

SPEAKER'S EDUCATION FUNDING COUNCIL

June 2, 1997 Hearing Room 350

4:00PM Tapes 10 - 14

MEMBERS PRESENT:

Rep. Lynn Lundquist, Chair

Vern Ryles, Vice-Chair Stephen Greer

Rep. Randall Edwards Jonathan Hill

Rep. Ken Strobeck Jim Jamieson

Boyd Applegarth Judy Kamisky

Jack Bierwirth Peggy Lynch

John Byrne James Minturn

Tim Carman Dale Weight

Mike Collins Duncan Wyse

Gary Conkling

Sal Coxe

MEMBER EXCUSED: Mike Donahue

Regina Ortiz-Shepherd

Gary Withers

STAFF PRESENT:

Margaret Hunt, Administrator

Christine Deboy, Co-Administrator

Julie Havel, Administrative Support

ISSUES HEARD:

Mission Statement Review

Presentations: Jonathan Hill

Jack Bierwirth

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 10, A		
005	Chair Lundquist	Calls meeting to order at 4:16 pm and introduces newest member, Jim Minturn. Members re-introduce themselves.
024	Chair Lundquist	States the other two representatives should arrive shortly, and asks Duncan Wyse to begin report on mission statement
030	Wyse	Highlights pillars of draft mission statement (EXHIBIT A).
045	Co- Administrator Margie Hunt	Clarifies they wanted to make sure the statement reflects the linkage between k-12 and higher education.
065	Wyse	Continues highlighting the financial roles and explains the need for autonomy and local flexibility while still meeting statewide standards.
095	Wyse	<p>Highlights the four stages of the proposed work plan:</p> <ul style="list-style-type: none"> * Understand where we are today. Review and understand the current school structure, budget, finance system, and performance results. * Set expectations for Oregon Education. Define a quality education model by establishing goals and performance expectations. * Develop and examine different models for education governance and finance. Evaluate each model based on its ability to meet high standards, local flexibility, lean operations and equitable funding. * Recommendations. Identify specific steps to reach goals. These steps should include an estimate of costs to achieve the quality education model, a governance and budgeting system at the state level to review school performance and make informed budget decisions, and to identify the roles of higher education in meeting educational objectives in k-12.
114	Peggy Lynch	States she likes the overall statement, and asks what kind of budget he is talking about--if he means specifically a "program" budget, or some sort of generalized audit to assure that certain things are happening.
124	Wyse	States he is not sure until they can decide what information a legislature or a governor would need from school districts in order to make informed decisions on school budgets. States it is the task force's responsibility to help think through what that information should be.
146	Mike Collins	Explains it appears some words got left out in line two of the mission statement, and asks what it should say.

141	Wyse	States rest of the sentence should read "preparation for higher education," after the word "adequate."
145	Jonathan Hill	Asks about stage one of the work plan: the recommendation that they should "review technology trends that may make substantial difference in school performance," and how that fits into the rest of the plan.
155	Wyse	Explains that sentence should have a bullet along with the rest of them.
158	Lynch	Asks about use of the word "higher education" vs. "lifelong education."
169	Hunt	Asks if they would like it to say "continuing education."
172	Lynch	Replies that would be fine.
175	Jack Bierwirth	States he wants to make sure our education system adequately prepares native Oregonians for high level wage jobs, instead of preparing them for blue collar jobs and hiring people from outside the state for the white collar jobs.
178		Discussion continues over what language should be used to reflect this.
195	Hunt	States they should try to clarify the language on the first page, so that it says what everyone agrees it should say, and make the language mean the same to everyone. Asks if there is any other language in the mission statement that needs to be clearer to council so it conveys what they really want it to say.
206	John Byrne	States he wants to make sure they prepare people so they can continuously learn throughout their lives. Suggests adding the words "adequate preparation for continued learning." Asks about last bullet on the last page.
209	James Minturn	States he likes the mission statement, and would like it to convey that they are "educating and preparing our youth for excellence today, and success tomorrow." (inaudible)
235	Gary Conkling	States he wants to know to whom public schools should be held "accountable" to in number two on the first page. Suggests alternate meanings for the word 'accountability' and states it is something they should think about.
267	Hill	States he is not sure they can define that at this moment.
275	Conkling	States he agrees and would like to place an "invisible asterisk" there for further discussion.
287	Tim Carman	States he was assuming that they were being held accountable to the high standards.
294	Applegarth	States he doesn't think they should get too caught up in the exact wording of the mission statement, because they need to get at the work on the following pages. The mission statement is supposed to give them a general direction. States that since they are addressing "public schools" and because most people are skeptical of the state of our education system, they should hold themselves accountable to them in all those respects. States he thinks the mission statement properly reflects the three arenas they need to be addressing, and they can always come back and tinker with it before they are through with the whole thing.
338	Lynch	States she wants to make sure they can maintain local deliverance flexibility, and that they recommend a governance and management structure while allowing the ability for local schools to use the assets they have in their

		varying communities to be able to complete the job of educating. Emphasizes her desire to see that statement "up front" in the mission statement instead of just in the text.
354	Applegarth	States you can't put everything in the mission statement.
358	Coxe	Notes that no one has mentioned the Oregon Department of Education (ODE), and explains she just took students through benchmark conferences for 5th, 6th, 7th, and 8th, so ODE has interpreted higher academic standards for HB 2991 and passed certain benchmark scores and expectations on to the district, so there is an organization that is interpreting what is already in statute and passing it on. States that in terms of governance, that piece needs to be remembered, regardless of where they go with what they are trying to do.
376	Chair Lundquist	States he has the feeling that everyone seems to at least agree with the concepts proposed in the mission statement. States he would like to look at the work plan try to get a sense of where they want to go with that and then hear from the presenters.
389	Wyse	Emphasizes that this still is a "sketch" and thinks they may want to go through it more thoroughly at some point.
400	Chair Lundquist	States in the future they will try to get this information out to the council members sooner, so they will have time to go over it before the next meeting.
409	Hill	Asks if they are envisioning the work to be done by the group as a whole, or whether they will be dividing into sub-groups or task forces.
417	Chair Lundquist	States he believes they will need sub-work groups in order to accomplish the greatest results, because they want to have a product by the middle of next year.
430	Hunt	States at some point it will be imperative that they divide into smaller work groups, but they still need to define what those groups will be and what the categories are. States they would like to get a sense today of what some of those categories should be.
TAPE 11, A		
010	Hunt	States she knows everyone is anxious to get past the rhetoric and get down to work.
015	Byrne	States it would be useful to look at the target time, and work their way back from the time that they need all this, so they have a sense of the urgency that is behind this task. States the original time frame was 18 months, but that has now diminished to nine months.
021	Rep. Edwards	Suggests they put a timeline together to strive for, and pick a tentative "end" date and work backwards from there.
026	Lynch	States it looks like items one and two in the work plan will be mostly staff driven, with reports, and number three is the item which will generate the most discussion.
031	Hill	Asks about the governor's effort in this area, and if this council has any plans of interfacing with that at all.
		Explains it appears there will be some money allocated out of this session's

037	Hunt	<p>budget for a pilot program .</p> <p>Adds they are also in the process of introducing some legislation into this session that will require ODE to develop a uniform chart of accounts throughout the district, and that accountability piece will move in tandem with what this council is doing. States in order to determine where we are today with these things, we have to be able to track what is going on out there, and we currently are not able to do that. States the current information out there does not give the 90 Legislators the information they need to make good decisions or good policy.</p> <p>States there was some effort made earlier with some software that did not work, and they intend to expand that project with the hope that it might develop a better mechanism.</p>
066	Stephen Greer	<p>States the Federal Department of Education is also working to re-define their mandated reporting mechanism to shift it to a uniform reporting mechanism throughout the nation. States with this new program, the cost can also be measured, so they will be able to determine cost per program and resources allocated for program.</p>
079	Hunt	<p>States one of the work groups will very likely focus on this subject area.</p>
093	Chair Lundquist	<p>States he would like to have a discussion on a timeline today, but he would also like to hear the presentations from Jonathan Hill and Jack Bierwirth.</p>
096	Jonathan Hill	<p>Explains he subscribes to The Journal of Education Finance, and begins presentation based on an article in that publication called The Three R's of Education Finance Reform. Gives overview:</p> <ul style="list-style-type: none"> * Re-Thinking. * Re-Tooling * Re-Evaluating School Site Information
157	Hill	<p>States one goal is to create timely, user-friendly financial data, site-based detail and strategic planning, site-level budgeting, accounting and analysis.</p>
180	Hill	<p>Discusses the importance of re-tooling from one-dimensional to multi-dimensional reporting, and the "tyranny of averages," the tendency to bury a bunch of "averages" into one vague figure that has little concrete meaning.</p>
204	Hill	<p>Explains how the article advocates the re-evaluation of school data:</p> <ul style="list-style-type: none"> * from a system-wide view, to a school-wide view * from a straight spreadsheet to a "relational data base" * from a regulatory to a managerial approach * from averages to actualities

		<p>* from isolated departments to an integration that takes place in the school</p> <p>* from compliance to a productivity-based view of what's going on in a public school.</p>
243	Hill	Introduces Tom Ridgeway, Oregon Total Information Systems, which is one of the major accounting services that are used by schools in Oregon today, and states he is here to answer any questions.
253	Lynch	States her district is moving to an entirely service-oriented district in which specific schools in the district will be purchasing specific services from the educational service district. States this forces them to do this new kind of accounting, and she thinks this is a productive way to manage schools. States there are some models out there that are being developed that will help districts, but when they ask schools to change the way they operate, cautions that there is a start up cost and a start up time that comes with that.
274	Hill	States he believes one major problem is that educational service districts today lack standardization and organization.
276	Wyse	Asks who makes the budget decisions with this new approach. Uses example of a school that wants to replace a librarian with a volunteer. Asks how this information relates to the decision making authorities.
300	Hill	Replies one of the by-products that may come from this committee is the discovery of some flaws in HB 2565 and HB 2991, particularly that things may have been divvied up in a way that doesn't make sense. States for example, each local district has developed a plan for district improvement, but there are no children in the district office--the children are at the schools, so if they want to improve the educational program for children, they should be doing it school by school, but the way school reform is written in Oregon, that is supposed to be a district function. Uses second example of school site counselors developing a staff development plan when the resources are downtown at the district office. States this process will make some things bubble to the surface and they will discover that some things would be better off placed somewhere else.
330	Byrne	Asks for and receives clarification that he is saying they need to align budget information with the decision-making.
322	Greer	States they must define the program priorities, such as the elements to the quality education--before any measurement system is put in place. Adds he thinks that's what this committee will be about, if they don't define what those program priorities are, then they are not measuring what they want to monitor or what they want to affect.
345	Applegarth	Asks what he means by "program priorities."
346	Greer	Explains it is defining what the elements of a quality education are, and whatever they are, they need to be measuring the things that will determine whether they are reaching those goals.
		States he read a similar article four years ago about this system, and states there are some pilot programs going on with this software in Portland and several other districts in this state. Explains the program is called "FAM," by

356	Bierwirth	Coopers and Lybrand and he is not sure how many districts are still participating, but they have a cross-section of districts from around the state. States they had a completion date of May 29, but some software glitches have delayed its completion. States he would be happy to bring it to share with the council, and they will have a "real-life" example of this information on a district-wide basis. States he finds Oregon's data system for education rather primitive, compared to some other industries. Adds he thought New York was terrible, but then came to Oregon and discovered Oregon was light years behind New York. States he hopes to have the information shortly, and it will hopefully provide more sophisticated data than what they have currently.
425	Hunt	Asks for and receives clarification that this is the same study which was done earlier by Coopers and Lybrand. States her understanding from Revenue Officer Jim Scherzinger was that that this project had not been very well-received by some districts, because it did not respond to what the needs were, and asks for clarification.
441	Bierwirth	States the districts have not gotten together and reached that conclusion, so Scherzinger may have drawn that conclusion from talking to individual districts. States the main problem has been the glitches in the software.
TAPE 10, B		
009	Hill	Asks for and receives verification that they maintained another system simultaneously while their other system in use for the pilot project.
010	Hill	States that was one thing he heard from one district, and that it took an enormous amount of time to maintain both the regular data collection system and to input other data for the experimental one at the same time. States without the software glitches and the work it took to maintain duplicate systems, he thinks the reaction might have been more positive.
020	Bierwirth	States they had to operate the duplicate system because they still had to follow the requirements of ODE in terms of format. States if this works, once it is set up and the mapping is done, it should be relatively easy to get the second year's worth of data, but the tough part is doing the mapping in the first place, and breaking that data down into what's actually in a school building and the cost of that program, rather than budgeting it all centrally. Uses example of health insurance.
035	Hunt	Re-states question and asks if this software did not work.
040	Bierwirth	States this system only tells you where the money goes, it doesn't link it to Oregon's educational standards, so there's nothing at this point that says spending "xyz" dollars is necessary to get kids proficient in algebra. States it will tell you how much it costs for a math program, but it doesn't tell you how much of an investment is necessary to get every kid proficient in algebra, or how much is necessary to get every kid through geometry.
053	Hill	States the problem is not with the kids close in, it is the ones who live in the more rural areas.
059	Bierwirth	States right now it remains an open question. Coopers and Lybrand and the U.S. Department of Commerce have not given up. They have not come to a

		conclusion yet, but if this isn't going to work, he doesn't know of any other program that will.
071	Hunt	States that is encouraging to hear, because she thought they would have to go back to the drawing board.
073	Greer	States he believes it is a technical issue at this point, and once they get those glitches resolved, it will work.
092	Bierwirth	States he will let them know when he can show them the finished product, and he believes it will be sometime this summer.
099	Hill	Asks if Tom Ridgeway has anything he could add to this discussion.
101	Tom Ridgeway	Oregon Total Information Systems, states that if the information is captured in a detailed form, there is no mapping necessary to produce the reports in the formats they would like. The chart of accounts the state has provided is detailed enough, although some schools have asked for more detail, so they have expanded their current chart of accounts and added a further breakdown. States anything that is budgeted to that detailed of a level, would require no re-mapping of information to get program level information or reporting. Adds this would also allow the comparison reportings that FAM produces. States currently their customers get a lot of that reporting, and they can cut and slice the information any way their customers would like for their reporting purposes.
120	Hunt	States that is very important, because the chart of accounts the state will be working with is going to change, and there will be a lot more details that are required from the district.
124	Co-Administrator Christine Deboy	Clarifies that they are asking for the capability to do this electronically.
127	Bierwirth	States if you are trying to run school districts as efficiently as possible, one of the things you need is data. And the Portland District is trying to move forward on both the financial side and the achievement side, and if they don't have both at a sophisticated level, there's no way of "marrying" the two.
135	Vice-Chair Ryles	Shares his concerns about the ongoing problem of students moving from school to school within the district, and not being able to track their attendance. Asks if the process with Coopers attempt to track those students. Adds the dropout record is magnified by the fact that they do not have tracking on individual students within the district.
143	Bierwirth	States people have been getting kid's social security numbers voluntarily since the change in the tax laws, requiring all kids to get social security numbers. States they were interested in it in the Portland District because through the leaders roundtable, they were trying to figure out how or if the Department of Social Services, the police, the state, were tracking kids. Gives hypothetical example of them not knowing that the "Tim Jones" the Department of Social Services was working with happened to be the same Tim Jones in some Portland program. States if they really want to know what is happening to kids and families, they need to have a way of putting all that data together.

179	Bierwirth	Asks Carman where his district is in terms of getting social security numbers.
180	Carman	Explains they are working with kids who are sophomores, juniors and seniors. Adds that in order to access the Labor Department's statistics data base, they have to have social security numbers.
182	Bierwirth	Explains before he arrived, his district did a study of what happened to a class of kids between the time they left 8th grade and either dropped out or graduated. States about 65-70% of kids make up a very nebulous crowd in terms of dropouts, and other kids who don't fit the "normal pattern."
201	Hunt	Asks if they were to look at the three superintendents' charts of accounts, how similar or dissimilar they would be right now.
211	Hill	Explains it depends on how much detail they wanted, but on a primary level, they would be very similar.
229	Hunt	States that Jim Scherzinger is telling them that that is the very problem--that he's dealing with a dozen or more categories, and the districts are shifting their much more detailed charts of accounts to fit the much more simplified chart of accounts that the state uses, and the result is information that is not very helpful. Asks how difficult or burdensome it would be to modify what they are already doing.
233	Bierwirth	States the data is perfectly adequate for the simple, straightforward kinds of questions they were asking five or ten years ago, it is perfectly adequate, but if you ask about standards-based education, and what it takes to get certain groups of kids to certain achievement levels, the data is almost useless. States his 25 years of experience comparing expenditures in various areas is more valuable to him, because that information just isn't there.
263	Hunt	States one representative wanted to know how much money his district spent on field trips.
265	Bierwirth	States pulling up data on that type of information is "a piece of cake."
254	Byrne	States he would like to hear from the other two superintendents how their students compare with the descriptions that Bierwirth just gave, and what the typical attendance patterns are in their districts.
277	Carman	States he doesn't really know enough specifics about Portland to respond.
281	Byrne	Re-states question.
284	Carman	States about 75-80% report that they are going to go on to college, and about 50% of them do, and about 25% of that 50% are still there after three years.
287	Bierwirth	Explains he wants to know how many drop out and come back, drop out and go to college, or some other combination of scenarios.
294	Carman	States they are tracking a retention rate, but they don't have that kind of telescoping data in Albany. States the reported dropout rate in Albany is about 6.5 or 7 %, which is high, but states they think 3 or 4 % of the kids control for the 7 %, because they drop out and re-enter so much that they amplify the number.
297	Bierwirth	Comments that the Legislature has passed out a good piece of legislation that would no longer classify GED students as dropouts.

312	Carman	Replies he thinks Albany's budget is very different than Portland's budget. States his district spends much less in English as a Second Language kinds of areas, and for a district of 8,000 students, they have 14 elementary schools, so 60% of their schools have a population of less than three hundred, and four or five schools have less than 100, which is much more expensive. States he is not sure that they can simply re-tool the information they already have and expect to get the kinds of outcome assessments they need to determine how to get certain students to certain levels of achievement.
332	Lynch	Echoes Carman's concern, and states there are local circumstances, such as school sizes, which play a big role in overhead costs, but states it may be most valuable for program outcomes for Albany to have 350 kids in a local elementary school, because then they have 200 parents actually interacting with those children. States they must make sure they have some flexibility to allow the outcome to be the driving force behind this discussion and not get into the minutiae of how each school district is doing that delivery as long as the outcome is there at a reasonable price.
379	Jim Jamieson	Asks if the FAM accounts for differences in staffing at schools and their related costs.
384	Bierwirth	Explains the FAM actually tracks out the exact costs, so it is the "truth," the real data comes out, and it shows where the actual salaries go, and whether schools that are supposed to receive special services are actually getting those special services, because they are parceled out to the sites where they are received, instead of being budgeted centrally.
379	Applegarth	States it has been somewhat difficult for the state to achieve equity in financial distribution. Uses example of student achievement in school A and school B and compares costs per child. States one task this group must accomplish is to tighten its recommendation so that it says what the council members want it to say, and shares his concerns about judging a school or district in terms of dollars.
TAPE 11, B		
014	Vice-Chair Ryles	States he doesn't think that is the goal, he thinks the goal is the fiduciary responsibility to manage the funds effectively. States if you take a category private enterprises and line them up from a large one to a small one, you will find that the accounting systems between the large ones and the small ones are very different in terms of detail, but the element of management is the same.
030	Conkling	States the exchange he just heard between Applegarth and Ryles is exactly the point he was trying to make earlier about the issue of accountability, and the point Ryles made about fiduciary responsibility was a good one.
050	Vice-Chair Ryles	States it is very easy to focus on accounting for things when really the goal is educate people to a level that will allow them to provide for their welfare in our society. Shares his concerns about Coopers & Lybrand, and re-caps details of the accounting system they started in 1983 for the Job Training Partnership Act and each community had private industry councils that were responsible to the state for delivering the training dollars. States the whole minutia of that accounting attempt got to be so detailed that it lost its effectiveness. States we

		need to understand how to use the information base to help manage the process of education more effectively, and avoid the "catch-22's."
074	Rep. Strobeck	States he doesn't think that as a state, they want to get into the business of trying to allocate dollars on a district-by-district basis based on some efficiency model. Explains how the Revenue Committee is just taking up SB 346, the distribution formula, and the members held a conversation about special education. States the point was made that there is an extra weighting of one additional in special education, so it counts for two students, but it was never intended to imply that you spent twice as much on a special needs student than you do on a regular one. States it was only for the purposes of distribution, and it was up to the local district how to spend those extra dollars. States they cannot make that kind of decision here because some students cost up to \$70-80 thousand a year, and others are very inexpensive. States that is just one illustration of how they can't be making those decisions here. States it should be kept at the local level, and it will be impossible for them if they start slicing information up into such tiny little pieces, because they will be swimming in data and won't know the answers to the fundamental questions.
115	Vice-Chair Ryles	States the management issue is how they traditionally exercise the prerogative of authority. The Legislature has the money, and therefore that says to most of our systems, that it has a decision to make and it holds the fiduciary responsibility for the finances. The allocation of the funds will be made at the local school district, and the local district should make the best decision for its students. States there must be partnership in the financial fiduciary so they can look at it on the broad perspective for the state, but the implementation and the spending of the funds has to take place on the local level. States there are a lot of other models where that has taken place, but with an elected body and different perspectives, there has to be some agreement on how they are going to relate to each other, and that is the thing the council needs to set some guidelines for.
135	Rep. Strobeck	Re-states the question of what the public is going to accept, and emphasizes that they don't want a "state school board," they want a local school board. Adds they need to assure the public understands that they don't intend to be a "state school board," they are in this funding situation because of a set of circumstances that were beyond their control.
140	Vice- Chair Ryles	States once they've been given the responsibility, they have no other choice but to act to affect those funds at the local level in the best way that you can, and that takes a lot of decision-making away from the local level, so they have to find a way to relate the fiduciary responsibility to the outcomes they want to have for the state of Oregon.
156	Hill	States that term limits will force the legislature to change faces at a rapid rate. States at least in his county there have been losses of education funds, and it will likely continue that way, but there also has to be some stability so that the districts can operate consistently and with some sanity.
		States when he was involved with communities that voted on their school budgets, part of their strategy paralleled what Oregon is trying to do with HB 2991. Explains it was to have kids who wouldn't reach certain achievement levels to be able to take courses two periods a day, or some other instructional

169	Bierwirth	strategies. When they took that to the public, they said we need more teachers, because we are adding an extra period. States there was a close link between what they were asking for in funds and between what they were trying to achieve academically. States we are not that close yet here, but that this is the discussion the people should be having with the State Legislature, yet we can't even get off square one.
200	Vice-Chair Ryles	Asks for update on the status of the mission statement.
210	Hunt	Summarizes sentiments about mission statement. States it is still a fluid document, and will likely undergo a little bit of "tweaking," but is generally acceptable.
223	Bierwirth	Introduces Pat Burke from his staff to give presentation on standards -based education and states he will interject along the way.
241	Pat Burke	States he will try to avoid duplication of the concepts that have already been covered. Explains his background is primarily 20 years as a building coordinator in Portland and the past three years he has worked to coordinate implementation of the Oregon Educational Act for the 21st Century. States his approach to this issue is more of a "trench fighter" down where the "rubber meets the road," and the question that still rattles in his head, comes from a meeting he had with the Governor about a year and a half ago. Re-caps that he wanted to figure out what it costs to get kids to a standard. States he came to the conclusion that that is the basic question--it is not about funding programs, it is about funding standards. Adds one of the things he's been observing around the table today is that they are trying to fit round pegs into square holes, and try to take old "square" per capita models and programs, and try to fit them into the "round" hole of a standards-based system.
284	Burke	States one hurdle that they are all subject and prone to, and which has brought them to the state of affairs they are in, is the use of jargon, figures and data that no one really understands. States people generally react negatively to what they don't understand, so it is important that they take a step back and ask themselves what it is they are trying to do here. States it is really quite simple, but overwhelming in terms of its implications. Uses overhead, and explains the vision began in 1987 with the passage of HB 2020, and in 1991 with HB 3565, and in 1995 with HB 2991, that all students in this state will achieve, with no exceptions: * all means all * no excuses * no secrets
295	Burke	Shares story about his son announcing he intended to get a pilot's license before a driver's license. Uses example of bell curve and how glad he is that his son was not on the low part of the bell curve.
404	Bierwirth	States first chart shows the percentages of achievement regarding math and reading (EXHIBIT C).

TAPE 12, A		
013	Bierwirth	Explains charts in exhibit C represent the "old way."
024	Bierwirth	Explains charts which represent the "new way." (EXHIBIT D)
045	Bierwirth	Explains the task at hand is to get every kid above the top bar, and describes the problems they encountered.
067	Lynch	Asks for and receives verification that the columns of numbers in exhibit D are numbers of students.
078		Recess for dinner break.
117	Burke	Continues presentation and asks what should be the academic targets for a school system. States some of the outcomes established under HB 3565 were a bit vague, and gives examples. States the Portland system started to look at the college entrance proficiencies at the 12th grade level, and the basic assumption was that the longer a kid stays in school, the more he or she should learn. So they attempted to define the end result as the target that needs to be defined or measured, and then plan backwards to align the curriculum with the ultimate targets.
153	Burke	States the issue for them was to be able to do that and also to account for the CIM at the appropriate benchmark levels. States the changes in HB 2991 actually opened the opportunity to align K-12 expectations and college entrance expectations because the content areas were almost identical.
160	Burke	Returns to the issue of what it means to be "standards-based," uses overhead to explain. States if he were at 5th grade, and the current benchmark at 5th grade is 215, let's say he scores a 210, and the current range has been a year's growth for a year's instruction. So if he is at that 210, and he grows approximately a year, his growth curve begins to look like the solid line. Assuming he did everything the teachers asked him to do, and the teachers did everything they were supposed to do, and there were average rates of student growth, the student would never achieve the standard. Explains a standards-based system asks a different question. It asks if he is at 210, what needs to occur to close the gap and get the student back to standard? They then begin to ask the question of where to invest the money, and the research is fairly clear, the money must be focused to close the gap early, than to wait and try to close it late. Uses example of teaching a student a second language early in his or her childhood, instead of in the 7th grade.
205	Burke	Outlines targets for determining the cost of reaching the standards in Oregon.
216	Burke	Explains the targets they are going to are a score of 202 at 3rd grade, 215 at 5th grade, 231 at 8th grade, and 239 at 10th grade. Gives examples and states last year 55 % of 8th graders in his district met that score of 231. States if they were using a bell curve, they could pat themselves on the back and feel like they were doing a good job, but they are funding a standard, not a program, so they have to try to get more kids to meet the standards.
		Explains they started playing around with that idea, to see if they could determine the appropriate categories. They wanted to determine the categories necessary to achieve the standard, and what the costs of those categories would

230	Burke	be. States there are some key policy issues, such as class size, and they need to reach some agreement on what a basic class size in Oregon should be. States they need to determine the extent of the investment necessary to achieve the standard, and what classes are basic and what classes are not. States the fundamental components were state standards, program mandates, non-required areas, the level of necessary instructional support, necessary central services such as payroll, transportation issues, and legal issues.
264	Burke	Continues explaining that he has no "silver bullet," but standards must be their first priority. Explains the state established English, language arts, math, history, science, civics, geography, economics, fine and performing arts, second language standards, and as a district, they have added health and physical education.
277	Bierwirth	States he wants to make sure that they address the fact that when the state publishes numbers on funding, that they start separating out things like transportation from money that is going elsewhere. States it is unfair because they have districts that go from \$25.00 or \$30.00 a kid to \$800.00 a kid and the equity in transportation is very different than equity in terms of educational and instructional services. States if they are going to start having a sophisticated approach to how much it costs to provide various instructional programs for kids to meet certain standards, they must separate out some of the other non-instructional aspects of the formula.
296	Burke	States with the 30-70% split on the transportation issue, there really isn't much incentive for a district to cut its transportation costs, because they only get 30 cents back on the dollar, whereas if they increase the number of kids they are transporting, they get 70 cents back on the dollar, so it is worth looking at ways of breaking those costs out.
305	Burke	Explains academic standards in his district include a required four years of high school English/language arts. In mathematics, the state currently only mandates two years of high school mathematics and science. Explains in the area of second languages, most students are taking two years, although it is not a requirement. Only one unit of health and physical education is required. Explains the rest are electives, and this model generates about half of Oregon students meeting the standards. States if we want more than half to achieve the standard, they should look at the orange areas, which represent areas where additional resources might be targeted. Uses example of early childhood education, and states research is fairly clear that it pays off. Re-caps provisions of HB 3565, such as full funding of head start programs, and states they are currently approaching the 50 % level, but they are certainly moving in the right direction. Adds there are also studies which show elementary school level exposure to second languages is more effective, so they may want to consider more resources in that area. States it will be a rare student who can do two years of mathematics or science, and still meet the college entrance proficiencies established by the Oregon State System of Higher Education. States he does not want to be around when that mom comes into his office and says, "my kid went through this district for 12 years and cannot get into college, what happened?"
		Discusses the concept of opportunity to learn. Explains there has been

396	Burke	<p>precedence since the end of the second world war in American public education that is leading to a fairly logical conclusion. Re-caps chronology of court rulings which set precedents. States the 1954 case of Brown vs. Board of Education in Topeka, Kansas held that a separate-but-equal school system was unconstitutional and the students were in a system whose input was unconstitutional and violated equal opportunity. The passage of the Elementary and Secondary Education Act and the Civil Rights Act in 1965 brought two major issues together, especially with President Johnson's commitment to funding certain categories of students, such as low income or low academic performance. In 1971, the courts ruled systems that generated disproportionate levels of funding by the "accident of geography" were unconstitutional, which became the basis of Proposition 13 in California. In 1974, Public Law 94-142, or the Handicapped Americans Act, passed, and was then re-issued in 1990 as the Americans with Disabilities Act (ADA). ADA entitled that category of students to full and complete services through age 21 without regard to their handicapped condition. That issue was also addressed in the decision, which found that non-English speaking students had a right to educational services. In 1973, the Rodriguez vs. city of San Antonio case that found that there was a discrepancy in the manner in which Texas funded education, and the court found that the output of students was unconstitutional because of the long history of low performing students in San Antonio. In the 1980's a publication called "A Nation At Risk" sparked a whole variety of reforms in Oregon. In 1984 they added career education, personal finance, and global studies as three requirements, which then sparked HB 2020, HB 3565, and HB 2991, which have gradually shifted not only the state of Oregon, but the United States in general, to a nation focused on standards and outputs rather than input.</p>
TAPE 13, A		
035	Burke	<p>States based on what was happening in the courts, they could expect a challenge of state finance based upon state standards. States last September he told the Governor he thinks there is a "lawsuit waiting to happen." States it is based on the premise that if you say there is a set of standards for which there are state required assessments, and you fail to adequately fund a system that is reasonably predictive of students being able to achieve the standards, the courts will probably hold you accountable under the opportunity to learn precedent.</p>
046	Burke	<p>States he is not surprised at what happened in the state of New Jersey two weeks ago, he is a little surprised that it happened so soon. The State Supreme Court declared New Jersey's system of educational finance and equity unconstitutional, on the basis that it used a statewide average rather than tying the lowest spending district to the highest spending district. It also found that the low spending districts, because of the lack of funding, and the system that looked at average expenditure rather than parity of expenditure would not be able to adequately provide a thorough and effective education system with that system of finance, and they threw it out.</p>
058	Lynch	<p>Asks him to re-explain that.</p>
		<p>Explains that it addresses for the first time, the question of standards, not</p>

061	Burke	inputs or courses. If, in order to get a high school diploma , a student needs 22 units of credit, then his or her opportunity to learn criteria are that the school must provide the opportunity to earn the 22 units of credit. The system cannot require foreign language, unless it provides the opportunity to learn it.
070	Bierwirth	States no one had ever looked at state finance and standards in court, or what it takes to get kids from different backgrounds to the same standards in court. What the courts said is even without a lot of history, it is obvious that to get different groups of kids to the same standards requires differing levels of funding, and if your funding formula does not take that into account, we will throw it out.
076	Lynch	Asks for verification that in Oregon, we have two things, we have the per pupil discussion and we have a state funding formula that ostensibly does some of that.
079	Burke	<p>Explains we fund kindergarten kids at a certain per capita rate, but a child entering kindergarten as a five year old in Riverdale is going to be a lot different than one entering Humboldt Elementary School, and to expect that they are both going to achieve at a third grade benchmark by third grade at the same time is a little ridiculous. There are some factors that influence whether some of those barriers can be overcome and the rate of learning can be approximately standard as students move through the system. States what happened in New Jersey was that the average they were using in the formula was well below what the court felt was necessary and thorough to get all kids to the standard. States the thing that caught his eye were the similarities between New Jersey's goals and Oregon's goals:</p> <ul style="list-style-type: none"> * they have a set of common content standards benchmarked at grades 4, 8, and 11 * they have required state assessments in math, science, social studies, fine and performing arts, English/language arts, health and physical education, and second languages * they have established definite cut points * they have cross-content workplace readiness skills, which read like our career-related learning requirements, which are part of the CAM
106		States you could take out New Jersey, and put in Oregon, and you've got a similar system. States he thinks they have a serious problem ahead of them, and he is not convinced that looking at a state average per capita expenditures is the way to go. States he would prefer to look at the correlates of achievement, rather than funding per capita or by program. Explains that means they can begin to look at what some of the factors are that research indicates improves student performance. States class size is one, but you also need leadership in buildings.
		States the cost factors for this area have to do with the recruitment salaries, training of instructors, principals, correlates of achievement, necessary tools, school environment, positive atmosphere, and what level of support services

118	Burke	are required to help the students get to the standards on time. States parents have a legal right to expect that there will be some intervention strategies that kick in and that will work.
154	Chair Lundquist	Asks where Oregon fits into the New Jersey situation.
166	Burke	States he thinks we are very close.
188	Bierwirth	States on the other hand, we are way ahead of the other states in terms of definitions of academic standards. States it was very difficult to sue someplace here on the basis of the old diploma requirements, because a diploma meant one thing in one part of the city and something completely different another part. States in two years, if some kid in some school district is denied a CIM, and a lawyer can draw a direct line between the courses that were offered and the fact that the kid was denied a CIM, he's pretty sure they will have a court case.
232	Carman	States his concerns that they have established standards that only 50 or 60 % of our kids are going to be able to meet, and that puts us in an extremely vulnerable position. States he thinks equitable school funding helps the smaller districts, but it is not perfect. The fact that they have endorsed a system that they are not paying for, and they are going to publicly admit that a high percentage of our kids are failing in our own system puts us in a precarious position, at least over the next four or five years until a higher percentage of our kids get there.
243	Bierwirth	States he agrees, but he doesn't think they will see anything in the way of a lawsuit in the next two years, because until a CIM is denied, it will probably be difficult for someone to make a case that their property rights were hurt. States it isn't that far down the road when Oregon universities start denying kids entrance because they don't have all the proficiencies, and the kid can point to the fact that their public school system doesn't have the educational opportunities.
260	Kamisky	Shares her concerns as a teacher about teachers not getting the necessary training to undertake all these new endeavors. States they are not having any workshops or training sessions at all, and it is "scary," because they don't know when they will be out of a job. States she wants to make sure the districts get the necessary funding for the teachers to get the training they need.
275	Applegarth	States they are largely responsible for that. Explains that when school districts began to reduce their budgets, they cut staff development early in order to preserve salaries, class size, and favorite projects and programs of parents and staff. States everybody was comfortable with that--staff development money was kind of invisible money to the community, but now its coming back and nipping us just as Kamisky described. States however that was a conscious choice they made some time ago, which puts them where they are now.
		States it is really four years from now that the problems will begin surfacing. If she has a child who is exiting high school and had been unable to reach the CIM, there are questions on how the Oregon Constitution and HB 2991 line up. States they had an argument about whether or not small school districts

287	Coxe	<p>could be held exempt, especially regarding the foreign language requirements, and they talked about satellite education, and what the cost of that would be. Suggests they look at that as a possibility, because this is going to require some major changes. States there are some teachers in her district who are hoping this will all "go away." States she could have a parent coming in today, who says "my child didn't get a benchmark because you didn't assign all four required work samples," and that parent would be right. States if that parent came in and said the student was only missing benchmark by one writing sample but the teacher never assigned it, she would have to take responsibility for that if she never assigned it. States that is happening already. Explains her students can go on to 9th grade and make that up because in their district, if they don't meet benchmark, they keep working.</p>
333	Kamisky	<p>States another issue is the second language. Explains her school in her district has been designated the "Japanese school," and while the kids are learning second languages very rapidly, teachers are struggling with it, and some of the requirements are putting a lot of stress on these teachers.</p>
350	Lynch	<p>States there is another factor they need to consider on the issue of lawsuits. States the requirement that if a child doesn't meet benchmark, the school is required to provide an alternative program to assure that the child gets there, and if a parent can show that no such alternative existed, then he or she might have a case.</p>
379	Conkling	<p>States the legislature sets an aggregate amount of money for education that is based today on nothing that they would identify as an objective standard. Explains it then distributes the money on a set of protocol that may not be absolutely precise, but is pretty well grounded. States if you figure out how many students they have, and you figure out how to divide up the pie politically, then that helps constitute what the aggregate is, and that is how the system currently works. So in the New Jersey case, it would be interesting to know what was unconstitutional, the development of the aggregate or the distribution system. States it strikes him that you can have a distribution system that is fair, and have an aggregate level that is not, and states he thinks the opposite holds true as well. States he thinks Oregon has moved toward a system that is less arguably inequitable in its distribution, but they really don't have any idea about whether it is appropriate in the aggregate amount. States he thinks what this exercise is all about is an effort to try to determine if it is appropriate. States the lawsuits tend to come from parents or students in specific circumstances which may or may not relate to the equity of the distribution system or the adequacy of the aggregate. States it may relate to the application of them at either the school level or within a district itself, so the threat of litigation is enormous, especially because the more data you drive, the higher the incidents of lawsuits. States if you are trying to stop lawsuits, you would constitute your inquiry and development of data in a different way, perhaps toward figuring out what the aggregate amount is. States they need to keep in mind how the Legislature actually handles money and they need to figure out where there is a deficit of data and how to build our structure to answer that deficit without creating "trip wires" for ourselves.</p>
<p>TAPE</p>		

12, B		
029	Bierwirth	States in addition to the legal issue, there is the issue of the political contract between the state, the districts, and the people, which is likely to involve many more people than those who would be involved in litigation. States we have collectively been "ducking the hard questions for five years" and we have yet to grapple with the hard issues they put on the table during the first half hour of the first meeting. Adds even if they do a good job, some people are still not going to be happy, even if they confront certain issues head-on, but if they just "bury their heads in the sand," people will be even more frustrated.
060	Burke	Shares his concerns about anticipating and guarding against lawsuits, and states in his opinion, the driving force should be what is the correct thing to do for children, not whether or not they are going to be sued. And anytime they get away from that, they not only lose political and financial support, they lose the support of educators who have to deliver the services. States they have a tendency to get bogged down in head counts and formulas, and explains the original formula came from calling around to other states and asking them what their averages were, it had nothing to do with standards. Explains details of current formulas. States he is very conscious of the fact that they need to deal with the issues Kamisky is raising. Those issues include things like how well the teacher is prepared, or if they have the necessary tools. If they don't have those things, then they don't have a standards-based system, they have a formula, and it might have equity of payment, but it is not standards-based, and they shouldn't lie to the public by saying that they will get all kids to those high standards with this system.
105	Burke	Continues talking about funding the correlates of achievement.
111	Weight	States the likelihood of there being a lawsuit in Oregon is very high, and the very thing they are gathered here to do is to try and develop a formula. States at least they are here and are working to do that, instead of doing nothing. So that when a legal challenge comes, they can at least say "here is what we have arrived at and here are the decisions we have made." States he thinks they are on the right track, and should look at the New Jersey case as a stepping stone, not an inhibitor to progress.
183	Greer	States the lawsuits are already here, and they shouldn't worry about that, they should define what a quality education is. Adds he hopes that somewhere in that roll-off cost is a feature to bring the public up to date on this, because there is a lot of "bad blood" about the CIMs and the CAMs.
223	Chair Lundquist	Asks for input about what work groups they think would be necessary.
233	Hill	States his concerns about Lynch's comments about numbers one and two in the mission statement being "staff driven."
245	Lynch	Explains only the school districts can provide the information about how k-12 school dollars are spent today, not the people in this room. States the people in this room could probably use the information in a report to the rest of the group, but she doesn't see that as something they should be doing. States the goal in number two is all statistics- driven. Adds that would give them background information that can help them decide how to clearly define and

		fund a standards-based program.
266	Ryles	Suggests a group to examine other high-performance models in the world.
273	Hunt	States the first three goals under item one of the mission statement are exactly the things they cannot access at all under the current system they have, so they are going to need that information, and it is going to require that all the accountability piece is completed before they can do that very effectively.
271	Wyse	Suggests they form a work group that gathers the information they need to know regarding how k-12 dollars are spent today and other overall budget information.
297	Bierwirth	Asks if they could designate a group to take a look at budget and finance systems and continue with it.
303	Conkling	States he does not want to invent the bottom of the triangle before they figure out what the top should be. States if you had a standards-based education, what would you need to know to put a cost to it. States they need to brainstorm what the range of options is. States they should identify what their target is as a group before they start dividing themselves up and getting the data they need to support their choices.
334	Hunt	States he could be examining high-performance models and looking at current school expenditures, while at the same time trying to identify what the components of achievement should be, and what the components of the model itself should be.
345		Discussion held on pros and cons of dividing up into work groups now vs. working to first identify the targets.
388	Wyse	States they need someone to go out and do the work in between the meetings, and that is what the work groups should do.
398	Rep. Edwards	States he thinks they already know the target--it is the CIM and CAM and it is already in place, and they have already gone through this process with the Oregon Health Plan. States it's a question of figuring out what the limitations are and how best to achieve the goal of the CIM and CAM. Adds it will ultimately be the Legislature who is held accountable.
TAPE 13 B		
006	Conkling	States they know what the standards are, but they do not know the cost of the standard, and he has not heard anyone anywhere give him even a model of how to do that. States the challenge is in inventing the cost approach that is empirical and objective that says how to cost out achievement of the standards that they have set in place. States they should first agree on that and then see where that work drives them.
015	Bierwirth	States there is actually more experience and research on this than they have given this state credit for.
027	Applegarth	States he would feel more comfortable if they can concretely identify what that quality education program is first and then set about the task of funding it. States he would like someone who is "really good at it" to summarize it and write it down.

036	Rep. Strobeck	States he gets a totally different impression from educators compared to policy makers about what the goal is. States if they are the policy makers who are looking at the funding, they had better be on the same page as what the goal is and what they are trying to pay for, and he thinks that is where they have to start. States it is not obvious that CIM and CAM is where they start unless they state it, because once they are all gone due to term limits, the next people who pick up this document need to know what they are paying for.
046	Vice-Chair Ryles	Asks if they can't define this standard-based education model which they had been talking about during this meeting.
049	Hunt	Asks if the performance targets are in fact CIM and CAM and PASS, or are there other targets they would like to add to those, and should a work group just look at performance targets.
054	Lynch	Asks why they have to have a work group to know what the current school expenditures are. States the Legislature may need that information, but if what they are really about is determining what the core program should be they need to come up with a presentation that says "this is what we all expect in Oregon, and this is how much we believe it is going to cost, this is the kind of formula that gets us there, and here is that aggregate amount, now how do we get that big aggregate amount." States what they are doing today is relatively irrelevant to what they want to do tomorrow.
071	Byrne	States he is agreeing with little bits of everything he has heard regarding the mission statement, and clearly the number one goal is what the quality education model they are striving for is. States he doesn't know where they are in terms of being able to prepare students to meet those minimum requirements that give them the CIM and the CAM. The document Bierwirth and Burke showed them shows they have to make a lot of progress with a lot of students. Asks if the teachers know how to do this, or if it requires a lot of new progress and new training and equipment. States he doesn't know how they are going to structure these committees because there is a lot here that is known, but it's not enough. States he doesn't even see this issue ending when they finish at the end of this year, because it is a series of more and more refinements until they get to the point where every student meets the CIM.
117	Hill	States it might be a good idea to bring everyone up to speed in terms of the new system that is being implemented and the benchmarks that are being adopted.
120	Lynch	States they need to do that, but in bites small enough so that they can do the program costs which Conkling was talking about earlier. States as Applegarth was saying, it needs to be clearly defined so that they can begin to attach a number to it.
125	Hunt	States that somewhere in between accepting the way everything is and re-inventing the entire wheel is where this group should be, and as a committee, they have the ability to propose new laws that would change or rectify the status quo.
138	Greer	States it seems they are saying a lot of the items in stage one is data, and asks if someone else can bring that data to them or if they need to collect it themselves.

150	Carman	States it does not feel natural for them to divide into groups at this point, and explains he was on the CIM committee, and this conversation parallels the one they had about three years ago. States he does think they will have to break into work groups and invites staff to think about how best they can do that. States he is anxious to get started.
165	Vice-Chair Ryles	States he thinks they can take the baseline analysis that Conkling was referring to and simultaneously have work groups that deal with best practices and other issues.
162	Coxe	Suggests they look at the best practices and they know how they are funded, and go back and look for the necessary information on an "as they need to know basis" and build the bridge backwards.
184	Chair Lundquist	Asks if they really have a grip on what that quality education model is, so they know what to drive toward, or do they still need to get it before they decide how to get there.
197	Applegarth	States there is a tacit sense around the table that they are all talking about the same thing, and he would like to see it stated. States he wants one they can all sign off on and then get busy working on it, and doesn't think they'll find much disagreement about what it is.
208	Burke	States these kinds of discussions tend to focus on programs--basic questions that the public wants to hear--but there are other areas they are learning about, such as whether every classroom teacher in Oregon should know how to conduct a performance-based assessment, and what it costs to have teachers get their skills upgraded. Uses example of how much time it takes for every third, fifth, and eighth grade teacher to administer classroom assessments and whether they can put a dollar figure on those basic questions, even though it will be expensive.
259	Chair Lundquist	States if you decide where they need to go in the end, then start building what goes into that, and how to deliver that, those are the components of where they want to go.
265	Rep. Edwards	States they need to figure out what their priorities are --and what of those factors can they work toward to achieve the CIM and the CAM, whether it is class size, leadership, classroom resources, and how we cost some of those out.
315	Chair Lundquist	Asks if it would be appropriate to have a smaller group to give some direction for next time on where they want to go from here.
345	Wyse	States there is no way they are ever going to know the cost of delivering the CIM and the CAM and the different entities involved, so in terms of professional development needs, suggests asking the districts what they would do to achieve this goal.
383	Hill	States he agrees with Chair Lundquist that they need to define the model clearly and arrive at something they can all sign off on.
390	Lynch	States if they discover along the way that there is a gap, they can address it then, and they probably have 80-90 % of the answer already, it is just not clearly understood by everyone in a simplistic manner.
		State he thinks the most durable thing they will produce will be step one of the

417	Greer	mission statement, which he hopes will be a clear definition of what a quality education is. States his experience has been that the durable things are those types of definitions such as benchmarks. States the governance, implementation, and other mechanisms wax and wane, but if they do a sterling job of step one, it will hopefully be durable enough to last for years, because the rest of it will fluctuate.
TAPE 14, A		
012	Chair Lundquist	Asks for and receives verification that Applegarth will chair a work group and come back next time with something they can all look at and he can pick whoever he wants to work on this with him.
021	Ryles	Suggests they work on some other aspects, such as high performance models during the next month, so they can come back with more information to share.
036		Discussion held on what work groups should work on.
038	Hunt	States the key to this project is that they need to all agree on what the components of this model should be, such as whether teacher to student ratio should even be a component.
143		Discussion held on possibility of holding next meeting the third week in July. Group agrees to meet Tuesday, July 22, 1997, from 9:00am-4:00 pm, in Rm. 350.
165	Ryles	Asks for volunteers to help investigate high-performance models with him.
184	Chair Lundquist	Adjourns meeting at 8:28 pm.

Submitted By, Reviewed By,

Julie Havel, Christine Deboy,

Administrative Support Co-Administrator

EXHIBIT SUMMARY

A - Council Draft Mission Statement, Duncan Wyse, 6pp.

B - The Three R's of Education Finance Reform Study, Jonathan Hill, 33 pp.

C - Student Achievement Statistics, Jack Bierwirth, 1p.

D - CIM Benchmark Standards, Jack Bierwirth, 1p.