

SPEAKER'S EDUCATION FUNDING COUNCIL

May 3, 1997 Hearing Room HR F

10:30AM Tapes 4 -9

MEMBERS PRESENT:

Rep. Lynn Lundquist, Chair Jim Jamieson

Vern Ryles, Vice-Chair Judy Kamisky

Rep. Randall Edwards Peggy Lynch

Rep. Ken Strobeck Regina Ortiz-Shepherd

Boyd Applegarth Dale Weight

John Byrne Gary Withers

Tim Carman Duncan Wyse

Mike Collins

Sal Cox

MEMBERS EXCUSED:

Jonathan Hill

Jack Bierwirth

Gary Conkling

Mike Donahue

Stephen Greer

STAFF PRESENT:

Margaret Hunt, Administrator

Christine Deboy, Co-Administrator

Julie Havel, Administrative Support

MEASURE/ISSUES HEARD:

Informational Meeting

Proposed Mission Statement and Problem Statement

Oregon Department of Education Audit

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 4, A		
005	Chair Lundquist	Calls meeting to order at 10:45 am and begins presentation of proposed mission statement.
008	Chair Lundquist	States we have some new faces who weren't here last time, and asks everyone to re-introduce themselves.
010		Council members introduce themselves and give brief personal backgrounds.
060		Council members continue with introductions.
078	Margie Hunt	Co-Administrator, Speaker's Chief of Staff, introduces staff and explains who is not present here today. States member Jonathan Hill has sent a fax stating his opinions about the proposed mission statement, and each member will be getting a copy (EXHIBIT A) .
093	Hunt	Explains member Mike Donahue and the management of KOIN-TV have made a special exception to allow Donahue to be involved in this effort.
109	Hunt	Explains each member should have received letters, one from Ken Thrasher, and the other from Chair Lundquist. Explains Donahue had shared his concerns about serving on the council because of a potential conflict of interest. States she wants to make sure everyone is comfortable with the fact that this council involves political interests as well as private citizens coming together in a collaborative effort. States Thrasher's memo was not a realistic reflection of the Governor's perspective, and not necessarily a conflict of interest. Adds Donahue will definitely be serving on this council and will be able to be present as soon as the May ratings period is over.
159	Chair Lundquist	Explains the attempt to change rooms, and states the council will be meeting in Rm. 350 from this point on. States he would like to set an informal tone, and first names are fine, because he believes it would make everyone more comfortable.
176	Chair Lundquist	Explains he was in Baker City yesterday for the opening of the Northeast Training Center, which is now employee-owned, and gives background history of lumber mill. States the area had high unemployment, but no workers who were skilled to do the job, so Behlen Manufacturing is now set up to train workers to acquire these skills. Uses this effort as an example of what this council can achieve in the way of similar accomplishments.
219	Vice-Chair Vern Ryles	Gives overview of newly developed mission statement and problem statement (EXHIBIT B) . States he would like to receive everyone's opinion on it, as well as constructive criticism and ways they can improve it.
	Duncan	Adds brief summary of mission statement and describes how the sub-group came

265	Wyse	up with it.
297	Wyse	Continues explaining the policies regarding funding and the need to meet the responsibilities they have to the students. Explains the four basic goals, or steps which will allow Oregon to have an education system that meets critical education goals. Explains the three stages of the proposed work plan.
345	Wyse	States there are some very creative people on the council and he hopes they can come up with ideas that will let them look deeply at the problem, think "outside the box," or very boldly about different alternatives, and make whatever changes they feel are needed.
383	Vice-Chair Ryles	States he hopes they can look to the highest performance models in this state, in our nation, and to the worldwide community in terms of education models that achieve the kinds of levels that they have set for expectations through the Oregon Progress Board. States they have been trying since HB 3133 in 1990 to find some form of funding to educate the workforce, and they set two goals for the state: * a 2010 goal that states they will be competitive internationally with the workforce * a 2000 goal that states they will be domestically competitive
405	Vice-Chair Ryles	States 85% of our workers are currently in the workforce, and asks how we are going to be able to compete in that kind of environment if we're not willing to stand up and train them to a degree that will keep them competitive. States they need to be sure that when they identify models of high performance, that they have the fortitude and the commitment to deliver on it. States so far, they have done a good job, but we are only at 50-60% of the goal, and they have been at it for seven years, so it shouldn't have taken this long. Shares his concerns that this committee doesn't take the kind of role that sets them too far apart so they have a difficult time getting focused and getting some results.
TAPE 5, A		
015	John Byrne	States it is apparent to him that the focus here is more on K-12 than K-14 or all publicly supported education, and states there is an opportunity here to look at the role of the Legislature and state government, and its responsibilities for all of education, K-12, Community Colleges, and four-year institutions. Asks whether they are not missing an opportunity to look more closely at these other higher education responsibilities they have as well.
033	Peggy Lynch	Echoes Byrne's statement, and suggests they add the challenge of offering a "lifelong education," because the opportunities for the Certificate of Advanced Mastery (CAM) to partnership with our Community Colleges are great. States if they really want to look "outside the box," they shouldn't limit themselves to looking at K-12. States they're really saying "this is what we expect our children to know when they leave this set of institutions," and to assure that all students can actually make those seven to nine job changes in their lives, which is often the reality. Asks if the group has made an assumption after the last meeting that they already know that a quality education is encompassed in the Certificate of Initial Mastery (CIM) and the CAM model, and therefore all they need to worry

		about is how they reach those outcomes, both through management and governance, and then through financing.
060	Vice-Chair Ryles	States the CIM and the CAM are not the last word. States he likes her point regarding lifelong education, but asks if that is going to be realistic given the size of the council, the resources, and the time they have. Suggests they focus on the K-12 model up front, with the expectation that they can create either a constituency to study it, or extend the life of this council to study the broader picture.
090	Rep. Strobeck	Uses analogy of a "lake" to portray education funding, and states they need to find out what the level of the "lake" is. States he does not want to have to keep redefining what that level is each session.
119	Vice-Chair Ryles	States he thinks they all agree on that aspect, and there is a recognition that the current finance system is not going to be able to let them do what they want to do. States if they move to the future and deliver on their expectation of education as lifelong learning, then the financial cost will be much different than the system they currently have in place.
127	Sal Coxe	States HB 2991 and the Oregon Department of Education (ODE) have worked to establish very specific guidelines that students are already being expected to move toward meeting in grades five and eight, called "benchmarks." States this year's 8th grade is the first group to officially be offered a CIM at 10th grade. States that piece of "what is" a quality education already exists in the form of these benchmarks and the CIM and CAM, and certainly the teachers on this committee could tell you that the CIM standards, the benchmarks, cover quite a bit, but they also leave certain aspects out. States whether they choose to ignore HB 2991 and what ODE has created as a very clear definition, that may be going "outside the box," but that debate certainly happened quite a bit two years ago.
150	Vice-Chair Ryles	States he hopes they can set those standards aside for now, and look to the best standards internationally. States what they should be focused on is how they can get the highest performance in an international perspective, and maybe the CIM and the CAM offer a great deal to that, and maybe it has some elements that are not there that could be added to it, but they need to find out what is the highest quality education is in this international environment that they're supposed to be competing in.
167	Coxe	Asks whether the financing piece they are dealing with on this council is for what is happening over the next four or five years per student in the state, or if it is to fund something that is not already being "newly asked" in K-12 education.
173	Chair Lundquist	States at a minimum, prior to next session, they ought to be able to determine what a quality education is, whether that goes clear to the international level or whether it takes what we have. States he does not want to put them in a "box," but at the same time, he wants something to happen, and he doesn't want it to become so broad that they can't make that happen in the process. States he has some ideas, but he wants to committee to come together and see what can happen. States he is not sure how to bring the whole issue of higher education in. As they look at quality education and focus on K-12, states maybe it will point out some problems with higher education. States they won't be able to keep community colleges and higher education separate from this, but he wants to

		make sure they come up with a product that has some meaning.
212	Lynch	States her concerns that the "12" has become blurred because of the CAM. States she doesn't want a child being financed up to grade 12 if in fact, that child really only needs to be there through grade 10, and can get the rest of their education at a Community College and accomplish the goals and outcomes that exist. States perhaps another way is to take it in "small bites," such as K-5, 6-8, 9-12, and by the time they get to 9-12, they may discover they need to change it to 9-10 and 11-14.
232	Rep. Edwards	States they are all interested in the continuing of education, but the changes in K-12 funding in the past five or six years have put enormous pressure on them, so his preference is to keep the focus on the K-12 boundaries for now. Suggests they make clear that their mission statement recognizes they are talking about "public" education, and their discussions do not include private educational institutions.
250	Mike Collins	States they need to be very careful not to "re-invent the wheel," and he is afraid that's what they'll be doing if they come up with a "new" set of standards. Shares his concerns about the mission statement going too far beyond what he thought was their initial goal.
274	Vice-Chair Ryles	Replies what they're trying to do is achieve a model for best standards and practices, and he knows there are many examples of those in Oregon, many in the United States, and many internationally.
265	Dale Weight	States it seems they are addressing two issues, one being what a quality education is in Oregon, and the other being how they should finance it. Suggests they make an assumption that what they currently have is at least better than the average, and they should focus on coming up with a way to fund it. States they could spend ten years coming up with a "definition" of what a quality education is but what they have is very good, so they should start with how to finance that, and then take the next step toward improving the actual product.
348	Wyse	Questions why there doesn't seem to be more "legislative ownership" over the CIM and the CAM, and states the issue of financing the CIM and the CAM can't be addressed without also addressing the standards, curriculums, and organizational state of our schools.
390	Rep. Strobeck	States he likes the direction they are going in because there isn't agreement in this building on the CIM and the CAM, or what it even involves, but wants to know if they are talking about determining the per student number they are going to be shooting for, and if so, they need to break it down into component parts, and say, "if this is the goal, here are the elements on a per student basis," and then attach the costs in dollars to it.
TAPE 4, B		
013	Weight	Explains the CIM and CAM programs started in 86-87, when Governor Goldschmidt formed a task force to examine school funding. Their charge was to find a way to better finance schools, but explains that task force was unsuccessful, because they are all here today trying to do the same thing. Two members of the group were then Sen. John Kitzhaber and Rep. Vera Katz, who worked together to put this CIM/CAM program together. It went through extensive "re-hash and re-plow," and they went forward with not every one "on

		board." Suggests they invite representatives from the State Board of Education and ODE to present a brief history of how it came about and what has happened with it. States some great things have occurred in our schools as a result of it, and he is hesitant to condemn the program, or start taking it apart when they may not know all the facts about it, or when at least parts are working well.
054	Vice-Chair Ryles	States the model for the outcome that is set in place will vary a great deal, but in the United States, the concept of the CIM and CAM is rooted in the national educational model. Adds there are a lot of examples of quality education in the country and the world, and we should look at some of those models so they can be replicated, either in addition to the CIM and the CAM, or in place of parts of the CIM and the CAM.
083	Gary Withers	States he agrees with Weight that it doesn't make sense to keep trying to re-evaluate the quality of education, but states there are certain things that are "unknowable," and no matter what they come up with, the answer will always be they need a "little more than they have now." States they should focus on the stable funding mechanism itself.
107	Tim Carman	States it would be unwise to send a message in Oregon that they are questioning the effectiveness of the CIM and CAM, because they are so much stronger than they have been in the last ten years, and it will be confusing to teachers. States it would be good if they could really study HB 2991 so they have a more in depth, collective understanding of it before they start tinkering with it.
141	Jim Jamieson	States teachers are a critical part of this, and they are nervous about the changes that have occurred in the past, but parents are even more critical, and without parent support, none of this will happen for the kids. States they have been making changes every two or three years, and the more changes they make, the scarier it is for parents. States he has heard that the set of targets they have for kids are good ones, they are difficult ones, but they are achievable in a lot of ways, and they have to change parts of the system in order for the kids to reach those targets. States his only worry is that having too consistent a model across the state seems to "fly in the face of our love for local control" in Oregon, and he does not know how to create that kind of a balance.
157	Boyd Applegarth	States it seems to him this is simpler than they are making it. States if they can accept the notion that they have a pretty good idea of what constitutes a quality education model, they ought to go on record as saying what they think it is, and provide some boundaries or parameters to that. States that could include an international-domestic statement, and those things that aren't part of the traditional curriculum, such as second languages, technology, character, and applied academics to vocational education, should certainly connect with the CIM and CAM as they have it today. States as a first step, the assessment question should be addressed, and the second step should be to develop a financial plan to carry that out. And they should ask of that money, how much the state will provide, and what the local communities will provide. Adds there needs to be some control over how the locals spend the state's dollars. States when they identify that type of plan, they have developed a quality funding plan.
		States there is another big component of this discussion that they have not touched on yet, which is the politics of this issue. States there is a huge percentage of people who do not trust what they are doing or are trying to do in

215	Rep. Strobeck	this building. Uses example of Goldschmidt, Katz, and Kitzhaber being the spearheaders of the CIM and the CAM, and their party affiliation alone drives away Republicans and others who have not consistently agreed with Democrats in the past.
257	Regina Ortiz-Shepherd	Shares her concerns about adding so many new standards into the equation, and asks when during the day they are going to work them all into the schedule. Adds they need to stop changing directions every few years, because the kids need stability and consistency.
278	Byrne	States he is wondering whether they would be sitting here talking about this if ballot measures 5 and 47 had not passed. States they already know 98% of the quality part--but the budgetary components are not yet defined. Uses example of shoe store sign that says "quality, price, service, pick any two," to illustrate the similar problems they are facing with the schools.
328	Carman	States this is really about kids, and tells story about a recent visit with some kids at lunch. States the first thing they asked him was if he is responsible for "that test." Shares his concerns about whether they are putting the structures in place to get the kids where they need to be in a way that builds on their talent. States we have kids across the state taking tests in grades 3, 5, 8, and 10, and they're not comfortable with that. States he doesn't think they can wait, because every year is another group of kids that they have put in incredibly awkward circumstances. States next year across all grade levels and subject areas, about 57% percent of our kids will meet the new standards, and he believes that is a travesty. States they can't take another ten years, because the anxiety on the parts of both teachers and students is starting to "ratchet up."
374	Rep. Edwards	States we have not really pushed the new CIM and CAM out to the public, and many parents are not familiar with what it even is.
395	Wyse	States one expectation of what this committee should do is to develop templates of what a good budget system to the Legislature should look like. States it should include something about performance by schools, how the kids are doing on the CIM and the CAM, what the budget costs are per student, and some understanding of what it would take to show higher levels of performance, because none of that exists right now. States this is not something the committee can do once, they have to design a system for every Legislature from now on, so that the Legislature makes good decisions on a regular basis to make decisions.
TAPE 5, B		
016	Hunt	States they should not lose sight of Byrne's original question: if what they do with K-12 in the end must interface with higher education, to what extent does higher education play a role in this council's discussions and its goals. Also asks the group to determine the impact of special education on the budgets, and states she suspects that at some point, they will want input from people who are working in this area.
032	Collins	States he recognizes that local control has been diluted significantly, but it isn't dead yet, and the idea behind the development of the CIM and the CAM was "we'll tell you at the local level what performance standards we want you to meet, and then you go out and figure out how to do it." States that still leaves a lot of

		local control in terms of budgeting in terms of allocating resources and he assumes that means they do not want the Legislature to start enacting local budgets.
046	Wyse	States again, it must become a permanent part of the process. States he's not suggesting there shouldn't be local autonomy on how to do it, but at some point they need to figure out the right balance between what the Legislatures need and what the local units need.
060	Rep. Edwards	States they have no "link" between the money they are allocating and what is going on in the districts in terms of input or accountability factors as to how the money is actually spent.
068	Chair Lundquist	States right now they are trying to determine how much money to put into K-12, and they're having a difference of opinion, but many traditionally conservative people are coming to him and saying they will let more money go to schools, but only if they keep it from the teachers and put it directly toward the students. States they have no guidelines for what they are doing, yet he senses they have a general consensus that the CIM and the CAM are working for K-12. Although it's not perfect, it is a good basis from which to move forward. States along the way, they can make necessary changes. States he has not heard much discussion about issues such as teacher capability or teacher-student ratios.
117	Chair Lundquist	Continues explaining that throughout this process, they are going to find some weak links, and once they agree on delivering a model, they will move right into the funding aspect. States they are going to look into tax re-structuring, but he does not want to be increasing income taxes 10-12 %, and thinks they do need to help the public understand the quality models they have now, because many people do not.
160	Chair Lundquist	States they will have lunch and will try to work while eating.
166	Jan McComb	Committee Administrator/Policy Analyst, Senate Education Committee, gives overview of CIM and CAM and Oregon's School Reform Act (EXHIBITS C & D).
230	McComb	Continues presentation, explaining how the certificates evolved. Explains ODE is writing standards on the subject areas of English, math, science, social sciences, arts, and second languages. States they are also developing statewide assessments in English, math, science, and social sciences. Arts and second languages are to be assessed at the local level based on local standards.
260	McComb	Explains when they talked about second languages last session, there were two prevalent concerns: * not enough foreign language teachers to implement this right away. * disputes over whether foreign languages should be taught in high school, or in elementary schools, where studies have shown that students pick up second languages better.
		States as a result, it was decided to let second languages be a local decision. Explains the social sciences include history, civics, geography, and economics. Explains the CIM is to be phased in over four years, and the 8th graders today are

279	McComb	the first to be given the opportunity to achieve a CIM. Continues explaining ODE has only done the English and math assessments to date, and they have tested some students on those, and only are given in grades 3, 5, and 10. States the CIM has a very broad framework, and gives overview.
302	McComb	States at grade 10, if students have met the standards, they can get the CIM. If they fail it, they are offered extra assistance and then can re-take the CIM. Explains they are expected to have the CIM by the 10th grade, and the CAM by the 12th grade. States the CAM is still in development for the most part, but its goal is to focus kids more on what they are going to do out of high school, and to use "six career endorsement areas." States some rural schools cannot offer all six areas, although one of the goals is to give students in Eastern Oregon the same opportunities as those who live in Portland. Adds if the student does a lot of in depth course work in an endorsement area, he or she can add an "endorsement credential" to their CAM.
387	McComb	Continues explaining that students need to achieve grade 12 state performance standards in English, math, science, and social sciences, which are the pieces that are being developed now. They also need to achieve the district performance standards in arts and second languages, and career-related learning standards, such as personal management, problem solving, teamwork, communication, workplace systems, career development, and employment foundation.
TAPE 6, A		
005	Applegarth	Asks if it is assumed or expected that a university-bound high school student who qualifies to receive the certificate at an advanced level of mastery, would score higher on the Scholastic Aptitude Test (SAT) and the ACT Assessment tests than a student in the old high school diploma program.
015	McComb	States it will probably depend on the individual student, but states the general assumption is that they would score higher.
021		Discussion continues on whether students would perform better on SAT and ACT tests under the new certification system.
030	Carman	States the academic standards for the CIM at grade 10 are roughly equal to the high school diploma today, so the program is really two years more advanced. States he believes students would do better on the Preliminary Scholastic Aptitude Test (PSAT) than high school kids do on the SAT and the ACT. Adds neither of those will be totally relevant to college entrance once they have the performance-based admissions standards system (PASS) in place. Continues explaining details of the new measures and tests which the students will be held accountable for under the new system. States they have created conditions in this state right now, where a sizable amount of the students are going to fail to meet the standards, and it is not fair to them.
054	Applegarth	States he agrees, but it will be some time before that system is in place, so nearly all students will still have to submit one of those test scores to get into college. Adds maybe they should track this trend and see how students with the new certificates do on the tests vs. how students under the old system did.
069	Ortiz-	States family plays a large role in how well kids do regardless of what system is in place. States you can have a lot of different standards, but that doesn't mean

	Shepherd	kids will be encouraged in their "home space" to meet all those standards.
081	Byrne	Asks what percentage of all this assessment is done on a statewide basis and what percent is being assessed on a local basis.
083	Carman	Explains every single student at grades 3, 5, 8, and 10, in the state of Oregon is being tested in those academic areas unless the district asks for an exemption, and usually that is for a student who is profoundly handicapped. States on average, 85 to 90% of the kids in the state are tested.
090	Byrne	Asks if they will all be taking the same exam.
094	Byrne	States the earlier comments about the fact that only 57% would pass reminds him of his own experience in New York state, where they took the Board of Regents exams. Explains that two weeks before the test, students were given a booklet of old exams, and everyday they took those exams, and if they didn't score high, there was something wrong. So students ended up in two educational systems, one in which you had all year long, and one in which you had for the last two weeks, where you were preparing for that specific exam. States when it actually happens, the number of kids who meet these standards is higher than they think it will be. Adds that though a lot of colleges and universities require these SAT and ACT tests, they rarely use them, and it is usually only in marginal cases, where the high school grade point average doesn't help with regard to entrance or not.
112	Lynch	States it is a matter of public perception, though, and adds she is hearing that almost everyone believes in the concept they are moving toward. States they need to clearly define this, and not with "education-ese," and not with a multi-page flyer or some strange program called a CIM and a CAM, but simply through assuring the public that the goal is that each kid is able to read, write and do arithmetic. Adds the public needs to understand that all these concepts really amount to educating their youngsters, because many people think the CIM and CAMs are just all fancy terms. Adds in her opinion they need to "define the bar, fund the bar, and allow locals to meet that bar."
135	Chair Lundquist	States they need to take a critical look at the deficiencies, and be able to go to the public and say, "this is why we believe what we believe."
146	Wyse	States if they don't figure out a way to communicate with the public about the standards that are emerging starting next fall, this whole thing has the potential to collapse on them. States there are many good marketers/advertisers available if they'd like to have that discussion at some point, there are very clear and simple messages they can move around this which will help explain it. States he thinks one of the advantages of the CIM is that students have to actually provide writing samples, which make it a more powerful assessment, as opposed to just taking one standardized test.
161	Collins	States he believes there are a lot of districts who are making some very diligent efforts to communicate with their constituents because they are concerned they will be held accountable, but until they actually start implementing the new system, it's not going to really hit folks until they start seeing the results on it.
174	Coxe	States when 43% of 8th and 10th graders begin to not meet the benchmark, and those students go home to their parents and say, "I did not meet benchmark," that will be another public relations "snafu," which they are already dealing with in her district.

183	Carman	States in his district, 87% of their students at grades 3, 5, 8, and 10 in those three subject areas are proficient or advanced in the state test by today's standards, so his community is really celebrating excellence. But states once the new test comes out next year, and only about 50% are at or above grade level, there will be great consternation.
200	Applegarth	States many folks who read the morning paper will look at that 50% and translate it into the traditional grading scale, in which 80-90-% is a "B," 90-100% is an "A," and they will equate that 50% to an " F."
217		Discussion continues on public perception of news headlines, the political ramifications, and the need to accurately inform the public.
225	Dave Fajer	Budget Analyst, Department of Administrative Services (DAS), gives brief overview of career background from the back of the room. (Audio not picked up on sound system).
242	Vice-Chair Ryles	Asks members to send in their written ideas for improving the mission and problems statements.
254	John Lattimer	Legislative Fiscal Officer, gives overview on ODE Audit, and explains it really is not an audit as much as an assessment and review (EXHIBIT E). States every school they looked at did their budgets differently, so over about 18 months, they visited several school districts, and re-did their budgets, which was a monumental task, but also an enlightening one. States they got to know a lot of people in the districts, and found that many were unhappy with the Department of Education. States they reported their findings back to the committee.
350	Lattimer	States 25 -27 % of our kids are dropping out every four years, and they will likely end up in some state-funded institution, such as welfare or prison. Shares his concerns about the number of drop outs in various programs, and how difficult was for them to try to evaluate these programs.
TAPE 7, A		
004	Lattimer	States they also found that there was no comprehensive student accountability system, and those schools which did keep track, did not use consistent terms, which made the statistics very unreliable. Explains he went to one district and asked for accounting records, and was told they were in a "box somewhere." States the secretary was literally the only person who knew and could tell where each student was and what had happened to them after school. States this and other situations led them to believe the department has some problems in terms of the way it is organized and the way it manages its duties. States ODE began to change some of its practices, and he thinks they have a much better system now.
037	Lattimer	Explains during the last interim, the leadership wanted them to audit the individual school districts, and he kept arguing it was a waste of time and money, because it doesn't give you any generalized information about what it going on statewide in schools. States he thought what they needed to do instead, was take a look at ODE, find out their role in making sure of what was happening in schools across the state. States they finally agreed with him, and the Joint Legislative Audit Committee decided to put together an audit of ODE, and it decided it would be best to go outside instead of using the Secretary of State's audit staff or Lattimer's audit staff. Explains after getting bids on a Request For Proposal

		(RFP), they chose Management, Analysis and Planning (MAP), a San Francisco-based educational consulting firm.
054	Lattimer	States this was not a traditional audit, but rather a combination of a management review and a program evaluation.
061	Hunt	Asks when this was completed.
063	Lattimer	States it was started last year and was finished a week ago.
065	Lattimer	Continues summarizing contents of audit.
080	Lattimer	<p>Explains according to MAP, there are five kinds of critical activities that have taken place in states that are doing standards-based education:</p> <ul style="list-style-type: none"> * setting standards and assessing student progress toward them * strengthening the capacity of local schools * conducting research and analysis needed by policy makers to guide and support school improvement efforts * keeping open communication to make sure all parties remain active participants in the reform process * providing essential monitoring of educational programs
104	Lattimer	<p>States as MAP went through their review and analysis of how to do this, they divided their findings into five categories:</p> <ul style="list-style-type: none"> * leadership * capacity building * research and analysis * communication * monitoring * enforcement
		<p>Highlights and explains MAP's 11 basic findings:</p> <p>a) ODE has made solid progress in implementing the performance standards feature of the school reform legislation.</p> <p>b) ODE employees do not regard themselves as having an important role in improving teaching and learning.</p> <p>c) ODE's current organizational structure neither conveys nor facilitates an activist leadership role in improving teaching and learning.</p>

116	Lattimer	<p>d) Current conditions preclude ODE from securing as employees the broad range of educational experts necessary to carry out the education reform.</p> <p>e) Despite efforts to move from regulation to assistance, ODE continues to be perceived by its clients as primarily a regulatory and compliance organization.</p> <p>f) ODE has little capacity to conduct research and analyze data on key issues such as student achievement and school finance.</p> <p>g) ODE's current data collection system provides inadequate school level data.</p> <p>h) ODE's current Management Information System is hobbled by interlocking conditions that compromise its utility.</p> <p>i) Annual audits represent an underutilized opportunity for appropriate state oversight of district expenditure patterns.</p> <p>j) ODE does not employ systematic comprehensive planning and budgeting as an internal management tool.</p> <p>k) The elected office of Superintendent of Public Instruction tends to fragment responsibility for education.</p>
166	Lattimer	Continues explaining details of results.
175	Lattimer	Explains the ongoing problems he and Legislative Revenue Officer Jim Scherzinger have had in getting access to finance information from ODE, and the department's lack of data collection. Explains they find ODE collects a lot of data it doesn't do anything with, and collects unusable data.
		<p>Summarizes MAP's recommendations for improving ODE, and gives associated cost estimates:</p> <ol style="list-style-type: none"> 1) ODE should assume a more activist role in improving curriculum and instruction in Oregon's schools. 2) ODE should be reorganized to reflect a priority for those functions most closely related to improving educational programs as well as to enhance necessary communication among key program improvement functions. 3) ODE should develop for every organizational unit annual work plans with measurable outcomes and budgets specified. 4) ODE, in cooperation with the legislature and appropriate state agencies, should take the steps necessary to attract and retain professionals with sufficient credibility to lead implementation of Oregon's Educational Act for the 21st Century. 5) The elected position of Superintendent of Public Instruction should be replaced with an appointed position.

262	Lattimer	<p>6) Conventional kinds of monitoring and enforcement activities should be streamlined and reduced.</p> <p>7) Essential monitoring and enforcement activities should be consolidated into a single, relatively small unit of ODE.</p> <p>8) ODE should strategically re-deploy the resources currently being used for "technical assistance" in Oregon to create multiple networks of service providers across the state. ODE's role should be as a catalyst and clearinghouse for such efforts, not as a direct provider.</p> <p>9) ODE should assign a much higher priority to the professional development of its own staff.</p> <p>10) ODE needs to greatly increase its research and analytical capability.</p> <p>11) ODE needs to play a more active role in the development, collection, and reporting of financial information.</p> <p>12) ODE should establish a single departmental database of information that is accessible to anyone within ODE and that facilitates responsive answers to policy makers and other interested parties.</p> <p>13) ODE, in conjunction with the State Auditor, should expand existing local district CPA audits to provide more information for policy makers.</p> <p>14) ODE should adjust its communications to its various "publics" and develop feedback loops capable of measuring the effectiveness of its efforts.</p>
318	Lattimer	Emphasizes #8 and states it will probably generate some debate, because it is a change in organizational approach to delivering services.
325	Lattimer	States he believes #10 should be the number one recommendation in terms of priority.
347	Lattimer	Concludes summary and states in addition to going into the department and reviewing their organizational structure and talking to the actual employees, MAP also contracted with a national survey firm that surveyed school administrators throughout the state to find out how they feel about the department.
361	Rep. Edwards	Asks if this is the first time such an audit has been done, and if the negativity of this report's findings are partially due to the passage of Measure 5, and the fact it has forced ODE into a different role.
367	Lattimer	States he does not want to speak for MAP, but he believes by now that ODE could have at least re-directed its focus to roll with these changes.
370	Byrne	States what ODE's legal responsibilities are, and what people think they are supposed to be doing are two very different things.
TAPE 6, B		

003	Applegarth	States these findings could easily apply to the state of the ODE in 1980. Asks if ODE concurs with these findings, and Lattimer senses that the department plans to make the recommended changes.
010	Lattimer	Explains the superintendent responded and agreed with all the findings except one, however, the superintendent has attacked the report, or the "messenger," because of the way the report was done. States it was a "technical attack" on the report as not being "professionally done." But states the superintendent's office agrees with all the recommendations, however he cannot say whether that means they will change. States Applegarth may have "answered his own question," when he said the department has been having similar problems since 1980.
024	Weight	States he has worked very closely with the department, which works under the complete discretion of the superintendent. States there are a few of these findings which he does not agree with. Explains many of ODE's people are working for the schools for the blind and deaf, and many are underpaid. States they shouldn't condemn the entire operation without taking a much deeper look at it. Explains structure of department and its relationship to the State Board of Education and the State Board of Community Colleges.
076	Chair Lundquist	States the Attorney General has found they wouldn't need a vote of the people to make it an appointed position, but he still believes it would be important to the voters to be able to vote on that issue.
085	Lynch	States if this issue distracts them from the mission of funding our schools, they should "deal with it" two years down the road, but it should not distract them from their current mission. States public perception is critical, and they don't need another DMV fiasco. States she is less concerned with ODE than with the bottoms-up success of our kids.
118	Chair Lundquist	States they intentionally brought in resources on this council such as people from Intel, to try and avoid another "DMV fiasco."
130	Wyse	Asks how they form a coherent strategy, and states he believes they should hear from Superintendent Norma Paulus on this issue.
142	Carman	States he agrees with the executive summary, but the people in the department are still good people, so he believes the problem lies in the structure of the department itself, not the people inside the department.
151	Chair Lundquist	Explains his reason for bringing this report to the council today,
157	Hunt	States it will be important at some point, to develop a strong dialogue with Superintendent Paulus, and she is very supportive of this whole project, and she will need to be part of the process.
174	Collins	Asks if there is anything in the pipeline this session that will address this report and its findings.
181	Lattimer	States other than the change in the election of the superintendent, he does not know of any.
192	Fajer	Makes additional comment from audience (inaudible).
200	Lynch	States 90% of this should be done right now.
		States they do have an opportunity now to let the voters make a change in

203	Chair Lundquist	whether the position of superintendent is to be appointed or elected, but Paulus is promoting that, and the political reality is that if they get a new superintendent who wants to fight that, it won't happen.
208	Lattimer	States anyone who would like a copy of the final 193-page report should give him their names and he will get one to them.
212	Lynch	States what this report did point out to them is that they need to add the ODE component and its dollars into the process when considering the total dollar amount.
234	Carman	Begins presentation on Educational Assurance Plan from the Greater Albany School District, and explains this is basically a conceptual approach and response to measure 47 (EXHIBIT F).
280	Carman	Explains a group of 32 people created a series of working assumptions.
321	Rep. Edwards	Asks how they decided they were going to have revenue shortfalls.
349	Carman	States they know exactly what it would take to maintain their current program, based on dollars per student basis. States for them, it's \$4,475 in the first year, and about \$100.00 more per student the second year. Right now, the current number on the House side is \$4,478, which is three dollars over their total packet, but the total package is \$52 short of what they need to maintain their program, so they are tracking very closely the conversations that are taking place on both sides of the house.
347	Chair Lundquist	Asks for and receives clarification that Collins is saying is that what they're funding at the current level is not keeping up with inflation and increases in instructional costs.
360	Carman	States it is because of growth, and the fact that our inflation is running about 2.92%, and the numbers that are being discussed now are not keeping pace with those two issues.
384	Chair Lundquist	Asks if that figure includes built-in steps or anything else.
385	Carman	Explains it includes salary cost, plus other inflationary factors.
388	Chair Lundquist	States he doesn't know the district, but he knows it is going to be about \$200-250.00 more per student than last year.
392	Carman	Clarifies it will be about \$250.00 more next year if it is \$4,478, but it is only about \$90.00 more in the second year of the biennium, and the total is not enough to cover inflation.
404		Discussion continues on budget figures.
TAPE 7, B		
014	Vice-Chair Ryles	Asks what the embedded costs of growth are.
015	Carman	Explains there are three costs. One is a staffing cost, and with new students comes increased revenues, so if you have physical capacity for those new kids, then the increased revenues will cover the costs. But states in general, it doesn't

		cover the costs of equipment, books, and instructional material. States he is very concerned about the costs of new construction.
022	Lynch	Clarifies that it also costs more for the additional management to staff new buildings vs. just moving into portables.
024	Carman	Explains they have built some assumptions around their conditions and have taken a look at five areas of priority.
033	Carman	Explains this group of 32 will look at those things that they are required to do based on three priorities: * those that are required by law and are essential for graduation, promotion, or certification * those that are mandated by board and school district policy and essential in the support of graduation, support or certification * those that are important, but not essential
060	Carman	States this has been a real difficult frustrating experience for both parents and non-parents, because it is complex, and it is not fun talking about what you can afford to fund and what you can't afford to fund. States once they get a sense of all of this, they will use this template and lay it alongside their school improvement effort and try to build a program they can fund through the next two biennia.
072	Byrne	Asks what the next step in this process is.
073	Carman	Explains that they will complete the ranking process, and the work of the three sub-committees, and put that together in a report that will go to their budget committee on May 14, 1997.
079	Byrne	Asks to what extent they would have the freedom to combine some of these areas of priority, such as music and art, instead of cutting them out, which would perhaps put them in a position to reduce costs.
089	Carman	Explains they've come to the conclusion that general elementary school teachers are not as effective in teaching subjects like music to students as a teacher who specializes in music.
105	Collins	Asks about special education as unfunded mandates, and if he's studied what the costs of that category in his district
125	Carman	States the special education kids in his district are increasing by 30 percent, because they have a lot of special education kids moving into the district because of their reputation.
133	Carman	Explains situation of student who has had several violent eruptions, where other children were hurt, and states yet they are mandated by the state to provide for this child, even though he believes this child needs to be in an institution because the district cannot provide adequate service to him. States they had to write a \$100,000 check to put him in St. Mary's in Beaverton.
158	Sal Cox	Shares similar example, and states it is tragic, but not unusual for every school district to have at least one such student in their district. States they had to lay off two teachers in order to write the checks to provide care for the child in her

		district.
175	Lynch	States what they have discovered in trying to consolidate the four-county districts into one district, special education for those students was treated differently for those educational service districts and in one of those counties, the education service districts were actually providing the entire funding dollars for the public school districts within that county to take care of the special ed student. States so if they don't look at the whole picture, they are not being fair to everyone.
199	Chair Lundquist	States he envisions them looking more closely at that issue further down the road when they get to that point.
195	Wyse	States special education's costs are \$800 million, which is bigger than higher education's budget, and states he is delighted that they are going to look at this, because it is a huge problem.
205	Chair Lundquist	Asks if someone on the panel can tell him how many students are in special education.
206	Carman	States about 11% of all students in Oregon are special education students, so there are about 56,000 who are classified as special education students.
215	Wyse	Asks how he sees his relationship in the future with the Legislature, ODE, and the Education Board in terms of putting together this assurance plan he has outlined.
218	Carman	States in a nutshell, he believes the state is doing the right thing by establishing high standards, but at the same time they need to support it with funding, good technical support from ODE, and a Legislature that advocates public schools.
235	Rep. Edwards	Shares his concerns about the number of immigrant families moving into his district with no English skills whatsoever, and states it is becoming a much larger issue to try and integrate these children into the system, much like the special education students.
257	Carman	Adds they also need to figure out a way to build back the fierce sense of autonomy and local control that existed before Measure 5.
285	Chair Lundquist	States he agrees with that.
291	Applegarth	States if you do a really good job with the special needs program, parents of these kids will hear about it and move into the district, bringing with them an unusually high cost. Suggests the Legislature consider funding the extremely high-cost children separately rather than lumping them in with the regular per-student allocated dollars.
328	Chair Lundquist	Asks Applegarth to give analysis of the definition of education he helped author. (SEE EXHIBIT B, April 16, 1997 meeting).
367	Applegarth	Explains his role in directing the study.
TAPE 8, A		
020	Applegarth	Continues highlighting his experience, and shares concerns of the newspaper editors, and businessmen and women regarding students being adequately prepared to function in society and being equipped with good work ethics.

045	Applegarth	Explains they decided to call it a "standard" education rather than a "basic" education, because the term "basic" implies "minimal."
095	Applegarth	Continues explaining highlights of report, and explains the report was submitted to the State Board of Education.
142	Lynch	States she is hearing that they keep increasing demands and requirements, but she doesn't hear him saying that they are adding any more days to the school year, more school hours to the day, or more money. Asks for clarification.
150	Applegarth	Explains they added activities to the definition, they didn't add activities to a student's experience. Uses example of second language instruction and their recommendation that it be available to all students, but it wasn't new to every school, because many were already offering it.
166	Collins	Asks if they did any work in determining how much this standard education should cost.
169	Applegarth	States no, although the Legislature wanted a report on the implementation costs to each school district included in this study, but there was neither money nor time to do that. Explains instead they developed a conceptual approach to funding the schools, but when Measure 5 came along, that concept dissolved and is no longer relative.
182	Hunt	States the final version of this is available to anyone who wants it, because only the excerpts were distributed at the last meeting. Asks what became of this report, and how it is being used.
191	Weight	States Applegarth did a masterful job, and they then discussed the issue of how to get the funding, so they came to the Legislature to request the additional funding to implement it, but when Measure 5 came along, it "put the kibosh on it." States the study is still valid, and may very likely be what they want to look at now.
205	Hunt	Asks how they would like to integrate this study with what they are doing now.
225	Applegarth	States they can take this concept and make it their accepted quality model of education. But states they should also stop using the terms CIM and CAM unless they can make them household terms like the high school diploma is today. States what this study did was make "official" what had happened in the state.
254	Lynch	States when her son graduated from Beaverton in 1990, there was almost \$1,000 more per student than there is today. States "we're just not there," and that is what is so frustrating.
279	Applegarth	Explains if the state would say to Beaverton, "we will fund this portion of what we think is a standard education for children, and you can count on that on a regular basis, and you can add to that and develop your local resources to go beyond that," he thinks Beaverton would do that.
296	Lynch	States she would be comforted if that standard and that dollar amount is high enough so that all the kids in Oregon are funded. States she doesn't want to create the perception that kids in Beaverton, because of the wealth of the district, are all going to have more dollars.
307	Applegarth	Asks if the state can identify a quality education model that is adequate with all the children in the whole state, and everybody is guaranteed that, who is at a disadvantage? States if a district wants to tax itself to go beyond what the state

		considers an appropriate standard, it should have the ability to do that.
323	Weight	States the large portion of funding that would have to come would not flow to the Beaverton or Portland districts, it was the outlying districts, like John Day, that they were concerned about.
338	Rep. Strobeck	States they must get everyone up to the "lake" level and get them adequately funded before they can even start worrying about the local option. Adds the local option won't even be on the table until they can define it and fund it in response to Measure 47 or its re-write, Measure 50.
356	Chair Lundquist	States he thought the local option wasn't a part of the re-write of Measure 47.
358	Rep. Strobeck	Explains Measure 50 says that local option is included for cities and counties and may be legislatively authorized in the future for schools, once there is capacity for the taxing.
362	Chair Lundquist	Clarifies that means presently the local option is not even available for the schools.
376	Wyse	Asks for clarification on whether this model describes the curriculum that needs to be available in the schools in the activities, and on the other hand, there are a variety of kids with different needs, and asks how you would itemize out the costs.
399	Applegarth	States there is a lot of elasticity in what remains. States you could be required to offer a social studies program, but states many districts find it politically too "sensitive to accomplish" once they find out history has a much lower value and lower importance to parents and students than science, and that is extremely difficult for staff and the community to accept. So when the district has to make a 3% reduction in its budget, it usually makes it across the board, because that is safer and politically more "peaceful," but over the years those incremental reductions make some programs weaker, and districts end up "scrubbing" some programs and try to make fewer stronger, rather than have them all get slowly weaker. States the net result is to "do less, but do it better."
TAPE 9, A		
011	Applegarth	Continues explaining the difficulties that arise when they start trying to prioritize what areas should be "scrubbed" and what areas should receive more of the limited resources they have to work with in exchange. States this council may have to do something similar.
024	Carman	States they have about a \$35 million dollar budget in the state school fund, and of that, about \$8 million of that is a priority three, so there is tremendous flexibility, and rather than reducing or increasing programs, they can tweak the student/teacher ratios, because it is the politically easy thing to do.
032	Byrne	States this is exactly what higher education has been going through for the past five years. States the side effect is that you create the impression of instability in the whole system, because you can't be sure that when you enroll in a certain program at a college, that that program will even be there when you graduate.
	Ortiz-	Shares her concerns about equity for students vs. local control, and the inequalities and imbalances that arise when one community has voters who are

057	Shepherd	willing to pay more taxes to fund special programs, and the community next door does not.
075	Vice-Chair Ryles	States there has to be a balance, and one good thing about this group, is they can talk about what that balance is and should be.
088	Chair Lundquist	States the perfect world would be to get everyone funded the same, but doesn't believe that will happen. States there are other ways to improve quality than by adding programs, because some districts might rather increase the student/teacher ratio instead.
111		Discussion continues.
128	Chair Lundquist	States the handout members received is from Jack Bierwirth and will be on the agenda for next time, and reminds everyone to submit their suggestions on the mission statement. Adds the charge next time will be to decide how to get started in moving forward. States they may need some funding to proceed, and he will need to know how much money they will need as soon as possible so he can take the request to the Ways and Means Committee.
165		Discussion held on date and time for next meeting.
220		Council agrees to meet Monday, June 2, 1997, from 4:00pm - 8:00pm.
236	Chair Lundquist	Thanks council for coming on a Saturday, and expresses appreciation for their determination and dedication.
250	Chair Lundquist	Adjourns meeting at 3:20pm.

Submitted By, Reviewed By,

Julie Havel, Margaret Hunt,

Administrative Support Administrator

EXHIBIT SUMMARY

A - mission statement memo, Jonathan Hill, 2 pp.

B - council mission statement & problem statement, Vern Ryles, 2 pp.

C - Oregon's School Reform Update brief, Jan McComb, 6 pp.

D - Oregon Department of Education Newspaper, Jan McComb, 64 pp.

E - Executive Summary, Oregon Department of Education audit, John Lattimer, 11 pp.

F - Educational Assurance Plan, Tim Carman, 17 pp.