

# Legislative Council on the Oregon Quality Education Model

-

February 17, 1999 4:00 P.M. Hearing Room 357, Tapes 9 - 12

## MEMBERS PRESENT:

Rep. Lynn Lundquist, Chair

Rep. Randall Edwards

Rep. Ken Strobeck

Rep. Ben Westlund

Boyd Applegarth

Pat Burk

Tim Carman

Gary Conklin

David Conley

Sal Cox

Stephen Greer

Jonathan Hill

Jim Jamieson

Frank McNamara

James Minturn

Vern Ryles

Duncan Wyse

MEMBER EXCUSED:

Sen. Tom Hartung

Sen. David Nelson

STAFF PRESENT:

Margie Hunt, Administrator

Nora Carlson Administrative Support

MEASURE/ISSUES HEARD

Cost of Living Work Group Report

Local vs. State Salary Schedule Work Group Report

Special Education Work Group Report

Model Work Group Report

**These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words, For complete contents, please refer to the tapes.**

-

TAPE# Speaker Comments

TAPE 9, A

003 Chair Lundquist Opens meeting at 4:20 p.m. Recognizes members in the audience; asks members to introduce themselves.

003 Chair. Lundquist Outlines the goals of the work groups.

## **COST OF LIVING WORK GROUP REPORT**

-

030 Rep. Edwards Presents and summarizes work group report on the issue of whether there is a differential in providing educational services around the state **[EXHIBIT A]**.

064 Rep. Edwards Continues with discussion on differential in educational services.

088 Rep. Edwards Refers to page 2 of handout that shows a matrix of a hypothetical elementary school.

090 Margie Hunt Presents a copy of a feasibility study on regional cost differences submitted to [COSA] the Confederation of Oregon School Administrators **[EXHIBIT B]**.

098 Frank McNamara Summarizes recommendations of the feasibility study.

120 McNamara Continues with recommendations on the study on differentials.

152 Rep. Edwards Refers to regression analysis that plotted the cost differentials along base salaries.

159 Duncan Wyse Comments that the work group wrestled with the issues of why the information was needed and came out with two issues: what are the total state budget and the variance in labor costs, distribution formula.

180 Chair Lundquist States that even though most people agree that there is a differential the question is how it is allocated.

190 Dave Conley Cautions that in keeping with the philosophy of the model, do not want to apply a percentage to the overall per-pupil funding.

205 Jonathan Hill Refers to employment in Lane County and comments on the issue of shifting resources from the "have-nots."

226 Rep. Edwards Expresses his concern with the issue of shifting resources and suggests that one way would be to not put it into the formula but perhaps put it into a grant program based on location.

236 James Minturn Comments on the cost of salary schedules and the issue of the cost in retaining good teachers.

247 Rep. Edwards States that the issue is not only with teachers, but also with how the labor market is driven.

302 Stephen Greer Asks if there is a study on the correlation between actual education costs in communities to the standardized cost of living.

272 McNamara States that the factors used in the studies looked at broad-based private sectors.

280 Rep. Edwards States that one of the issues that came out of the COSA study was that the biggest factor that moves costs around is housing differentials.

### LOCAL VS. STATE SALARY SCHEDULE WORK GROUP REPORT

313 Rep. Westlund Presents workgroup report and identifies workgroup participants

[EXHIBIT C]. Outlines the task of the work group:

- • determine whether Oregon's education process would benefit from the establishment of a state wide collectory
- determine what changes could be made in the statewide bargaining system that would correlate with student achievement

350 Rep. Westlund Continues with report and discussion on the importance in retaining bargaining at the local level.

368 Rep. Westlund Continues with report and discussion on teacher experience.

400 Rep. Westlund Continues with report and discussion on merit pay.

450 Rep. Westlund Concludes report and workgroup recommendations.

**TAPE 10, A** *Tape was mislabeled: side A was not used.*

**TAPE 9,B** *Portions of meeting were not recorded.*

035 Boyd Applegarth Comments on the issue of local control question: whether it more important to have local control than it is to have inconsistencies in a percent increase provided by the state and a percent increase achieved by collective bargaining.

038 Rep. Edwards Comments on the issues of funding prior to Measure 5.

040 Wyse Asks for clarification on whether the committee would mandate the salary schedule on the districts and the need for an assessment on cost of labor in order to do the funding model.

043 Rep. Westlund Clarifies that at some level there is a salary schedule and with the model, school boards will be given a greater authority in their bargaining positions. Adds that there are ways to structure some of the state funding that gets better control on what these resources are for.

046 Gary Conklin Comments on the allocation of teacher salaries and the strategies used in putting together work forces that match community and district needs.

064 Greer *Portions of testimony could not be heard.*

072 Rep. Westlund Comments on the issue of incentive pay for teachers based on achievement.

097 Chair Lundquist Invites audience to provide input on the issue of incentive pay.

098 Conley States that the model splits the differences between state and local: the model has to specify costs, but does not say that the district has to follow the model.

130 Hunt Refers to a comments made by a member of the teachers association in that they would support a program that would track performance based systems.

142 Rep. Edwards Asks for clarification on the cost out of the model.

150 Conley Clarifies that the model includes components such as costs for secretaries, which will allow you to generate a number with precision.

185 Conley Continues that the discussion on performance incentives will not be included in the model.

188 Chair Lundquist Comments on the importance of the model and the impact on districts.

200 Unidentified women *Portions of audience testimony could not be heard and were not recorded.*

214 Conley Comments on developing the hypothetical school model. Adds that the goal is to develop the concept and then begin to work with the realities.

234 McNamara Comments that every element will have in it a certain level of frustration and all of them will fit differently in districts.

250 Chair Lundquist States that the model is a work in progress. Asks Rep. Westlund if consensus should be made on the performance measurement.

258 Rep. Westlund States that this was viewed as something that could be merged into the model down

the road and not a fundamental premise.

282 Wyse States that if the expectation is that each school is autonomous, and that the accountability should be to the states, then it should be relevant and used in the model.

296 Chair Lundquist Calls meeting to recess at 5:15 p.m.

297 Chair Lundquist Reconvenes meeting at 5:30 p.m.

### **SPECIAL EDUCATION WORK GROUP REPO**

316 Tim Carman Presents and summarizes the work group report **[EXHIBIT D]**.

Outlines the tasks of the work group, issues discussed:

Funding formula

Double weight and 11% cap

322 Carman Continues with report on the formula for low cost-high incidence students and high costs-low incidence students.

375 Carman Continues with report on funding of regional programs.

380 Chair Lundquist Asks what percentage of students served would fall into categories.

382 Carman Identifies 78% for low cost high incidence students and 32% are high cost low incidence students.

384 Hunt States that one of the primary issues for school districts in special education is that the weighted formula takes care of most of the special education students, but the more severe cases are very expensive. Asks Mr. Carman to explain how this affects his school district.

400 Carman States that in his district they spend \$200,000 more per year on high risk area than they collect. Continues that one of the recommendations is that the I I% cap be removed and district receive 100% funding for students whom districts proclaim they can justify.

410 Chair Lundquist Asks how much variance would there be if recommendation is used.

412 Carman States that the larger the district, the more consistency and would allow protection for smaller districts.

439 McNamara States that currently we are below the national average and our services on average are better.

TAPE 10, B

040 McNamara Continues with discussion on regional services.

070 Steve Johnson Office of Special Education, provides testimony on the model. Adds that the model addresses many of the concerns from school districts.

083 Beverly Hopson *Audience member. Portions of testimony did not record.*

090 Johnson Clarifies that the range is between 9% up to about 17%.

States that one of the areas discussed was the improvement of the monitoring system.

092 Hill Comments that there is no connection between the 1% cap and the delivery of services.

102 Wyse Asks about the funding for regional programs and the role of the education service districts [ESDs].

108 Carman Clarifies that ESDs would be funded by the state.

110 Wyse Asks if there is a special line item for regional programs.

115 McNamara States that there is a regional program fund in place, which would be inadequate if we go to this expression of service.

118 Carman States that the cost would not be too expensive, but students would be better served.

122 Conley Comments on the distinction in double counting students.

150 Conley Continues with discussion on double counting and allocation costs.

162 McNamara Comments on the concept of the model and variations that will come out from the model.

188 Carman Identifies two new program elements that have not been addressed family resource centers and regional program.

202 Conley States that if the element will serve every school it would be distributed as a program element.

205 Greer Asks if there is a standard consensus on what a quality education for special education objectives are and will there be a standardized goal.

208 Carman Comments that treatment; family support and individual educational support at the school site would characterize the goal.

216 McNamara Comments that the basic assumption is that same standards apply for all students; the expectations is that rates of growth for special education students should be comparable to those for regular students.

243 Wyse Asks about the budget for ESI)s and how many dollars go toward special education.

255 Johnson Identifies approximately at 40% but states that it varies from ESDs.

260 Unidentified woman *Audience question did not record.*

270 McNamara Asks for clarification on the question of privacy for parents.

272 Unidentified woman *Audience question did not record.*

291 McNamara Responds that the issue being discussed is to open up the school so that other agencies that deliver similar services would deliver them in the same arena.

312 Unidentified woman *Audience testimony did not record.*

329 Unidentified woman *Audience testimony did not record.*

339 McNamara States that services would be available at the local school building: allowing for better, quicker access.

355 Michael Elliot *Audience testimony did not record.*

346 Pat Burk Clarifies that placement of special education students will always be controlled by and guided by the Individual Education Program (IEP) process, which must be approved by the parent.

## **QUALITY EDUCATION MODEL WORK GROUP REPORT**

375 Conley Presents and summarizes work group report.

425 Conley Continues with discussion on the hypothetical school model.

TAPE 11,A

025 Conley Continues with discussion on the hypothetical school model.

064 Conley Continues with discussion on intangible assumptions.

110 Conley Continues with discussion on the hypothetical school model and program elements.

132 Conley Distributes report on the Quality Education Model **[EXHIBIT E]**

180 Conley Continues with report on special education staffing.

211 Conley Continues with report on discretionary staffing.

252 Conley Continues with report on professional training and development.

295 Conley Continues with report on instructional time.

322 Conley Continues with report on double counting of students.

340 Conley Concludes report.

350 Chair Lundquist Asks about the percentage of students expected to meet the standards.

352 Conley Clarifies that without putting dollar figures into the model it is difficult to identify what proportion of students we expect to reach the standards. Adds that their intent is to come up with a figure that 90% of students in the schools would be at about standard within two years of the funding coming on line.

366 Wyse Voices approval of the report. Asks about funding expectations.

394 Conley Provides example of how funding could be accomplished.

402 Greer Asks if this format aligns with the database project.

410 Conley Responds that in some cases, they have used more categories than the database has.

422 Greer Comments that it would be helpful to align the projects.

430 Nancy Hieligman Oregon Department of Education, states that the basic structure of the model fits nicely with the database.

460 Conley Comments on the importance of the database if they did not have the database the committee could not have come up with the model.

462 Hieligman States that they also were able to identify some of the limitations of the data received.

470 Unidentified man *Audience question did not record.*

490 Conley States that the work group used salary surveys and expertise from various people.

TAPE 12, *A Tape was mislabeled.*

045 Conley Comments on costs for computer elements.

060 Burk States that some of the components were based on the characteristics of effective schooling.

062 Unidentified woman *Audience testimony did not record.*

064 Conley States that the assumption is that the model is going to produce a statewide figure but the model does not assume the modification: the individual districts would modify.

085 Chair Lundquist Emphasizes that the model will basically be used as a tool for the Legislature to develop a funding model for school districts.

090 Conklin Comments on the issue of school replacement costs and the need to include them in the pricing structure.

100 Conley Comments on the distinction between capitol costs and operating costs.

104 Hieligman States that they are treating capital costs as a separate item.

115 Conklin States that in a post Measure 50 environment we cannot bond for those and they can no longer be viewed operationally as capital cost because they can't be funded that way.

119 Conley Clarifies that it is included operational plant maintenance.

122 Hieligman States that they are defining it as items that are not bondable.

131 Chair Lundquist States that the purpose of the discussion is to identify areas that need to be included.

135 Conley Comments on the importance of members to provide input on the recommendations.

083 Sal Coxe Refers to the new standards for benchmarks and asks about program costs for staffing of new standards.

106 Conley States that there will be an allocation to core academic areas and an allocation to electives, but they will not identify the number of teachers that will be required.

128 Coxe Suggests that language should include staffing for benchmarks.

140 Conley States that he has not yet resolved how to express the ratio at the secondary level.

180 Burk States that there are some areas at the middle and high school level that should not be considered as elective areas such funding for physical education.

200 Jim Jamieson Comments on pass requirements.

210 Greer Asks about weighting at the per-student count level for students who participate in more than one building, site.

228 Conley Clarifies that the model is to come up with an overall figure for the state to fund education and how the state chooses to distribute it to school districts is a different matter.

230 Applegarth *Comments did not record.*

245 Conley States that schools will have a choice.

255 Applegarth Comments on people's perceptions of the model.

275 Wyse Asks about the funding flexibility of the model.

280 Conley States that it will be expensive if they hold fast to all of the assumptions generated by the group.

232 Wyse Reiterates question on funding flexibility.

240 Conley States that the power of the model is the ability to identify costs and the effect of the decisions.

256 Burk Provides an example on funding cost for core staffing.

275 Conley Refers to California's decision to lower class size in grades K -3 and that the lesson for Oregon is the effect on having properly trained teachers and adequate class space.

300 Chair Lundquist States that the model will move forward regardless of the figures. Adds that the message will be that if we want to reach our goal, these are the dollars that will be needed.

330 Conklin States that some of the revenue committees are not geared to evaluate expenditures on this basis.

390 Conklin Continues with discussion on funding and how to allocate fairness.

440 Conklin Continues with discussion on the effect of change.

470 Chair Lundquist Comments on his goal to slow the process so better discussion can be held.

TAPE 11, B

016 Conklin Comments that the committee could set ourselves up to fail by trying to implement the model too rapidly. Adds that what is being proposed is a new constitution for how we look at school funding.

030 Rep. Westlund Clarifies that all members that deal in the budging process walk around with a huge question mark with regard to the K- 12 education model.

055 Rep. Westlund Continues that people will receive the model better than most people recognize.

061 Conley Uses a metaphor to the first automobile. States that the goal is to get the model understood clearly enough as a tool as opposed to a threat.

088 Greer States that the issue of public spending is to identify and track the funding focus; asks if it is up to the committee to come up with a recommendation on how to allocate revenues among the districts.

105 Rep. Westlund Responds that it is not up to the committee.

121 Hunt Comments on becoming too comfortable and accepting the status quo and that the key is to

slow the train down.

144 Conley Comments that even if the model is rejected by the Legislature, this does not mean that an outside policy group could not use it.

148 Coxe States that when we look at the model what we are doing is delineating what has always been there and adding what is new in terms of the benchmark system.

167 Wyse Comments on the Ways and Means process; asks if it is possible to use the database model to look at school buildings and compare it with the education model to make judgements on where we are going.

188 Conley States that there are four or five issues that have yet to be dealt with, as well as understanding how the federal money is distributed.

228 Conley Continues with discussion on generating different funding levels.

260 Chair Lundquist Emphasizes that he cannot forecast the impact of the process, but believes that it will provide us with a foundation.

285 Chair Lundquist States that a number of untold hours have been spent on this issue and the committee cannot let off on the throttle.

295 Conley States that his next strategy plan is to meet with Ms. Heiligman and Mr. Hill in Eugene to discuss the high school issue and then move on to the middle school.

310 Chair Lundquist Comments on the need for quick turn around time in communication on the high school and middle school issues.

342 Hunt Comments that if you track back to the funding formula days, someone initially had to make the assumptions.

360 Burk Refers to Rep. Westlund's comments on the budget process, and states that currently what the committee has is a best-guess on what it costs to educate a child in Oregon.

400 Rep. Strobeck States that there will be testimony in the morning on the special education weights system.

440 Rep. Strobeck Continues with discussion on special education costs.

450 Chair Lundquist Comments that in the model a user just plug in the services necessary to provide for the students and this is all a part of the base budget.

TAPE 12, B

012 Hill Asks if a voting action is expected.

018 Conley States that at this point, it is not. Asks members to provide feedback if there are any objections.

022 Chair Lundquist Comments on the importance to provide feedback.

025 Wyse Comments on the implications to the Legislative Assembly and whether a subgroup should think about a roll out and how it will work in the current session's deliberations.

034 Chair Lundquist States that discussion has already been held around this issue and that a subgroup will be in place for this specific reason.

042 Chair Lundquist Comments on the amount of the budget already tied up in the model.

046 Chair Lundquist Adjourns meeting at 7:29 p.m.

Submitted By,

Administrative Support

Nora Carlson

Reviewed By,

Marjorie Hunt,

Administrator

### **EXHIBIT SUMMARY**

**A - Cost of Living Work Group Report, Rep. Randall Edwards, 2 pp**

**B - Regional Cost Difference Summary and Report, Margie Hunt, 45 pp**

**C - Local vs. State Salary Schedule Report, Rep. Ben Westlund, 3 pp**

**D - Special Education Sub Committee Report Tim Carman, 2 pp**

**E - Quality Education Model Report, David Conley, 7 pp**

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact wordsFor complete contents, please refer to the tapes.