>School Community Council (SCC)</strong></td>
<td>A group of individuals at each public school whose members are elected by their peers to advise the principal on specific matters that affect student achievement and school improvement. The following groups are represented: Parents, Teachers, Non-certificated school personnel, Community representatives, Student representatives. The creation and maintenance of an SCC at each school is mandated by Act 51/04, as amended by Act 221/04.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>School Year (SY)</td>
<td>The period from school start to school end. Because school begins in July of one calendar year and ends in June of the following calendar year, the SY is sometimes referred to with two years. For example, SY 2008-09 is the school year which begins in July 2007 and ends in June 2008.</td>
</tr>
</tbody>
</table>
| Support Services Personnel (SSP) | Per HRS §76-16, certain positions in the DOE are exempted from civil service. The DOE refers to these positions as Support Services Personnel. The positions include:  
- teaching assistants  
- educational assistants  
- bilingual/bicultural school-home assistants  
- school psychologists  
- psychological examiners  
- speech pathologists  
- athletic health care trainers  
- alternative school work study assistants  
- alternative school educational/supportive services specialists  
- alternative school project coordinators  
- communication aides |
| Transient                     | Students who are enrolled in a school at the end of the school year but were not enrolled at the beginning of the school year.                  |
| Transition                    | The phased-in change in funding from FY 2006 “AS IS” (prior to WSF) to the WSF allocation, to comply with Act 51/04 requirement for supplemental allocations to schools losing funds under WSF. The increase to schools gaining funds under WSF is reduced, to provide transition funding to schools that lose funds under WSF. NOTE: TRANSITION ADJUSTMENTS WERE DISCONTINUED BEGINNING SY 2008-09. |
| United Public Workers (UPW)   | The labor organization chosen as the exclusive representative by bargaining units 1 and 10, representing blue-collar workers. Employees represented include:  
- Custodians  
- Cafeteria Workers |
| Weighted Student Formula (WSF) | A form of student-based budgeting. Resources are allocated to schools based on student need. WSF provides a transparent means to distribute funds based on recognized student educational needs and characteristics. It also provides school communities with flexibility in determining how to use those funds to meet student needs. |