

# The Oregon Educational Accountability System

## Leadership for Responsibility and Continuous Improvement

Leadership, action, and distributed responsibility are the hallmark of the Oregon Educational Accountability System. All Oregonians are called upon to contribute to the quality of Oregon schools, and to support the students within them.

Oregon citizens support their schools financially as well as with their personal contributions to student success. Parents, teachers, administrators, school boards, legislators, the Oregon Department of Education, businesses and communities must be dedicated to helping students progress. All educational partners can demonstrate their commitment to quality education and to supporting student academic improvement and personal success through an effective accountability system.

Just as communities are responsible to their schools, it is fair to expect that school districts as well as schools use their allocated resources responsibly and be held accountable for results in a clear and consistent manner.

### Purpose

The purpose of the Oregon Educational Accountability System is to:

- 1) Drive continuous academic improvement and success
- 2) Ensure responsible action
- 3) Identify excellence

### Guiding Principles

Research based educational principles guide the priorities of accountability. The Oregon Educational Accountability System is grounded in guiding principles that build upon the goals of the *Oregon Educational Act for the 21<sup>st</sup> Century*, the vision themes of the Education Leadership Team and the goals of the Quality Education Model.

- Personal and academic success and improvement of each student in Oregon is the primary purpose of educational accountability.
- Strong leadership and rigorous staff development is essential to building capacity for successful schools.
- Responsibility for student success is shared by all Oregonians and must be identified and supported throughout the system.
- Incentives, targeted assistance, and consequences are to be used in a fair and predictable manner.
- Community engagement and support are critical to ensure responsible action for both student and school success.
- The system should identify excellence, and should measure progress with a variety of specific success indicators.

# Introduction

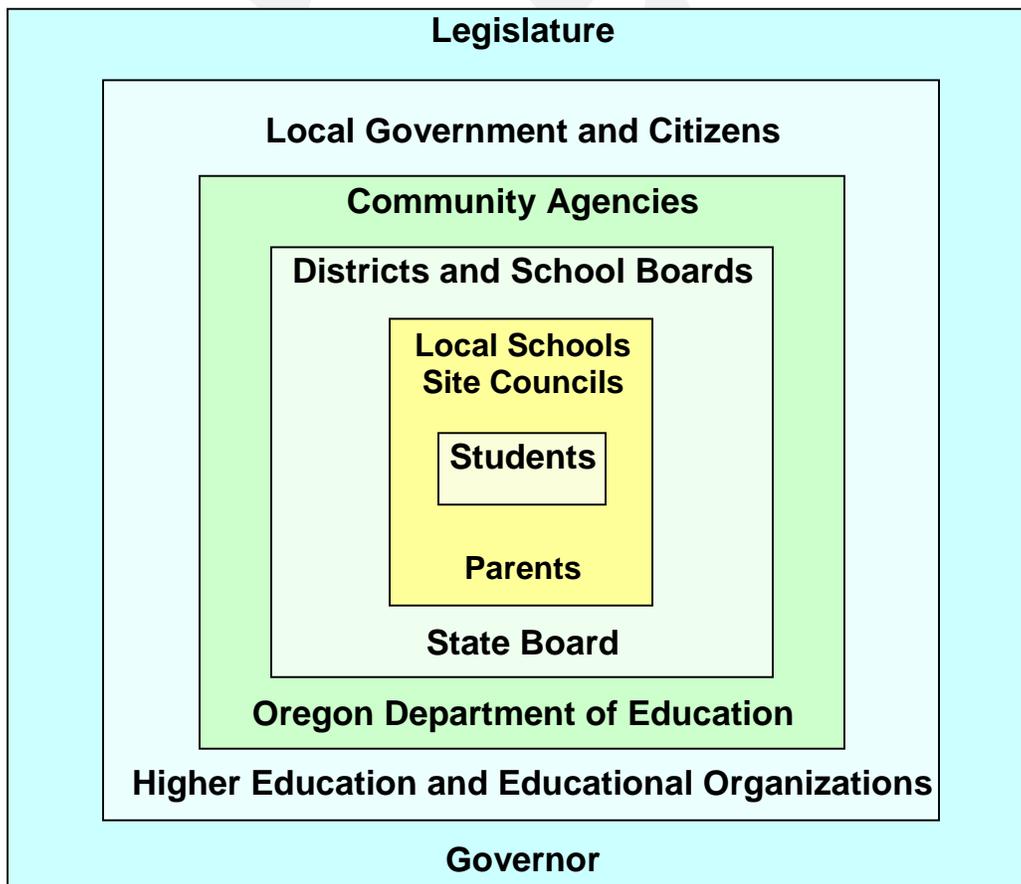
## Oregon Educational Accountability System

This document is the first step in defining a broad-based educational accountability system framework for Oregon as requested by Governor Kitzhaber. Clearly schools need to be held accountable. However, the responsibility does not begin and end there. Schools cannot provide a high quality education for students unless all Oregon stakeholders also participate. What role does the local district play? What is the role of the community, the Legislature, the Department of Education?

This document is a work in progress. It does three things:

- 1) It outlines what is currently in place regarding accountability
- 2) It begins to connect an accountability system to specific performance targets from the Quality Education Model
- 3) It describes issues for further development.
  - Identify the key stakeholders in the accountability system
  - Define stakeholder roles and responsibilities
  - Identify the gaps, limitations and implications on the road to achieving a full accountability system.

(Attached are comments and feedback received from the Quality Education Commission.)



## Educational Accountability System for Oregon

April 25, 2001

TO: Nancy Heiligman

FROM: David T. Conley, Ph.D.  
Associate Professor, University of Oregon  
Director, Center for Educational Policy Research

In response to your request to review the state's current thinking on a school accountability system, I think it's possible and necessary to critique designs for state accountability of local schools on two levels: conceptual and practical.

As a concept, state oversight of local schools is evolving rapidly. States are moving to exert a new-found and substantially expanded notion of authority over local schools. The fundamental question that I think has not been addressed is: What are limits to state responsibility and authority? Stated differently, is there a point at which the state has done as much as it can and the responsibility is firmly lodged with the local district and its voters and patrons? Does the concept of limited state rights to intervene into local district functioning disadvantage certain communities that are less able to improve their own lot, or is it always necessary that local communities become engaged and activated if true improvements in schooling are to occur?

One way to address this issue would be to have an accountability system that entailed the collection, analysis, and publication of increasingly detailed data about school functioning and the attendant publication and distribution of such data. In essence, the Department of Education would shift from becoming a school district's ally in the improvement process and become the community's ally. Ultimate responsibility for improvement would still be lodged in local boards of education and school administrations.

If the ultimate authority does not remain at that level, it is hard to envision the purpose of school districts or central administrations. In essence, they would run districts as long as things were going reasonably well, but would be displaced when things were not. The emphasis from New Jersey and other states that have enacted school or district takeovers is not very encouraging regarding the success of such interventions.

On a practical level, one alternative is to offer increased choice and options for parents in districts that fail to bring about improvement or meet specified goals. This would operate in the form of a mandatory disassembling of the district gradually as new service providers and options were established. One of the problems with this approach to date has been lack of real options to parents. The state's role in this model would be to oversee the establishment of numerous alternative programs that would directly compete with the district and would have access to district facilities and resources equally with the existing schools. This potentially divisive strategy would bring real pressure for improvement at the same time that it would introduce new educational models and structures. The state's role would be to actively manage the process and ensure the district did not block the proliferation of these programs. The state would actually go beyond this monitoring role to identify contractors who would create programs in the district, to make sure parents had information about the options available to them, and to ensure that transportation was organized in ways that allowed students access to the maximum number of choices.

Others have made the point that the number of data sources being used as the basis for accountability is unnecessarily limited and limiting, with which I concur. Given the current technologies available to us, we

should have much more information about organizational functioning of schools than we do now. While state assessments provide some insight into educational outcomes in a limited number of areas, we should not overlook information on educational processes. These give us an even better indication of system health. The Quality Indicators identified in the Quality Education Model 2000 are the logical starting point for developing a more varied and multifaceted data system upon which to judge schools, their performance and their potential for improvement.

In summary, I think that any state-level accountability system has to define the role of the state as well as the limits of state power and authority. I continue to believe local districts should be held accountable for student performance, but that the state education department in particular should perceive itself as the advocate for parents and students and not solely as the protector of school districts. While I do not mean the department of education should be hostile to schools, I do mean that the department should be ready after a certain point to do everything possible to ensure parents are aware and empowered to enable their children to get an effective education. Such actions would include much more in-depth data collection, analysis, and publicity. Where these measures failed, the state would move to ensure much wider options were available to parents and students.

Through all of this, the local board would continue to function and would be encouraged to improve. I think districts for which state resources and assistance had not made a difference should receive assistance from the state's professional organizations, COSA, OSBA, and OEA. These organizations should be empowered and charged to help their members improve if any semblance of local control is to remain. They must be chartered and organized to move beyond a primary focus on increasing their members' resources to enabling their members to improve and be effective. Granted, all these organizations already have a limited number of services and activities in these areas, but I envision a dramatic expansion in the area of assistance to members, particularly targeted improvement. By maintaining a separation between the state, with its authority and responsibility to consider the needs of all members of society, and these professional organizations, with their charge to help their members, it becomes possible to create different spheres of responsibility for governmental and non-governmental organizations. This distinction helps prevent an organization from being charged with contradictory missions. This approach also attempts to draw upon the best aspects of local control while retaining legitimate state authority in those areas the state should exercise authority.

I know many of the concerns about accountability are more mundane than these—namely, what to do if schools don't get to the performance levels prescribed by the QEM. I think this is ultimately a political question, but the same principles outlined here apply. The state could present the public with information on why the state school system did or did not meet the goals set for them, and the public, through the political process, could judge whether schools should be rewarded or punished, in large measure through the representatives they elect or their votes on local elections. In the alternative, an education "vote of confidence" could be held in which the states citizens indicated if they had confidence in the job the public schools were doing. This general indicator could be used by the Legislature as a yardstick for the path to follow in reacting to statewide school system performance in relation to education goals.

In short, new roles, structures, and approaches are needed as a result of the fact that governance relationships have been changed over the past ten years, while the basic governance system has not. The QEM will call these issues into sharp contrast. The solutions will be more difficult to develop and will require considerable experimentation and change of existing institutions, always a difficult proposition.

The Oregon Education Accountability System is organized by its purposes in the service to Oregon students.

## 1) **Drive Continuous Academic Improvement and Success**

The Oregon Education Accountability System provides distributed accountability for the success of each Oregon student. This approach to accountability departs from systems that are more traditional in three key ways:

- 1) Accountability is linked to student performance, as a key indicator of success
- 2) The focus is on the district and on the school as the units of improvement
- 3) It builds on support and progress for students at every level of the system

While focusing on the outputs of improvement and success, continuous improvement is grounded in school and district capacity to build upon and sustain progress. The research is clear; strong school leadership, a focus on learning, and parent involvement in schools contributes to the supportive school environment necessary to sustain improvement and results!

Clear, distributed responsibility and authority are also essential for improvement. As part of Oregon's standards-based reform, the ODE has already developed many components deemed critical to a successful statewide accountability system, as outlined by the National Governors Association and other organizations. (See Table 1 for *Accountability Elements that Currently Exist in Oregon at the District and School Level.*)

## 2) **Ensure Responsible Action**

From a state-level perspective, a combination of strategies to ensure responsible action provides a continuum of service from support to intervention to authority. Individual district conditions and performance levels influence the application of strategies listed below, and the degree to which state intervention and authority is exercised.

The accountability continuum ensures responsible action at the school district level and is organized by the following strategies.

1. Incentives provide momentum for academic improvement and success.
2. Assistance builds the capacity for success and ensures responsible action (state support to intervention).
3. Consequences guarantee that each education stakeholder accepts responsibility for helping students achieve high standards (state intervention to authority).

(See Table 2 for Oregon Department of Education *Accountability Service Strategies.*)

### **3) Identify Excellence**

Identifying excellence provides essential inspiration and models of the high standards that we seek for our schools in support of each student in Oregon. Continuous improvement is the avenue towards excellence. However, years of educational research inform us that improvement can occur and be sustained only when conditions are in place to support it. This includes support roles of various stakeholders.

In addition, the Oregon Educational Accountability System could undermine excellence by not recognizing it. Excellence is defined by “going public” with distinguished service, highlighting and modeling effective practice, and by providing incentives and rewards that are meaningful to its recipients.

Identifying excellence is central to continuous improvement because it: 1) sustains engagement towards improvement, 2) promotes collegiality and mentorship while reducing isolationism in teaching, and 3) reminds us of our vision and purpose in education – to support and sustain improvement and success for each student.

The principles that guide the Oregon Educational Accountability System identify three primary elements in effective accountability: 1) student academic and personal success, 2) highly qualified school leadership, and 3) community engagement. While these elements drive accountability, they also provide tangible indicators for excellence and, in turn, help to develop models for excellence.

What is clear at this time is that Oregon needs to develop appropriate incentives and rewards that will promote excellence and motivate schools to reach to higher levels of student improvement and success.

### **Oregon’s Balanced and Comprehensive Approach to Accountability**

The Oregon Department of Education seeks to provide leadership through a well-crafted strategy to publicly recognize excellence and accountability. While targeting school and district assistance through a continuum of support to intervention, the ODE enlists coherent action for high standards. Finally, increasing intervention to the use of state authority in current statute provides the assurance of broad accountability. This leadership for improvement, generating coherent action and broad responsibility are the hallmark of the Oregon Educational Accountability System that supports the academic improvement and success of each Oregon student.

**Table 1**

**Accountability Elements that Currently Exist in Oregon at the District and School Level**

<p><b>1. High standards in core academic content areas</b></p> <p>Oregon has developed high standards for academic content and performance assessments and continues to align student assessments to those standards. Oregon’s high-standards education system relies primarily on established content and performance standards for learning benchmarks at grades 3, 5, 8, and 10.</p>	<p>ORS 329.035</p>
<p><b>2. Statewide and school-based assessment measures that align to the standards</b></p> <p>The focus is on continuously increasing student performance. Students in grades 3, 5, 8, and 10 are currently assessed at benchmark levels in reading, writing, speaking, math, math problem solving, and science. Knowledge and skills measured on multiple-choice assessments combine with performance assessments in writing and math problem solving, and classroom work samples to monitor student achievement.</p>	<p>ORS 329.485</p>
<p><b>3. School and District Report Cards which publicly report achievement and improvement growth to parents, communities and stakeholders; including ratings that demonstrate academic improvement at the individual student and school level.</b></p> <p>The Oregon School and District Report Card, first published in January 2000, has added a new dimension to the accountability system by uniformly rating and reporting school test scores in conjunction with other outcome measures such as attendance and dropout rates.</p>	<p>ORS 329.105 ORS 329.115</p>
<p><b>4. Accountability standards for continuous improvement of districts and schools – Consolidated District Improvement Plans and Local School Improvement Plans.</b></p> <p>Oregon is placing more emphasis on student performance while increasing district flexibility to identify best practices and strategies for local improvement. Schools are required to adopt continuous improvement strategies involving school level planning around specific performance targets. This continuous improvement strategy involves school site determination of and planning around specific performance targets, such as improved test scores in reading and math.</p>	<p>ORS 329.095</p>
<p><b>5. Requirements for compliance of state and federal law</b></p> <p>Under current statute, the State Board of Education is responsible for “assuring the effectiveness of districts”, and local school districts are accountable for “maintaining a standard school.” A school is designated as standard “until the school has been found to be deficient by the Superintendent of Public Instruction, pursuant to standards and rules of the State Board of Education.” The Superintendent of Public Instruction has the authority to withhold State School Funds from a district that is designated non-standard.</p>	<p>ORS 327.103 OARs Division 15, 22</p>

**Table 2**  
**Accountability Service Strategies**

<b>Incentives to Recognize Excellence</b>  <i>Available to all schools</i>	<b><i>What policy incentives exist to increase and sustain continuous improvement?</i></b>
	<ol style="list-style-type: none"> <li>1. Significant flexibility to design programs and use resources through statewide Federal education flex dollars.</li> <li>2. Successful Schools Program (ORS 329.825) - Incentive rewards to successful schools, (currently not funded).</li> </ol>
<b>Targeted Assistance for Improvement</b>  <i>Continuum of state support to intervention</i>	<b><i>What type of targeted assistance does ODE provide to schools that do not meet the standards and to those who are declared low performing schools?</i></b>
	<ol style="list-style-type: none"> <li>1. Provide professional development resources services through ODE and ESDs</li> <li>2. Provide specific grants and targeted assistance for low performing schools (Comprehensive School Reform Demonstration Grants)</li> <li>3. Require review and revision of district and school improvement plans.</li> <li>4. Require assessment and report to local school board of district and school effectiveness based on ODE Comprehensive School Review Tools for the QEM Quality Indicators</li> </ol>
	<b><i>What consequences result from the state when districts fail to perform to high levels (as demonstrated by achievement and improvement standards)?</i></b>
	<ol style="list-style-type: none"> <li>1. Release the school, district, and state achievement data and district report card ratings.</li> <li>2. Require an assessment of both the quality and fidelity of implementation of district and school improvement plans based on ODE Comprehensive School Review Tools.</li> <li>3. Require the local school district superintendent and board of education to meet with the State Superintendent to discuss school improvement process and progress.</li> <li>4. The right of parents or guardians to transfer the student to another public school in the district, or another district (requires new statute.)</li> <li>5. Involve the Office of Civil Rights to assess district practice.</li> <li>6. Withhold spending authority of federal dollars. This may include restricting monies for disadvantaged youth, migrant youth, professional/technical education</li> <li>7. Withhold state school funds if deemed that a district is in violation of State Standards for Public Schools</li> </ol>

*(Shaded service strategies indicate need for new ORSs or OARs)*

## **The Oregon Educational Accountability System Applied to The Quality Education Model 2000 Reading Performance Targets**

The Oregon Educational Accountability System is a framework for the continuous improvement of K-12 education in Oregon. This document describes the application of accountability strategies to districts that are working to meet the reading performance targets of the Quality Education Model.

As a performance budgeting tool designed to link school funding with student achievement, the Quality Education Model charges schools and districts to:

- 1) Effectively use resources provided to meet the student performance goal, and
- 2) Use best educational practice as measured by quality indicators to continuously improve student performance.

### **Performance Target**

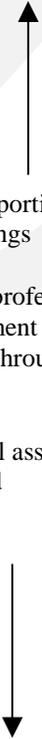
To have at least 90% the elementary school students perform at or above the state reading benchmarks for both the 3<sup>rd</sup> and 5<sup>th</sup> grade, within four years.

### **How ODE Ensures Accountability**

The Oregon Department of Education acknowledges its responsibility to schools and districts by providing support, targeted assistance and appropriate intervention/consequences when necessary to ensure the attainment of the performance goal.

The Oregon Department of Education also fully expects that districts and schools will be successful at demonstrating adequate progress as well as meeting the performance goal. To ensure this, the department will implement a comprehensive continuum of services to support district and school improvement efforts. School and student performance and improvement data will determine the type and rate of service strategies employed.

**District Accountability Continuum –Reading Performance Targets (Grades 3 and 5)**

<b>Accountability Strategy</b>	<b>Support and Assistance</b>	<b>Support and Targeted Assistance</b>	<b>Targeted Assistance, Intervention, and Consequences</b>
<b>Level of Performance</b>	<b>90%-100% Meeting Benchmarks</b>	<b>60%-89% Meeting Benchmarks or making improvement</b>	<b>Less than 60% Meeting Benchmarks or not making improvement</b>
Year 1 2001-2002	 <ul style="list-style-type: none"> <li>•Public reporting of Report Card ratings</li> <li>•Provide professional development resources and services through ODE and ESDs</li> <li>•Technical assistance as requested</li> </ul>		<ul style="list-style-type: none"> <li>• Assist in analyzing and implementing district and school improvement plans supporting reading</li> <li>• Review allocation of district and school resources supporting reading</li> </ul>
Year 2 2002-2003		<ul style="list-style-type: none"> <li>• Require district to review and revise district and school improvement plans in relation to reading</li> </ul>	<ul style="list-style-type: none"> <li>• Require district to conduct an <u>assessment</u> of district and school reading performance using ODE School Review Tools keyed to QEM Quality Indicators</li> </ul>
Year 3 2003-2004		<ul style="list-style-type: none"> <li>• Require district to conduct an <u>assessment</u> of district and school reading performance using ODE School Review Tools keyed to QEM Quality Indicators</li> </ul>	<ul style="list-style-type: none"> <li>• Require district to contract for an external <u>review and revision</u> of district and school improvement plans based on ODE School Review Tools at district expense*</li> </ul>
Year 4 2004-2005		<ul style="list-style-type: none"> <li>• Require district to contract for an external <u>review and revision</u> of district and school improvement plans based on ODE School Review Tools at district expense*</li> </ul>	<ul style="list-style-type: none"> <li>• Require district to implement the revised plan with on-site external assistance at district expense*</li> <li>• Require districts to allow parental choice to transfer student to another public school (requires a change in statute)</li> </ul>
Year 5 2005-2006		<ul style="list-style-type: none"> <li>• Require local superintendent and board to meet with State Superintendent to discuss possible loss of funding</li> <li>• Withhold spending authority of federal dollars and/or state school fund</li> </ul>	

*Shaded service strategies indicate need for new or revised OAR's \*ODE will target state and federal resources as available to assist with on-site coaching*

## Accountability Feedback from the Quality Education Commission

**From:** Nancy Heiligman  
**To:** Quality Education Commission  
**Re:** Request for Accountability Feedback

The Quality Education Commission identified accountability as a key issue to resolve if the QEM is to be implemented successfully. Although the Department of Education has many accountability pieces in place, at least two things were lacking--an overall framework for thinking about accountability, and an answer to the bottom line question, 'What happens if schools fail to meet or to make significant progress toward the performance targets after a reasonable amount of time?'

The Department of Education appointed a Task Force in January to develop a framework for the Oregon Education Accountability System. The purpose of the accountability system is to: 1) Drive continuous academic improvement and success, 2) Ensure responsible action, and 3) Identify excellence in our schools.

Attached for your review and comment are drafts of the Accountability document and a report describing how the accountability system will be applied to meeting the performance targets identified in the Quality Education Model.

The Department would welcome brief written statements from Commission members that can be included in the report on Accountability & the QEM, for any members who are interested making formal comment. Any suggestions, edits, comments will also be appreciated.

Please send your responses back to me by Tuesday, April 3rd. Thanks for your help and ongoing support.

**From:** Duncan Wyse

Nancy

Thank you for inviting me to comment on the two documents, The Oregon Educational Accountability System and The Quality Education Model and School District Accountability. The views in this letter are my own, in my role as a member of the Quality Education Task Force. They do not necessarily represent the views of the Oregon Business Council.

This is my first installment. I have additional ideas I am working on, which I will try to present as soon as possible. For now, I would offer two points: First, we are jumping ahead on accountability without defining our theory of education delivery and the role each of the actors in the system will play in the future. While the specific plans are plausible, a much broader discussion of system design is critical before we go much further on accountability systems. So far the state intervention has been relatively benign and helpful. But as we move forward a number of very thorny questions will arise about the role of state in school management.

Second, the accountability design needs to be two way. As we define the delivery system, we also need to define what the state is accountable for providing school districts and schools. For example, the state is likely to have an increasing role in assessment and information dissemination in the future that will be crucial for the quality of program at the school level. We need to think about how the department will be held accountable for its role.

The quality education model certainly creates new urgency around defining the roles and responsibilities of state government in relation to individual schools and districts. The QEM estimates what it will cost to achieve certain results in terms of student achievement. The question that arose repeatedly in Commission meetings was this: what happens if schools do not achieve the results expect by the model. This biennium, for example, we anticipate substantial increases in reading scores in third and fifth grade funding level established. What happens if scores statewide or in certain districts or schools don't improve. How can we hold schools accountable for results?

While the question is simple, the answer is not. To satisfactorily answer it, we need to define the roles of the state government, including the legislature, the governor, the Department, and state board in the oversight of 199 school districts and the schools within them. These responsibilities need to be harmonized with those of school boards, superintendents and local site councils. Unless we are careful, roles may be duplicated or worse the state may become so overly prescriptive that schools will be unable to customize programs to meet the needs of individual communities and students.

Randy Pozdena's letter provides a cautionary note about the risks of state oversight of Oregon's education. By reviewing schools based on performance on test scores, much may be ignored that are important for the education of individual students. While I am major supporter of Oregon's assessment, I agree that performance on assessment should not be the only measure of quality. I also agree that the state will never be able to develop a

measurement system that addresses all the subtleties involved in defining a great school. If school sees their only mission as meeting measures, a great deal will be lost in providing a quality education.

On the other hand, I don't agree with a view that schools should simply be accountable to parents, with their success based on whether they attract students in a free market for services. Public education is not a private market, and the public has an interest in seeing that public dollars deliver results that are important to society. The state standards and assessments define results that we all want for Oregon students. We need to have a way to track progress and intervene if results aren't being achieved. It is the nature of the intervention that we need to reflect hard upon.

The challenge is to create a system that enables and encourages schools to be responsive to multiple stakeholders. The three stakeholders we need to balance, in particular, are the state (representing the general citizen interest of Oregon), the community (reflecting local values) and parents and children (representing their individual needs). We need a system where schools are responsive and accountable to all three constituencies -- and where there is a reasonable balance among the interests of the three stakeholder groups.

I have ideas on how to design a system to balance these interests -- and I'm sure others do as well. We won't all agree, but its time for the discussion and debate to begin. And the debate needs to preceed further work on the accountability system.

Thanks.

Duncan Wyse  
*President*  
**Oregon Business Council**  
1100 SW Sixth Avenue, Suite 1608  
Portland, OR 97204  
503/220-0691

**From:** James Sager

Nancy

I am a little slow responding to the accountability system. The worn out idea that competition will help schools is just that. Competition in and of itself implies winners and failures. We must hold fast to the belief that all of our children must have the opportunity for success. We must support and firm up the schools and communities around the schools that are struggling. The parents, students, teachers, administrators and support staffs are all deeply committed to their children. I appreciate the approach that looks for ways to help rather than people to blame. We know from the reactions from Jefferson HS students that labels of failure easily become the belief. Why would we want to reinforce this misguided belief?

The fact is we are not running a business that can close tomorrow. We are working to meet the needs of all children and we are constantly reflecting on our efforts and systems. Now we see in the media that even when we have success we are labeled as failures. Lets put in place a system that supports the schools to work toward our goals and not blame, punish and label those that "don't make it".

James Sager

# ECONorthwest

ECONOMICS • FINANCE • PLANNING

oice • (503) 222-6060  
AX • (503) 222-1504  
EB • WWW.ECONW.COM

PIONEER TOWER • SUITE 1460  
888 SW FIFTH AVENUE  
PORTLAND, OREGON 97204-2028

OTHER OFFICES  
EUGENE • (541) 687-0051  
SEATTLE • (206) 622 2403

RANDALL J. POZDENA, PHD  
MANAGING DIRECTOR

INTERNET EMAIL ADDRESS:  
POZDENA@PORTLAND.ECONW.COM

Friday, March 30, 2001

Ms. Nancy Heiligman  
Oregon Department of Education  
255 Capitol Street NE  
Salem, OR 97310-0203

Dear Nancy:

Thank you for sending the draft Oregon Education Accountability System (OEAS). The purpose of this letter is to offer some observations on the proposed system, and its integration with the Quality Education Model (QEM). I also make some suggestions about a more effective, and less burdensome system of accountability. They are basically the same ones I tried, unsuccessfully, to have incorporated in the work of the Quality Education Commission.

## The Basic Elements of the OEAS

As I understand the OEAS, the basic elements of this approach are:

- The State, through the Oregon Department of Education (ODE), determines when a school is not performing well;
- The State then decides how to deal with a problem school. Under most circumstances, problem schools would receive “support and assistance” from ODE, though the State may choose to withhold certain public funding, or grant some parents an opportunity to pick another public school.

The QEM can be integrated with this system simply by defining performance thresholds and the administrative actions in a manner consistent with the QEM, as in the draft document you provided. At the three various thresholds, the actions are (1) support and assistance, (2) support and targeted assistance, and (3) targeted assistance, intervention and consequences. If the OEAS were a good accountability system, the proposed QEM integration would make good sense.

Comments on the OEAS

The OEAS is what my profession calls a *command-and-control* approach to accountability. In such approaches, a public body attempts to act on behalf of society and tries to motivate performance with administrative mechanisms. The command-and-control approach has largely been discredited because of its poor track record in practice; where it remains, market dysfunction reliably occurs (education, health care, the Postal Service etc.).

The reasons I am skeptical about the proposed OEAS are the same reasons why other countries have relieved their telecommunications, banking, transportation, education and other industries of command-and-control accountability systems:

- Administrative approaches deal poorly with individual circumstances. Students, and their problems, are different; what is adequate average performance at the school level, may be terrible performance for an individual student with idiosyncratic aspirations. The OEAS, as a centralized system, cannot improve accountability of the system to individual parents and students.
- Administrative approaches are slow and timid, and too easily captured by those vested in the *status quo*. The Portland Public Schools, for example, promised concerned parents that it would “fire incompetent teachers”. It actually fired only 2 out of 3,800 teachers for incompetence, according to the Portland Tribune.
- Administrative rules will be gamed. Test-oriented, mechanical accountability systems create incentives to “teach to the test” or water down or corrupt the test. The Rand Corporation claims it has demonstrated this problem in the case of the Texas TAAS tests.
- Incentives under the OEAS are ambiguous. Under the OEAS, in most circumstances, problem schools will receive positive support and assistance, rather than negative sanctions. Such ambiguous signals are certain to reduce the responsiveness of school officials. The fact that they constitute the primary approach of the OEAS confirms the inherent timidity of the process.
- Implementation of the OEAS requires information that does not exist. For the OEAS to work, ODE needs to know what causes problem schools, and exactly how to fix them with “support and assistance”. Unambiguous theory and empirical support for

such micromanagement doesn't exist. Attempts to operationalize OEAS in such a setting will be contentious and ultimately ineffective.

- Proposed sanctions punish the wrong person. The proposed sanction of withholding school funding punishes the students that remain in that school. This is inappropriate; funding should decline only when the students choose to take it with them to another school, reducing costs in proportion to revenues.
- Those with a real stake in K-12 education have no voice in the process. The OEAS process does not involve parents or students (except as test subjects). What accountability it offers is focused on pleasing the State, as if the State were the sole client and the only knowledgeable consumer of education services.

In summary, the OEAS will not be an effective means of enforcing accountability. Without effective accountability, it would be unwise to adopt the funding level or funding flexibility contemplated in the QEM.

#### Suggestions for Improving the OEAS

The alternative to the command-and-control approach to accountability is to engage the forces of *consumer sovereignty* in a setting of *competitive choice*. Specifically, it is possible to improve and streamline the OEAS by engaging the parties with the most knowledge and greatest stake in the education process—i.e., the parents of school children. By doing so, the following policies would reduce or obviate the need for the command-and-control accountability approach:

- Get-out-of-jail-free-cards. Each school year, parents in public schools should have two or three chances to remove their child from a particular classroom, without challenge. The risk of empty classrooms would improve accountability of both teachers and administrators. Today, school administrators generally deny parents' requests to change class assignments, losing important information about teacher performance and limiting a parent's ability to individualize a student's education plan. Though accepted practice in junior colleges and universities, choice of classroom has been purged from most public K-12 systems in the name of administrative ease.
- Choice of public school. Parents should be free to choose the public school that best serves their student's particular needs.

March 30, 2001

— Page 4 —

School administrators would have renewed incentives to deliberate on how they run and staff their schools.

- De-unify public schools. As a result of 50 years of school district unification, the number of public school districts per capita has declined by a factor of eight since 1947. Even families with the economic means to relocate for better schooling have a hard time doing so. The sanction of the OEAS that provides choice of public school will be a less potent force for accountability without a return to smaller school administrative units. Erasers and books can still be marketed centrally; but schools and teachers need more flexibility to respond to parental needs.
- Choice of public or independent schools. For most economists, the notion of broadening parental choice to include choice among independent schools will have the greatest positive impact on performance. In the Oregon, this policy is opposed by those vested in the *status quo* and those who lack confidence in the how public schools would fare against private competition (which, of course, is a good argument in favor of the policy). The fact remains, however, that the best school systems in the world offer full public support for independent alternatives, including Denmark (since 1849), Holland (since 1920), New Zealand (since 1988), and Sweden (since 1991). Korea offers partial support for independent alternatives.

With these types of accountability mechanisms in place, no special integration of the QEM is required. Rather, the QEM would be used to determine the appropriate level of per-student spending, relying on forces of parental sovereignty and competition to ensure that the funds yield results that satisfy parents' goals for their children. Other than performance reporting and broad, curricular oversight to assert the State's limited interests, ODE need not be involved in the affairs of individual schools.

I hope these comments help Oregon find its way to true accountability in K-12 education. To do so would make the State's investment in the QEM worthwhile.

Very truly yours,

A handwritten signature in black ink, appearing to read "David Miller". The signature is fluid and cursive, with a large initial "D" and "M".