

Quality Education Commission 2004

**Preliminary Report
August 1, 2004**

To Governor Ted Kulongoski

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Quality Education Commission 2004 Report

Preface

The Commission Charge

The Quality Education Commission has prepared an initial August 2004 Executive Summary Report to the Governor and Legislature to meet its statutory obligations and to summarize the recommendations and findings of the Commission. In December 2004 the Commission will publish a full report that includes this Preliminary Report and supporting information that reflect the activities of the Commission over the past 18 months. Both of these reports will also include discussion of the impact of the Federal No Child Left Behind legislation (“NCLB”), as well as the broad public policy issues which need to be considered to achieve 99% of students performing at standard by 2014, which is the goal of NCLB. Under ORS 327.506 the Quality Education Commission is charged to:

1. Determine the amount of monies sufficient to ensure that the State's system of K-12 public education meets the quality goals established in statute.
2. Identify best practices in education that will lead to high student performance and the costs of implementing those best practices in K-12 schools.
3. Issue a report to the Governor and Legislature by August 1 that identifies:
 - Current practices in the state's system of kindergarten through grade 12 public education
 - Costs of continuing those practices
 - Expected student performance under those practices
 - The best practices for meeting the quality goals
 - Costs of implementing the best practices
 - Expected student performance under the best practices
 - Two alternatives for meeting the quality goals

Article VIII, Section 8 of the Oregon Constitution establishes that the Legislative Assembly shall appropriate in each biennium a sum of money sufficient to ensure that the state's system of public education meets the quality goals established by law. It further requires the Legislature to publish a report that either demonstrates that the appropriation is sufficient or identifies the reasons for the insufficiency, its extent and its impact on the ability of the state's system of public education to meet those goals. This report is referred to as the Ballot Measure 1 Report and is included in Appendix C.

The Commission wishes to thank each of the Commission members, Panel members, ODE staff support, and consultants who provided valuable support and guidance on this report. The wide experience and expertise of those working on this report has helped us address the myriad challenges and potential solutions facing Oregon's educational system. This report would not have been possible without their dedication and hard work.

Executive Summary

In updating the Quality Education Model, the Quality Education Commission adopted the principle that every student in our state should meet the state's performance goals. This principle requires that the state provide adequate resources to schools, but it also requires us to think about equity in a new way. Rather than defining equity in terms of equal dollars, equity must be based on student results. It means that we need to focus even more on the impact of the cost factors that affect learning and performance, such as changing student demographics, the challenges in small rural schools, and increases in the cost of employee benefits. It also means that we must distribute school resources in a way that assures all students have an equal opportunity to meet Oregon's performance standards. We must examine all educational programs, provided from both school and community resources, to help our students realize these goals.

The gap continues to widen between actual funding levels and the resources needed to meet the state's Quality Education Goals. The projected gap in 2006-07 is more than 50% higher than the gap in 2001-02. The gap has grown over time because state resources devoted to education have not kept pace with education cost increases—in the 2001-03 biennium because of a revenue shortfall caused by a slowing economy and in the 2003-05 biennium because of continued slow revenue growth and the voter rejection of an income tax increase (Measure 30).

The gap is made up of two components, one being adequacy of state resources and the other being opportunity to achieve efficiencies in the system.

Unless the state and districts can increase funding and efficiencies, the gap will not shrink, and the progress Oregon's schools have made over the decade will stop. The result will be an inadequate school system, a burden on the state economy, and the loss of our status as a high quality-of-life state. State education funding per student has not kept pace with inflation over the past decade. At the same time, schools have experienced cost increases above the inflation rate in some areas and increases in the number of students with special needs. Oregon must establish a stable, adequate funding system if Oregon students are to achieve at high levels.

The Commission found that the Quality Education Model continues to provide an accurate picture of the costs of a Quality Education for Oregon's students. The Commission also found, however, that the provisions of the Federal NCLB legislation represent a tremendous challenge to creating the programs and providing the funding, required to get all students to meet state academic standards. Based on a thorough review of the Quality Education Model and advice from its three broad-based panels, the Commission offers the following recommendations:

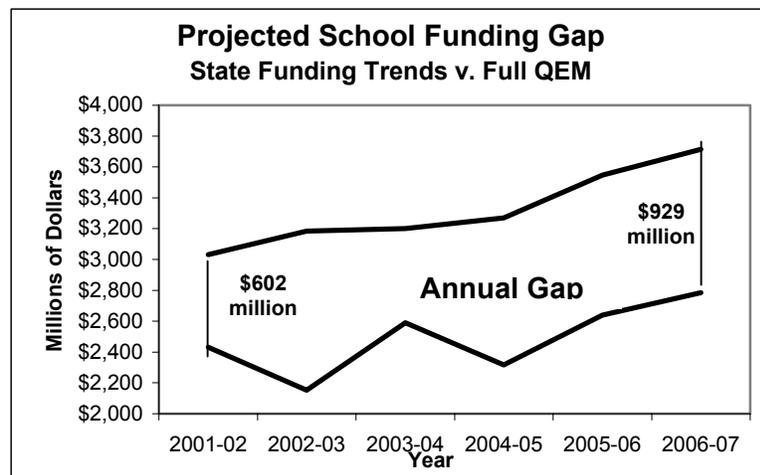
Policy recommendations

Top Priorities

- Provide State resources to complete an overview of the existing cost and effectiveness of the State's data system for PK-20 grades and implement an improved system within the next two years.
- Create a Governance and Accountability taskforce to develop recommendations about how the educational system needs to be structured to provide maximum learning outcomes to students.
- Provide additional resources targeted at the elementary grades, with emphasis on early reading programs.

Secondary Priorities

- Continue the expansion of high school restructuring programs in the state.
- Incorporate research-driven recommendations to be provided by the Best Practices Panel regarding Middle Schools, High Schools, and NCLB. These recommendations may require additional time to develop.
- Provide targeted staff development to improve the effectiveness of Oregon's teachers in helping students meet state standards.



Non-Cost Priorities

- Integrate educational structures to streamline and improve curriculum, connectivity with Oregon's post-secondary education, employment needs, governance, and student performance.
- Continue the line item in the state budget to pay for the highest cost special education student programs.

Areas of needed research

- Look for the research-based support for each weight category in the State School Funding formula.
- Continue to study program costs and needed resources to meet state goals for small rural schools, high poverty schools, and special education programs.
- Develop other student outcome measures in addition to state assessment scores and dropout rates to evaluate progress toward meeting state Quality Education Goals.
- Develop a Statewide strategy for early childhood development, including quality standards and how such standards would connect with the QEM.
- Study middle school programs to determine whether changes are needed to the QEM middle school prototype that would be likely to increase student achievement.
- Describe the Quality Indicators in greater detail and outline a strategy to collect the data to measure them.
- Create work groups to look at efficiencies in the following areas:
 - o federal and state mandates and their funding
 - o transportation and healthcare costs
 - o the cost of special education and ESL programs compared to the effectiveness of their delivery
 - o the structure and efficiency of Oregon school districts and ESD's while maintaining local control
 - o the impact of the elimination of after-school programs on latchkey and at-risk students

Changes to the QEM

- Fully integrate all sources of funding for the K-12 system in the Quality Education Model.
- Develop an empirically-validated formula that identifies relationships between educational inputs in the prototype schools and learning outputs; increase the precision of this formula each biennium.
- Determine what would be necessary to bring 99% of students to the quality levels specified in the Model and NCLB by 2014 and determine the cost of achieving that goal.

Staying the Course

The Commission members are dedicated to the continuing refinement of the Quality Education Model and improving educational outcomes in Oregon. In order to achieve the level of improvement required by NCLB, as well as providing better educational outcomes for our students, we need to stay the course on meeting original education goals through efforts like the QEM, but we also need to develop better accountability and governance systems. This Model is not just about money—it is about accountability and understanding the relationship between funding, educational practices, and performance expectations.

The QEM is a good Legislative tool for defining what funding level is needed, and when combined with an improved accountability system, it will show us how we can be more effective in reaching both state and federal performance goals. The funding gap in Oregon is widening and is challenging our ability to help each of our students meet Oregon's performance goals. It is time for all of us to think of K-12 as part of an integrated educational system, to see it as one of the State's priorities for economic improvement by reducing long-term costs in other areas and creating better-educated citizens and workers, and to keep the promise of providing a Quality Education for each of our students.

One item to consider in providing for the work of the Quality Education Commission is the provision of adequate resources and time to complete their work. Due to budget cuts in the 2003-05 biennium, funding of the QEC was reduced by just over 40%, and final approval of the funding was delayed until early 2004. The ability of the Commission to perform its work in a timely and effective way is influenced by the resources it receives and when. In some cases it has delayed completion of some of this biennium's work, which cannot be included until the final December 2004 report. We believe the Commission's role is an important part of setting state guidelines for meeting funding and performance expectations, and we highly recommend staying the course in prioritizing and paying for the continued work of the Quality Education Commission.

Introduction

Oregon Has Set High Goals for K-12 Students.

The Oregon Legislature has set high goals for our K-12 schools which are embodied in the Oregon Education Act for the 21st Century (ORS Chapter 329, See Appendix A). These goals call for a world-class education system with rigorous academic standards for all students and expectations that all children are challenged to meet their full potential. The State Board of Education has developed standards that set out what students are expected to know and be able to do at the benchmark levels at grades 3, 5, 8 and 10. These assessments need to be reformed to include the additional grade levels required by NCLB and enhance sub-group reporting, and these tasks are already in progress. The state assessment system measures student progress over time against state standards so that schools are held accountable for student performance.

Taking a Broader View on Achieving the Goals of Oregon and NCLB

In prior reports the Quality Education Commission has focused on the K-12 education system from a best practices, cost, and student performance perspective in achieving Oregon's goal of having 90% of its students meet the state's academic standards. In this year's report we will reinforce some of this previous work, update the cost and best practices requirements of our charge, and move into some uncharted territory as we join with other states grappling with the requirements of the Federal No Child Left Behind (NCLB) legislation and its impact on state policy and education system requirements. Our 2004 report will take us beyond our charge to look at what it will take to meet the NCLB requirement that 99% of Oregon students meet state standards by 2014. In doing that, we take into account the influence of the following:

- The Federal Government
- State Government
- The Education System
- The Public
- The Business Community

What Is The Perception Of The Public Concerning K-12 Education?

The Quality Education Commission has attempted to involve and leverage the work of many groups with a stake in Oregon's educational system. They include the work of the Department of Education, State Board of Education, university experts in education, and study groups like the Leaders Roundtable, Employers for Education Excellence (E3), the Oregon Business Council, the Chalkboard Project, and Innovation Partners, among others. In doing so we bring to the table both professional resources and public opinion about how our schools are perceived and what actions are expected from them. As an example, the Chalkboard Project's recently released statewide Public Attitudes Toward K-12 Education in Oregon Survey revealed the following:

1. Most Oregonians have a more favorable opinion of their local schools than of the Oregon education system as a whole.
2. About one-half believe school funding is not adequate or stable and want it to be equitable, with mandates adequately funded.
3. About one-half don't believe schools spend funds efficiently, and they want more accountability.

In addition, most Oregonians:

4. believe Oregon schools should be among the best in the US.
5. believe students need to master the basics in reading, writing and math.
6. believe teachers need time for preparation, cooperation, and more one-on-one time with students.
7. give student achievement a high priority, and feel we need to close the gap on underachieving.

8. want local control of their schools.
9. want strong principals in their schools.
10. believe there is a lack of parental support of the learning process.
11. believe the role of education is to prepare students for college (42%) or for work (33%).

While these perceptions have many positive elements and provide a good basis to build on, when it comes to statewide funding of schools, Oregon voters continue to under fund schools (e.g. the failure of Ballot Measure 30 in early 2004) to the point that Oregon’s schools are now funded at below the national average, according to recent data released by the US Census Bureau. This reflects a growing disconnect between citizens and the educational system as the control of school funding has shifted from local voters to the state. It also speaks to the need for a better communicated vision, strategy, and plan with specific accountabilities that can better engage Oregonians in the future of education in Oregon. This is not just a K-12 problem, but one that impacts Pre-K, community and four-year colleges, and ultimately the overall cost of state government and our economy. It is also affecting the public and business; as a recent study shows that parents with kids in school are experiencing higher rates of absenteeism on the job due to the loss of after-school activities and the anxieties created by not knowing where their children are, the concern about drop-outs, and increasing rates of substance abuse and crimes caused by our youth.

The Challenges And The Opportunities

The challenges facing Oregon’s education system are significant. They include the following considerations:

- The requirements of the Federal NCLB legislation, which requires 99% of students to meet state academic standards by 2014. The state needs to integrate these federal goals in Oregon’s requirements recognizing, however, that setting goals that are unachievable does not represent sound policy. Federal, and in some cases state, mandates are often issued without reasonable levels of funding attached.
- Changing demographics in minority populations, which are increasing much faster than the general student population. Increasing numbers of children in poverty, students with ESL needs, and special education students require higher levels of resources to get all students to meet Oregon’s academic standards. The chart below shows that these trends are expected to continue in the future.

Student Growth Trends in Oregon School Districts							
Population Group	Actual			Forecast			
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Special Education Students	67,768	69,201	70,519	69,403	70,097	71,148	72,216
Growth Rate	2.20%	2.10%	1.90%	-1.60%	1.00%	1.50%	1.50%
English Language Learners	42,104	47,912	49,940	52,752	54,860	57,606	61,062
Growth Rate	13.50%	13.80%	4.20%	5.60%	4.00%	5.00%	6.00%
Students in poverty	78,452	78,964	79,012	82,820	82,944	83,152	83,444
Growth Rate	0.40%	0.70%	0.10%	4.80%	0.10%	0.30%	0.40%
All Students (ADMr)	522,753	528,346	530,653	528,060	528,852	530,174	532,030
Growth Rate	0.60%	1.10%	0.40%	-0.50%	0.10%	0.20%	0.40%

Source: School Revenue Forecast Committee, Technical Work Group, April 2004

- The lack of sufficient funding to meet Oregon’s education goals, which results in large class sizes and shortened school years in some districts.
- The lack of good data systems on which to make sound policy decisions, which results in a failure to deliver an acceptable level of accountability to the system. This raises concern over how schools are governed in Oregon.
- Increasing costs at all three levels of an accountability system: federal, state, and local. These relate in some cases to system efficiency.
- The high dropout rate that continues in Oregon. In addition, middle and high schools do not achieve the levels of student performance that exist in the elementary schools. If students who drop out were included, performance results would be even lower.

While these challenges are daunting, they also provide opportunities for reassessing how the education system operates and for implementing innovative strategies. The Governor is approaching the next biennium with a change in focus on how the state’s budget is set. Instead of the old current services model, his team is looking at priorities for funding that have the greatest impact on Oregon’s current and future costs and outcomes. This is consistent with how the Quality Education Commission has approached its work. The Commission recommends that the silos of education be readdressed, allowing the system to take an integrated approach to education which involves post-secondary education, Pre-Kindergarten, other social service agencies, the business community, and the general public. Integrating the educational system allows, for example, clear strategies around issues like early childhood development, a place where private and foundation monies need to be dedicated in order to effectively get our children ready to learn in grades K-3, with a heavy emphasis on reading initiatives.

The Commission also recommends that Oregon create a world-class data management system that provides the tools to make good policy decisions and allows all constituents in the educational system to be held accountable. It needs to provide real-time data (e.g. parents could see the test scores, assignments completed and not completed, and overall student progress on a daily basis through a secure internet capability). This system needs to be implemented within the next two years, with funds made available in this budget cycle to do a six-month study of current system costs, existing best practices in other states and organizations, and deliverables, as well as future needs and deliverables. It is the Commission’s belief that such a system, while providing more comprehensive information, may also cost less than the disjointed system we have today. Along with the data system, the state needs to develop a detailed Governance and Accountability plan for the educational system in tandem with the review of the data management system that includes the public and business community. This will require that a task force look at current governance processes and recommend changes that will result in a reciprocal accountability system that extends across all levels of governance and policy systems. The system should focus on student improvement and not school penalties, and should consider alternative reward systems. The result of this taskforce will be a comprehensive accountability system that enables the improvement in student learning envisioned by the Quality Education Model.

Oregon also needs to build an economic model tied to education’s role in improving Oregon’s economy by creating a world-class workforce and lowering other costs of government, such as those related to social services and corrections. This will help policymakers understand the trade-offs between the costs of achieving educational excellence, which create economic growth, and those of human services and social programs, which often are the result of the failures of the education system. Until we understand better the causes and effects of how we manage and fund education, it will be difficult to prioritize budget decisions when resources are already limited. This is the time for action, not because of the requirements of NCLB or the challenges of the current economy, but because it is the right thing to do for our students.

The Quality Education Model

This section of the report contains a comparison between the current education practices and funding levels in Oregon schools with the practices and funding levels needed to achieve the state's education goals, as well as the performance expectations associated with each situation. Realizing that schools will require time to build the capacity to use the level of resources efficiently in the full Model, the Commission has identified priorities for implementing the Model over time.

Current Practices, Costs, and Performance Compared with Best Practices

The following three tables are summaries that compare the main components in the prototype schools under two different scenarios: the current baseline versus the fully implemented prototype schools as specified by the QEM. The baseline schools are examples of prototype elementary, middle and high schools under current practice and funding levels, based on 2002-03 audited data.

The components in the fully implemented prototypes represent the resources needed to meet the state's Quality Education Goals based on research, best practice, and professional judgment. These summaries also compare costs and performance expectations under the two funding levels, but do not incorporate the impact of the Federal NCLB legislation on the model at this point due to the need for further research by the Commission and others into the best practices, costs, and public policy issues relevant to bringing 99% of students up to standard.

[Tables included on the following pages]

Prototype Elementary School -- 340 Students

Baseline Compared to Full Prototype

	Baseline Prototype*	Full Prototype**	Difference
Kindergarten	Half-day	Full-day	Doubles learning time
Average class size	24 for Kindergarten 25 for grades 1-5	20 to 1 for grades K-3. Remains at 24 to 1 for grades 4-5	Cuts class size by 4 for grades K-3
K-5 classroom teachers	12.8 FTE	16.0 FTE	Adds 3.2 FTE
Specialists for areas such as art, music, PE, reading, math, TAG, library/media, second language, or child development	2.0 FTE	4.5 FTE	Adds 2.5 FTE
Special Education licensed staff	1.0 FTE	1.5 FTE	Adds 0.5 FTE
English as a second language licensed staff	0.5 FTE	1.0 FTE	Adds 0.5 FTE
Licensed substitute teachers	\$71 per student	\$71 per student	
On-site instructional improvement staff	None	0.5 FTE	Adds 0.5 FTE
Instructional support staff	5.0 FTE	6.0 FTE	Adds 1.0 FTE
Additional instruction time for students not meeting standards: 20% of students	Limited	Summer school, after-school programs, Saturday school, tutoring, etc.	Additional programs for 20% of students
Professional development time for teachers	3 days	Equivalent of 7 days used for extended contracts, substitute time, etc.	Equivalent of 4 additional days
Leadership training for administrators	Limited	Based on 4 days of training	4 additional days
Students per computer	6	6	
Textbooks	\$32 per student	\$72 per student	\$40 per student
Classroom materials & equipment	\$41 per student	\$74 per student	\$33 per student
Other supplies	\$50 per student	\$76 per student	\$26 per student
Operations and maintenance	\$560 per student	\$615 per student	\$55 per student
Student transportation	\$319 per student	\$319 per student	
Centralized special education	\$59 per student	\$77 per student	\$18 per student
Technology Services	\$101 per student	\$101 per student	
Other centralized support	\$82 per student	\$82 per student	
District administrative support	\$224 per student	\$224 per student	
School cost per student	\$5,661	\$7,543	\$1,882 per student
ESD support per student	\$293	\$293	
Total cost per student in 2002-03 School Year	\$5,954	\$7,836	\$1,882 per student
Percent of students currently meeting standards (2003-04)			
Reading	3rd grade=86% 5th grade = 80%	n/a	
Math	3rd grade=83% 5th grade = 81%	n/a	
Percent of students expected to meet standards by year 2014			
Reading	3rd grade=89% 5th grade = 82%	3rd grade=92% 5th grade = 91%	
Math	3rd grade=93% 5th grade = 92%	3rd grade=95% 5th grade = 94%	

* The Baseline Prototype shows the Quality Education Model's prototype school costs estimated at the level of inputs that currently exist in Oregon schools.

** The Full Prototype shows the prototype school costs estimated at the level of inputs recommended for the fully implemented Quality Education Model.

Prototype Middle School -- 500 Students Baseline Compared to Full Prototype

	Baseline Prototype*	Full Prototype**	Difference
Class size in core subjects of math, English, science, social studies, second language	23	22, with maximum class size of 29 in core academic subjects	Cuts average class size by 1 in core subjects
Staffing in core subjects	20.8 FTE	21.0 FTE	Adds 0.2 FTE
Extra teachers in math, English, and science	0.5 FTE	1.5 FTE	Adds 1.0 FTE
Special Education licensed staff	2.75 FTE	3.0 FTE	Adds 0.25 FTE
English as a second language licensed staff	0.5 FTE	0.75 FTE	Adds 0.25 FTE
Media/Librarian	1.0 FTE	1.0 FTE	
Counselors	One for every 333 students	One for every 250 students	Adds 0.5 FTE
Licensed substitute teachers	\$77 per student	\$77 per student	
On-site instructional improvement staff	None	1.0 FTE	Adds 1.0 FTE
Instructional support staff	11.0 FTE	10.0 FTE	Eliminates 1.0 FTE
Additional instruction time for students not meeting standards: 20% of students	Limited	Summer school, after-school programs, Saturday school, tutoring, etc.	Additional programs for 20% of students
Professional development time for teachers	3 days	Equivalent of 7 days to be used for extended contracts, substitute time, etc.	Equivalent of 4 additional days
Leadership training for administrators	Limited	Based on 4 days of training	4 additional days
Students per computer	6	6	
Textbooks	\$38 per student	\$69 per student	\$31 per student
Classroom materials & equipment	\$48 per student	\$83 per student	\$35 per student
Other supplies	\$51 per student	\$82 per student	\$31 per student
Operations and maintenance	\$587 per student	\$645 per student	\$58 per student
Student transportation	\$314 per student	\$314 per student	
Centralized special education	\$59 per student	\$87 per student	\$28 per student
Technology Services	\$99 per student	\$99 per student	
Other centralized support	\$82 per student	\$82 per student	
District administrative support	\$224 per student	\$224 per student	
School cost per Student	\$6,562	\$7,405	\$843 per student
ESD support per Student	\$293	\$293	
Total cost per Student in 2002-03 School Year	\$6,855	\$7,698	\$843 per student
Percent of students currently meeting standards (2003-04)			
Reading	62%	n/a	
Math	61%	n/a	
Percent of students expected to meet standards by year 2014			
Reading	63%	91%	
Math	73%	93%	

* The Baseline Prototype shows the Quality Education Model's prototype school costs estimated at the level of inputs that currently exist in Oregon schools.

** The Full Prototype shows the prototype school costs estimated at the level of inputs recommended for the fully implemented Quality Education Model.

Prototype High School – 1,000 Students Baseline Compared to Full Prototype

	Baseline Prototype*	Full Prototype**	Difference
Class size in core subjects of math, English, science, social studies, second language	24	21, with maximum class size of 29 in core academic subjects	Cuts average class size by 3 in core subjects
Staffing in core subjects	41.0 FTE	44.0 FTE	Adds 3.0 FTE
Extra teachers in math, English, and science	None	3.0 FTE	Adds 3.0 FTE
Special Education licensed staff	3.25 FTE	3.75 FTE	Adds 0.5 FTE
English as a second language licensed staff	0.5 FTE	0.5 FTE	
Media/Librarian	1.0 FTE	1.0 FTE	
Counselors	One for every 333 students	One for every 250 students	Adds 1.0 FTE
Licensed substitute teachers	\$70 per student	\$70 per student	
On-site instructional improvement staff	None	1.0 FTE	Adds 1.0 FTE
Instructional support staff	20.0 FTE	20.0 FTE	
Additional instruction time for students not meeting standards: 20% of students	Limited	Summer school, after-school programs, Saturday school, tutoring, etc.	Additional programs for 20% of students
Professional development time for teachers	3 days	Equivalent of 7 days to be used for extended contracts, substitute time, etc.	Equivalent of 4 additional days
Leadership training for administrators	Limited	Based on 4 days of training	4 additional days
Students per computer	6	6	
Textbooks	\$40 per student	\$96 per student	\$56 per student
Classroom materials & equipment	\$56 per student	\$130 per student	\$74 per student
Other supplies	\$53 per student	\$70 per student	\$17 per student
Operations and maintenance	\$642 per student	\$705 per student	\$63 per student
Student transportation	\$332 per student	\$332 per student	
Centralized special education	\$59 per student	\$87 per student	\$28 per student
Technology Services	\$103 per student	\$103 per student	
Other centralized support	\$89 per student	\$89 per student	
District administrative overhead	\$224 per student	\$224 per student	
School cost per Student	\$6,611	\$7,800	\$1,189
ESD support per Student	\$293	\$293	
Total cost per Student in 2002-03 School Year	\$6,904	\$8,093	\$1,189
Percent of students currently meeting standards (2002-03)			
Reading	51%	n/a	
Math	44%	n/a	
Percent of students expected to meet standards by year 2014			
Reading	52%	90%	
Math	57%	90%	

* The Baseline Prototype shows the Quality Education Model's prototype school costs estimated at the level of inputs that currently exist in Oregon schools.

** The Full Prototype shows the prototype school costs estimated at the level of inputs recommended for the fully implemented Quality Education Model.

Costs of Implementing Best Practices for Meeting the Quality Goals

The Quality Education Model estimates the statewide cost of providing a quality education by determining a cost per student for each prototype school and multiplying that cost by the number of students statewide at each of the prototype levels—elementary, middle, and high. The table below shows the actual State School Fund budget allocation for 2003-05, the amount needed to carry forward the program levels funded in 2003-05 to the 2005-07 biennium (the Essential Budget Level), and the cost to implement the best practices identified in the QEM for the 2005-07 biennium (the QEM Full Implementation). They do not include the added costs of meeting the requirements of the Federal NCLB legislation, but do incorporate Federal and Local tax funding sources in the aggregate. The funding gap between the Essential Budget Level and the fully implemented Model is estimated at \$1.84 billion from the State’s general fund.

QEM Estimates of 2005-07 State School Fund Requirements (Millions of Dollars)			
	2003-05 Biennium	2005-07 Biennium	
	Budgeted Allocation*	Essential Budget Level**	QEM Full Implementation
Total Costs of Prototype Schools		\$7,799.9	\$9,579.7
Plus: ESD Costs		\$363.0	\$363.0
Plus: High Cost Special Education Fund		\$24.0	\$80.0
Plus: Federal Program Expenditures		\$902.4	\$902.4
Equals: Total K-12 Funding		\$9,089.3	\$10,925.1
Less: Local Revenue Not in Formula		\$262.0	\$262.0
Less: Federal Revenues		\$902.4	\$902.4
Equals: Total Distribution Formula Funding	\$7,217.6	\$7,924.9	\$9,760.7
Less: Property Taxes and Other Local Revenue	\$2,310.0	\$2,500.0	\$2,500.0
Equals: State School Fund	\$4,907.6	\$5,424.8	\$7,260.6
Year 1 Amount per weighted student (ADMw)	\$5,351	\$5,565	\$6,621
Year 2 Amount per weighted student (ADMw)	\$5,063	\$5,792	\$6,888

*2003-05 Budget as of August 1, 2004

**Essential Budget Level for 2005-07 is the actual level of funding in 2003-05 adjusted for inflation and student enrollment growth. Much of the increase is due to rising health costs.

Setting Student Performance Expectations

Oregon’s Quality Education Goals set high expectations for students to gain a wide array of knowledge and skills that will prepare them for the challenges of the 21st century. These goals have been modified by the

Federal NCLB legislation which needs to be incorporated in future reviews once the final mandates are completed and they have been reconciled with Oregon's own statutes. This includes the challenges of the subgroup analyses required by NCLB and their impact on educational and policy initiatives to meet these lofty goals. Measuring student progress toward achieving all of these goals is difficult. The Commission recognizes that the most commonly accepted measures—results on state assessments—are narrow measures that do not reflect the many dimensions necessary for students to meet their full potential. The Commission continued to use assessment scores as measures of student performance but continues to recommend the development of broader measures in the future, including school-based and community measures detailed in the Model's quality indicators.

The Commission examined current academic performance as measured by state assessments in reading and math; analyzed performance over time on these assessments at all benchmark levels; and looked closely at the score distributions over time, and at benchmark levels, including NCLB. It sought to determine the "cohort effects" realized as a group of students who benefited from full implementation of the Model at the K-3 level moved to the fifth grade benchmark level and so on up through the tenth grade benchmark.

The Commission reached the following general conclusions:

- The proportion of students reaching benchmark levels has generally increased over the past seven years, with much greater and more consistent gains at the elementary level and less consistent and considerably smaller gains as students moved through middle and high school levels. Data for 2003-04 shows that progress has slowed or stopped in most grades.
- It is probable that the improvement rate at third and fifth grades will slow further without additional targeted resources and practices of the sort identified in the QEM, given the demographic shifts in the state. This will require statewide policy in early childhood development in order to reach the goals of NCLB by 2014.
- Middle schools may achieve some sustained improvement as successive cohorts reach middle school with higher proportions of students meeting benchmark standards. These gains subsequently will influence middle school and high school trends so that significant improvement occurs at the secondary level, but over a greater period of time.
- High schools have the potential for the greatest improvement because the proportion of students meeting benchmark standards is the lowest of all benchmark levels. Increasing high school restructuring efforts are important to accelerate gains for these students, with a major focus also placed on reducing dropout rates through enhanced rigor, relevance and relationship building.
- Estimates that assume full implementation of the Prototype Schools suggest sustained improvement at third and fifth grades until 90 percent or more of students meet benchmark standards. New estimates need to be analyzed using best practices focused on achieving the goals of NCLB, with an ultimate goal of 99% of students achieving standards by 2014.
- The assumptions are based on both dimensions of the Prototype Schools being implemented: increased resources targeted to student learning, combined with consistent improvements in the Quality Indicators that identify effective educational practices and policies. With the current system and funding, and without the QEM focus, it is reasonable to assume that improvement rates will slow in future years as it becomes increasingly challenging to reach students who are still not meeting the standard. If the funding gap continues to grow, gains in student growth will begin to stagnate and even decline, especially considering the new demands created by NCLB.
- Accountability systems are essential for progress to be made in student achievement. A single data management system that links PK-20 measurements and makes the data real time for decision makers should be implemented within two years. A state task force should take this on today with a plan of action

ready to go within the next year. This should be tied to an effective governance structure that needs to be in place when the system is operational, within two years.

Trends in Student Performance

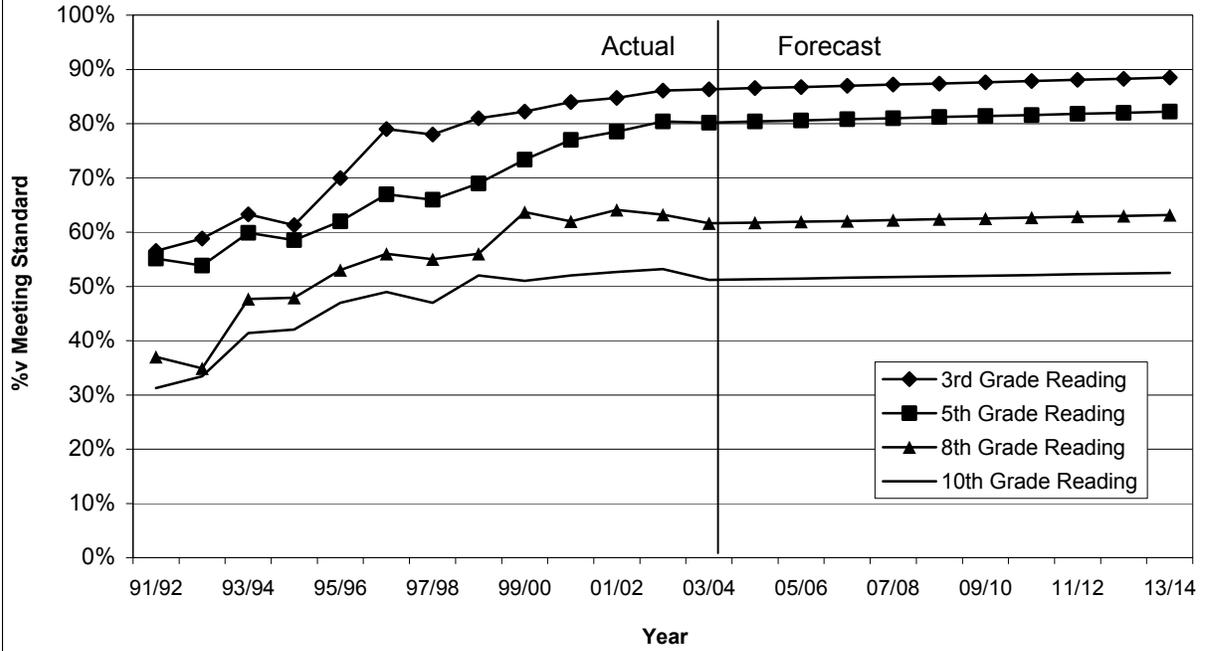
Historical data and projections for Reading and Math are presented in the following graphs. As the first two graphs show, the growth in the percentage of students meeting the state standards for reading and mathematics have continued to slow, with virtually no growth in reading and slight growth in mathematics. Current trends, if continued into the future, suggest that student performance will improve little over the next 10 years if current education practices and levels of school funding continue.

In contrast, as shown in the second two graphs, higher funding levels and improved education practices consistent with the Quality Education Model recommendations are projected to result in significant improvement in student performance.

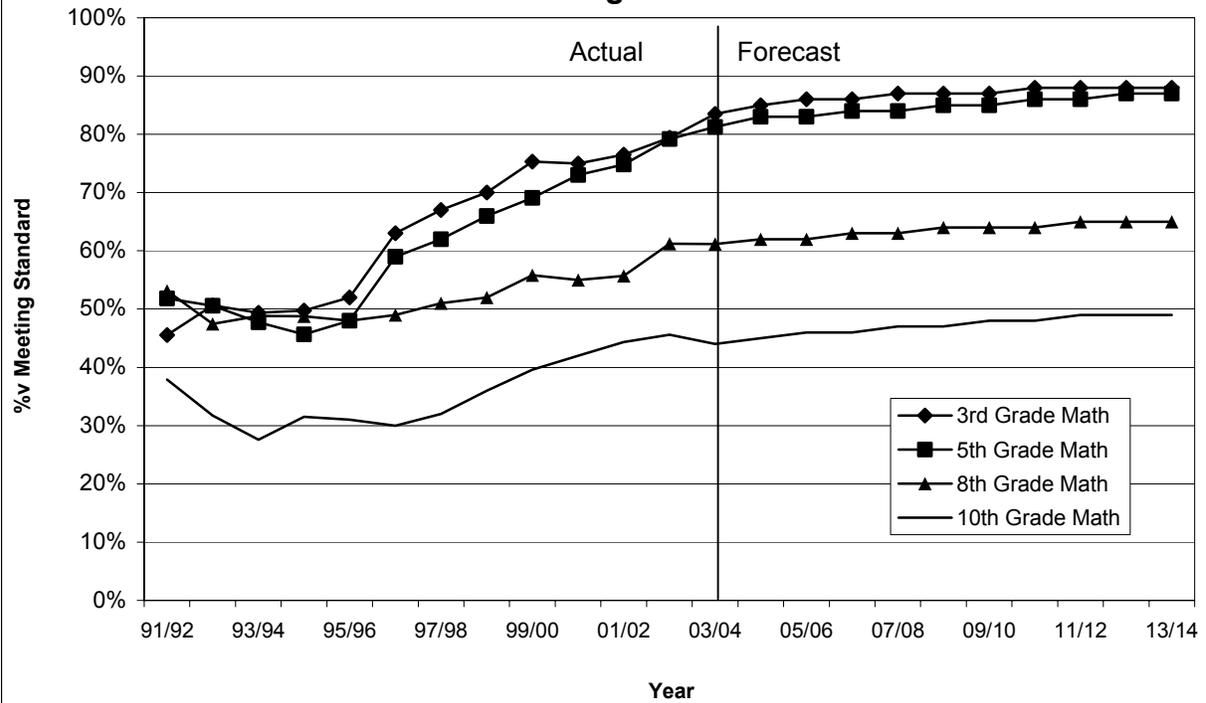
As with all forecasts, the forecasts of student performance contain an element of uncertainty. This is particularly true of the forecasts at the high school level because educators are uncertain about the impacts that proposed high school restructuring efforts will have on student performance.

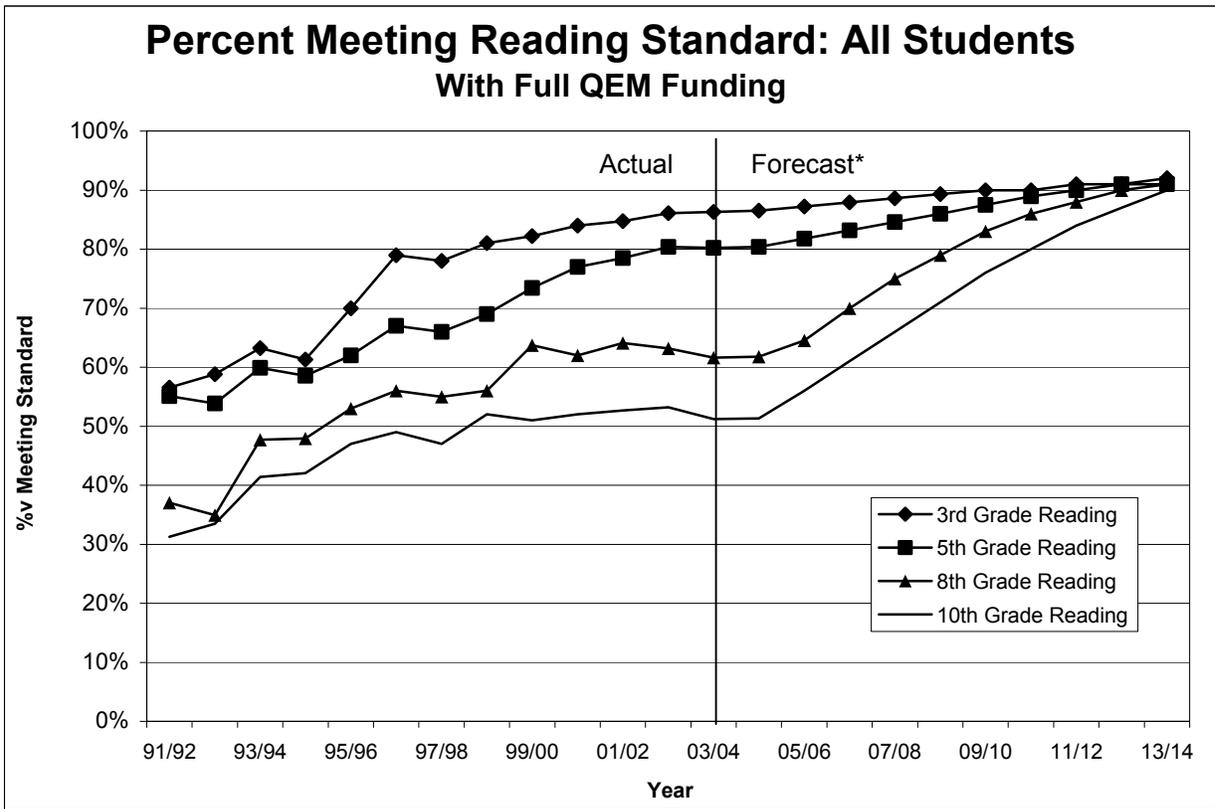
[Tables included on following pages]

Percent Meeting Reading Standard: All Students If Current Funding Levels Continue

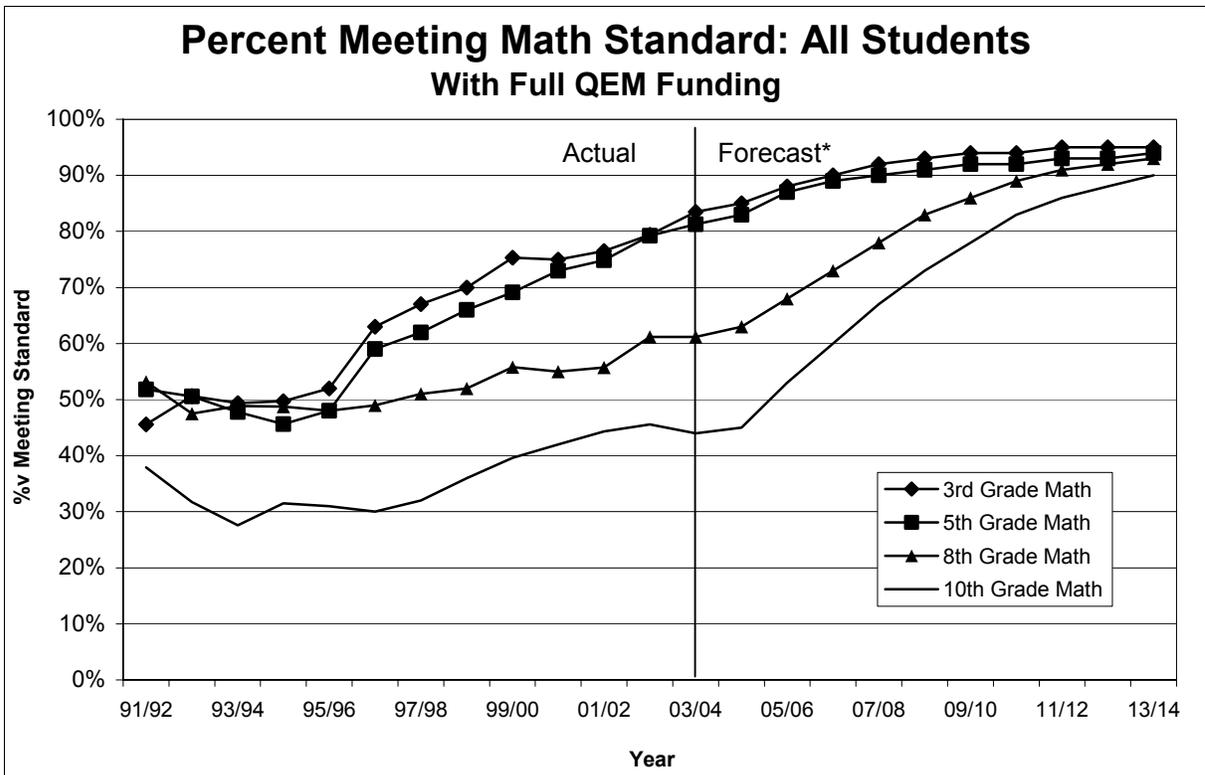


Percent Meeting Math Standard If Current Funding Levels Continue



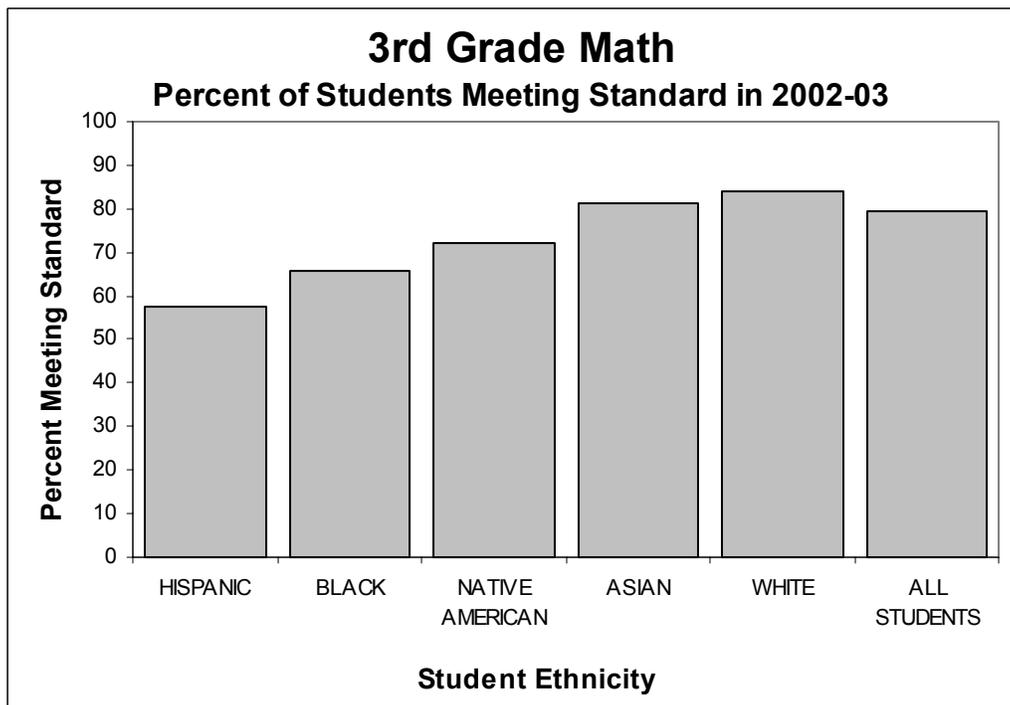
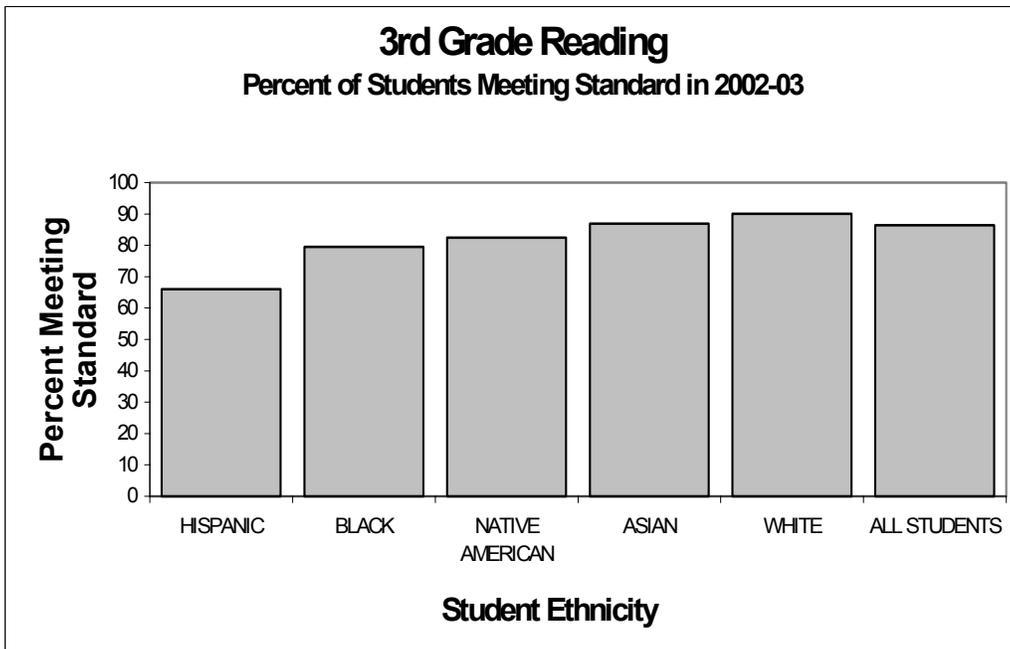


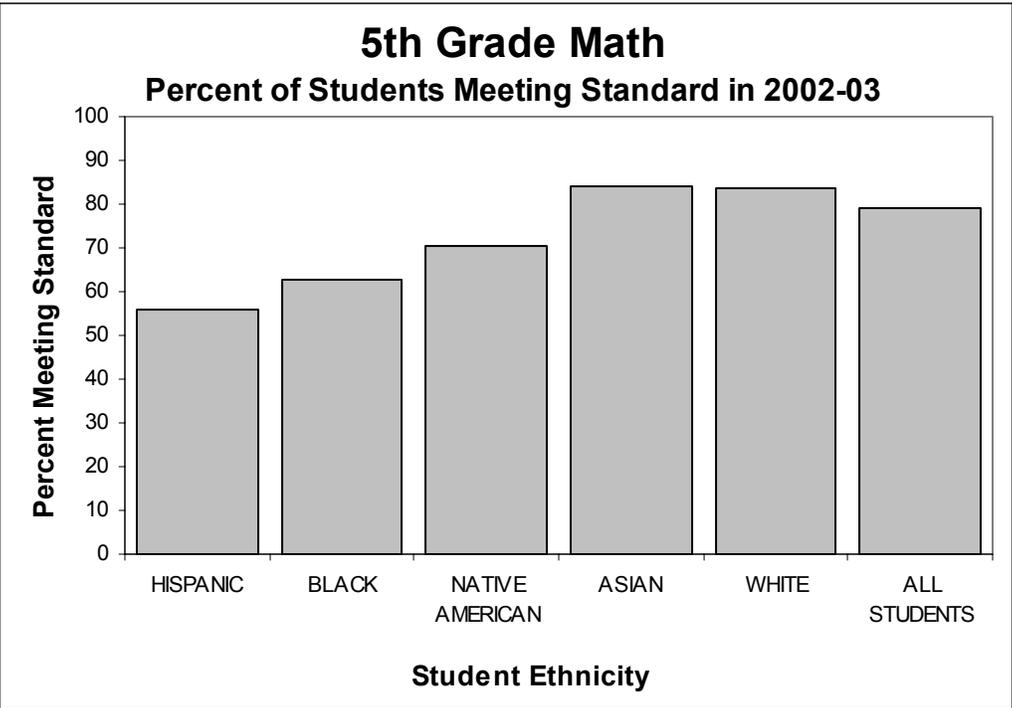
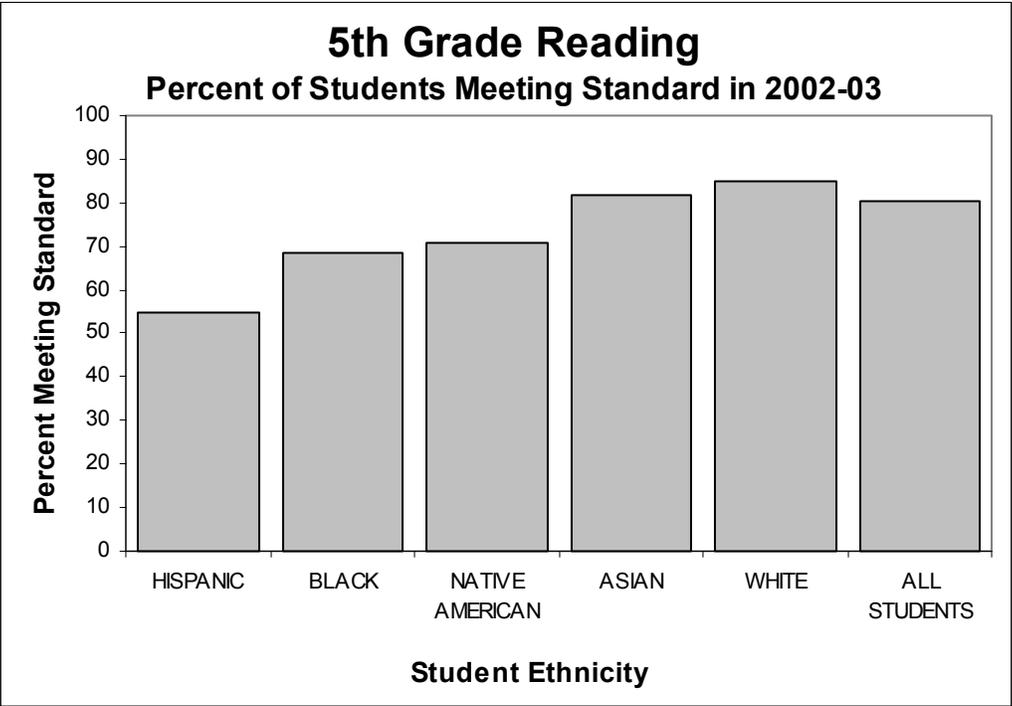
* The degree of uncertainty in the forecasts is greater for the 10th grade level because of uncertainty about the impacts of high school restructuring efforts.

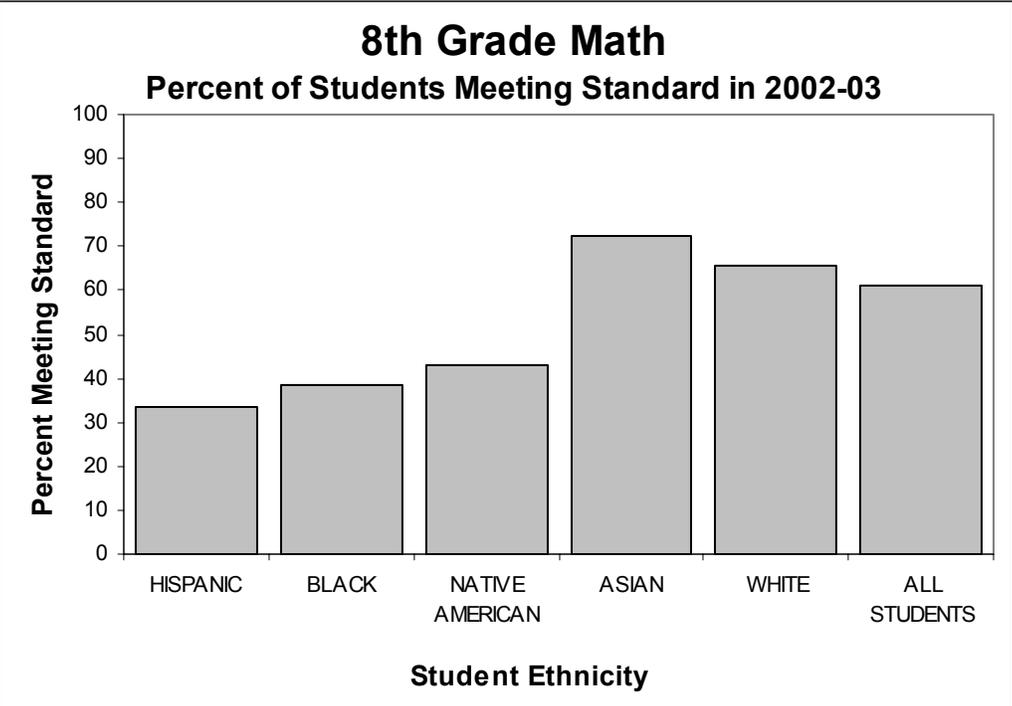
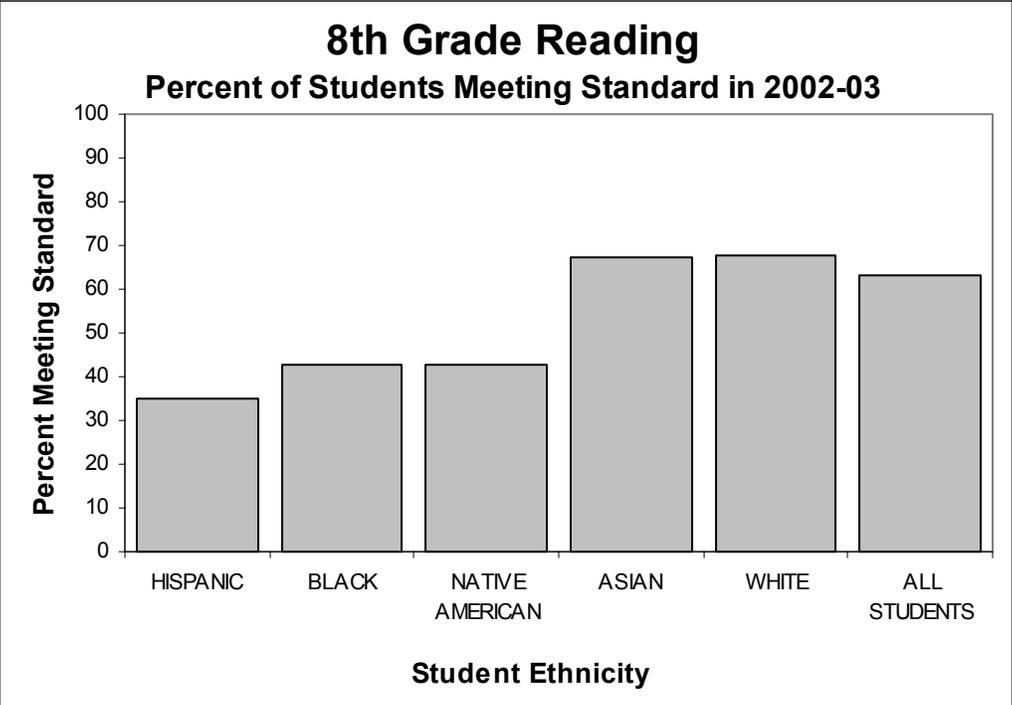


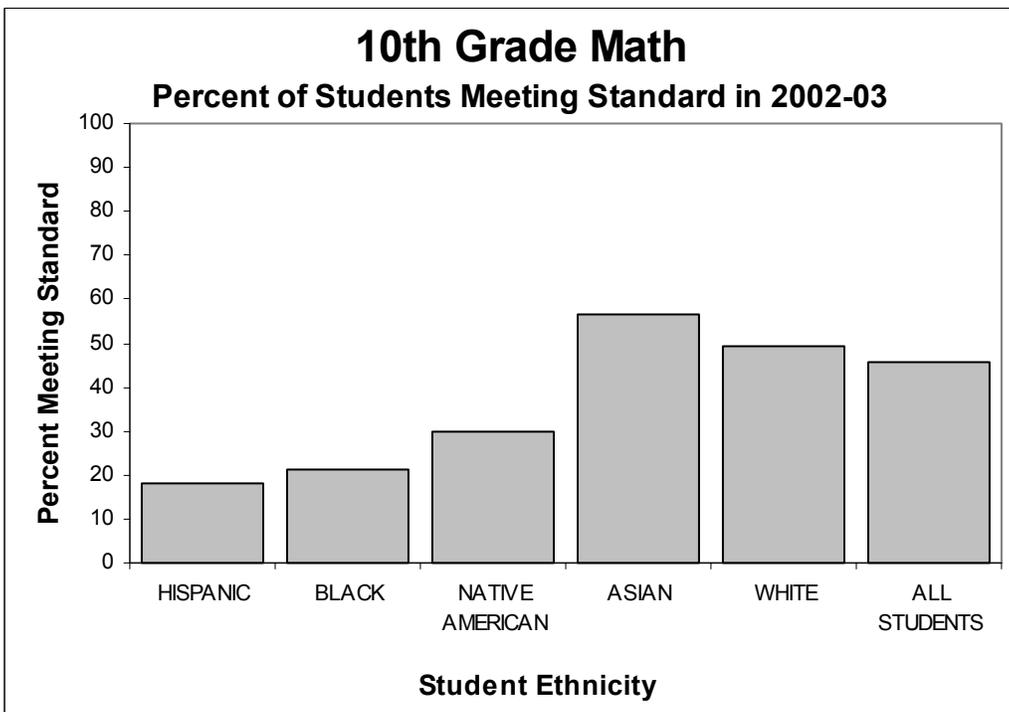
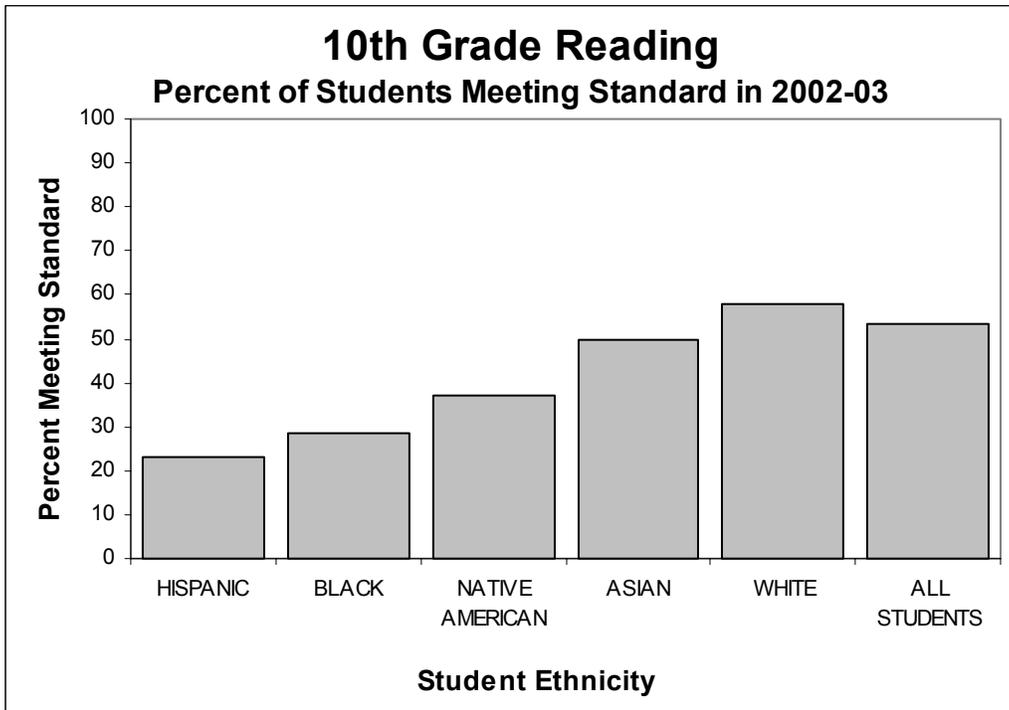
* The degree of uncertainty in the forecasts is greater for the 10th grade level because of uncertainty about the impacts of high school restructuring efforts.

While Oregon students on the whole need additional help reaching the performance goals of the state, a racial and ethnic disaggregation of student performance shows that some groups lag further behind the average and will need targeted interventions if they are to meet performance standards in the coming years. The percentage of students meeting the state standard on reading and math tests is lower for Black, Hispanic, and Native American students than for White students, and this disparity is larger in more advanced grade levels. The percentage of Asian students meeting performance standards is slightly lower than for White students, except in 8th and 10th grade math. Graphs of student performance by race and ethnicity are included below. Oregon also faces a disparity between the share of the student population that is non-white (21.4%) and the share of teachers that is non-white (5.6%).









Alternatives for Meeting the Quality Goals

The Commission recommends full implementation of the best practices described in the Model but is aware of the funding problems the legislature will face for the 2005-07 biennium. The Commission believes, however, there are investments short of full prototype implementation that will significantly improve education outcomes. The recommendations of this QEC are divided into three categories: policy recommendations to the Governor

and Legislature; areas of needed research by the QEC and other educational groups; and enhancements to the QEM that the next Commission should include. The policy recommendations are divided into top priorities, secondary priorities, and non-cost priorities. The areas of needed research address issues that should be prioritized when more funding becomes available and could be addressed by the next Commission. Changes to the QEM will be addressed in the course of the next Commission's regular work.

Policy Recommendations

Top Priorities

- Provide State resources to complete an overview of the existing cost and effectiveness of the State's data management system for PK-20 grades. Develop a plan within six months that looks at best practices and requirements to implement a statewide data management system that provides for accountability at all levels and provides for sound education policy. Create a timeline, capital plan, and governance structure to support the implementation of the data management system in the 2007-09 biennium that includes Pre-K to grade 20 and post-education analysis capabilities. Consider primarily web-based solutions in the process.
- Create a Governance and Accountability taskforce to develop recommendations about how the educational system needs to be structured to provide maximum learning outcomes to students.
- Provide additional resources targeted at the elementary grades, with emphasis on early reading programs. In the QEM 2000, the Commission agreed that developing reading skills provides an essential foundation for student success. Based on the recommendations of the Commission, the 2001-03 education budget included \$220 million to support the focus on reading. This funding was eliminated in the second year of the biennium due to revenue shortfalls. This funding should be restored.

Secondary Priorities

- Provide resources to support restructuring of educational services at the high school level consistent with the new graduation requirements and the need for more personalized, contextual learning. Expand the work of the two pilot programs in high school restructuring done by the Department of Education and Employers for Education Excellence (E3). Focus on reducing drop-out rates.
- Incorporate research-driven recommendations to be provided by Best Practices Panel regarding Middle Schools, High Schools, and NCLB. These recommendations may require additional time to develop.
- Provide the training and skill development that teachers and principals need to deliver on all of the academic goals, but particularly to support the reading priority. Professional development opportunities for teachers should not decrease student instructional time. The Commission's expert panels noted the importance of linking training and skill development to success in meeting academic goals at all levels and to attracting and retaining quality teachers.

Non-Cost Priorities

- Integrate educational structures to streamline and improve curriculum, connectivity with Oregon's employment needs, higher education, governance, and student performance. In addition, develop a sound funding solution that includes federal, state, private and nonprofit sources that supports the education of our students. Providing quality education requires an integrated approach among state leaders.
- Continue the line item in the state budget to pay for the highest cost special education student programs.

Areas of needed research

- Continue to study program costs and needed resources to meet state goals for small rural schools, high poverty schools, and special education programs.
- Consider what quality standards for early childhood education and development would look like and how such standards would connect with the QEM.
- Develop other student outcome measures in addition to state assessment scores and dropout rates to evaluate progress toward meeting state Quality Education Goals.
- Develop a Statewide strategy for early childhood development.
- Study middle school programs to determine whether changes are needed to the QEM middle school prototype that would be likely to increase student achievement.

- Describe the Quality Indicators in greater detail and outline a strategy to collect the data to measure them.
- Create work groups to look at efficiencies in the following areas:
 - o federal and state mandates and their funding or lack thereof
 - o transportation costs (is there adequate competition, how should funding be allocated, and is the proposal to reimburse 70% of costs reasonable)
 - o healthcare (can we afford 10-15% increases year after year)
 - o the cost of special education and ESL programs and the effectiveness of their delivery
 - o the structure and number of Oregon school districts and ESD's in delivering services while maintaining local control
 - o the impact of disappearing after-school programs on latchkey and at-risk students

Changes to the QEM

- Describe all sources of funding for the K-12 system in the Quality Education Model.
- Develop an empirically-validated formula that identifies relationships between educational inputs as specified in the prototype schools and learning outputs as measured in reading, writing, and mathematics. Identify and utilize appropriate data sources to increase the precision of this formula each biennium.
- Examine each weight category in the State School Funding formula to look for the research-based support for the weight. A biennial review of trends in the mix of students would help produce a methodology that might adjust statewide costs for a changing demographic mix.
- Determine what would be necessary to bring 99% of students to the quality levels specified in the Model and NCLB by 2014 and determine the cost of achieving that goal.

The QEM's Prototype Schools

Prototype Assumptions

The model uses three prototype schools, constructed to be examples of schools in Oregon that have been structured to provide resources consistent with best, research-based practices. The Commission has made assumptions about the demographics of the prototype schools so that it is possible to understand the effects of various resource levels and to estimate specific costs. Those basic assumptions include:

- The size of each school is within a range that research literature recognizes is reasonable.
- The level of teacher experience is roughly equal to the level that actually exists in Oregon schools.
- Each school classroom has Internet access.
- Teachers are using technology in the design and delivery of instruction, and in the assessment of learning.
- The schools are located in close proximity to an urbanized area.
- The schools are slightly below the state median in socioeconomic status (40th percentile).
- The schools have approximately 13 percent of their students identified for special education.
- 6% of the students are identified as speaking English as a second language in the high school, 8% at middle school, and 13% at elementary.
- The principal is knowledgeable about reform requirements and is supportive of the reform goals.
- Full implementation of the model will still account for a percentage of students that are unable to achieve benchmark standards and will need supplemental instruction.

Best Practices

Best Practices are those strategies and programs that have been demonstrated in research and experience to be successful in effecting high student achievement. They are the specific programs that accompany the components of a Quality Education Model. The prototype school is one example of how a school could be organized to implement Best Practices programs. Best Practices occur when:

- ✓ Each student has a personalized education program.
- ✓ Instructional programs and opportunities are focused on individual student achievement of high-quality standards.
- ✓ Curriculum and instructional activities are relevant to the lives of students.
- ✓ Each student has access to a rich and varied elective co-curricular and extra-curricular program.
- ✓ The school makes data-informed decisions about the capability of programs to foster individual student achievement.
- ✓ The school provides and encourages connections with significant adults, including parents, mentors and other advisors to ensure that each student develops a connection to the greater community, along with a strong sense of self.
- ✓ The school creates small learning environments that foster student connection.
- ✓ The school uses community-based and worksite learning as integral components of its instructional program.
- ✓ The school has a comprehensive induction program that guides recruitment and employment and provides ongoing professional development programs.
- ✓ Time is considered a variable, not a constant, in achieving high student success.
- ✓ Cost-effective management of resources allows school districts to better meet the needs of the greatest number of students.

Quality Indicators

Quality Indicators are factors necessary to understanding the relationship between educational inputs and student achievement. They provide a framework for judging effectiveness and efficiency of the state's schools as organizations. The Indicators also are a necessary complement to resources to determine the level of learning that would occur in prototype schools.

The following are defining attributes of Quality Indicators:

- They are elements that exist so that best practices can occur.
- They include organizational factors that lead to a quality staff and instruction at a developmentally appropriate level.
- They reflect an organizational framework which effects learning outcomes, both those that are measurable and those that can not yet be quantified.
- They are ways to describe and judge the effectiveness and efficiency of Oregon's public schools.
- They are logically linked to student achievement.
- They are necessary components within the state assessment program.

Examples of Quality Indicators include:

- Teacher and teaching quality
- Demonstrably effective instructional programs and methods
- Leadership that facilitates student learning
- Parent/community involvement
- Students entering kindergarten and each subsequent benchmark level ready to learn academic curriculum appropriate to that level
- Teacher efficacy
- Professional development programs focused on improving student learning

- ❑ Safe and orderly learning environment
- ❑ School-based data collection and analysis as the basis for instructional programs
- ❑ Student connectedness to school and engagement in academic and extracurricular programs
- ❑ Organizational adaptability
- ❑ School district policies that support high expectations, accountability, curriculum alignment, and maximum allocation of resources to teaching/learning

The existence of high levels of these Quality Indicators is essential if the added resources proposed by the QEM are to have their full impact on student learning. Added resources are not enough: they must be used effectively.

The Model's Components

The model assumes the three prototype schools incorporate what research and practice declare are most important in helping students improve achievement and provide a level of resources that sustains that goal. The prototypes are not richly staffed but they do staff at levels research and practice suggest will bring improvement to student learning and will provide a comprehensive, balanced general education.

In Each Prototype School

- Adequate staffing
- Added instructional time and activities for students having trouble meeting standards
- Curriculum development and technology support
- On-site instructional improvement
- Professional development for teachers and administrators
- Assistance with CIM record keeping
- Adequate classroom supplies
- Adequate funds for building maintenance

Elementary School – 340 Students

- All-day kindergarten
- Class size average of 20 in grades K-3
- Class size of 24 in grades 4-5
- 4.5 FTE for specialists in areas such as art, music, P.E., reading, math, TAG, library, ESL, Child Development/Counselor

Middle School – 500 Students

- Class size average of 22 in core academic subjects, with a maximum class size of 29
- 1.5 additional teachers for math, English, science
- Alternative programs for special needs and at-risk students
- Volunteer coordinator and community outreach worker
- One counselor for every 250 students
- Adequate campus security

High School – 1000 Students

- Class size average of 21 in core academic subjects, with a maximum class size of 29
- 3.0 additional teachers for math, English, science
- Alternative programs for special needs and at-risk students
- Volunteer coordinator & community outreach worker
- One counselor for every 250 students
- Adequate campus security
- School-to-work coordinator

Changes in the Prototype Schools

In reviewing the Quality Education Model 2002, the Commission made minor changes to the Elementary and Middle School Prototypes (mainly to reflect increases in the number of English Language Learners at these levels) and recommended significant changes to the ways that high schools are organized. The following changes are included in the prototype schools:

Elementary Prototype Model

- ✓ Reallocated resources to support technology
- ✓ Additional support to meet the needs of English Language Learners

Middle School Prototype Model

- ✓ Reallocated resources to support technology and media services
- ✓ Additional support to meet the needs of English Language Learners

High School Prototype Model

- ✓ Additional staff to increase student involvement in school activities
- ✓ Reallocated resources to support technology and media services
- ✓ Increased expectations in the number of courses taken during four years

The changes recommended in the high school prototype are mainly organizational and would require a relatively small amount of additional resources as compared to the previous, more traditional high school prototype. Following is an example showing how a high school might organize to provide students with a quality education and meet the state's high standards.

Essential Components of a High Performing High School

- Personalized educational plan
- Small learning communities that connect students with significant adults and personalize learning
- High academic expectations and achievement
- A wide range of elective and co-curricular programs
- Core learning academic support
- Community/school-based career learning
- Professional growth expectations for all staff

Small Learning Community Assumptions

- Daily schedule is 4 classes per day with 20 minutes daily advising time.
 - 14 teachers work with 250 students for a two-period block of time.
 - Overall class size average of 25.
 - Teachers are in class 3 of 4 periods plus a 20-minute advising time.
 - All licensed staff meets with their mentor group daily.
 - Students take four classes per day, whether in or out of the classroom
 - Each student has an advisor -- ratio 1:17.
- 10 % of juniors and seniors are involved in career-related learning, mentorships, or independent study during each period of the day.
- 5 % of juniors and seniors are taking college courses during each period of the day.
- .5 FTE classified staff work with each group of 250 students to arrange volunteer placements and community outreach opportunities.
- Classes include multi-aged and multi-grade groupings.
- 50% of the small learning community classes are integrated and thematic.
- Instruction combines large group, team, and individual instruction.
- Core instructional support services are targeted to get students to standards and reduce the dropout rate.
- 75% of students are engaged in at least one co-curricular activity.
- Each student has a positive relationship with an adult who knows them well and cares about their well-being and academic success.

School Organizational Structure

- ✓ All students take a minimum of four classes daily each of four years.
- ✓ The media center, learning lab, and new-comers center are staffed before school and in the evening for academic assistance and student projects.
- ✓ Co-curricular programs and student activities are organized during the school day and do not conflict with core academic programs. Extra-curricular programs are scheduled to have the least possible effect on the regular school day.
- ✓ Social services are on site or in an adjacent facility to support student attendance and reduce the dropout rate.

Staffing Organization

- ✓ All staff is divided across disciplines into four learning communities. Each learning community will be responsible for a portion of the school population. The counseling staff will serve as team leaders, coordinating each learning community.
- ✓ Licensed staff is assigned a student mentor team of 15-18 students. Responsibilities will include:
 - Helping the student develop a personalized educational plan.
 - Mentoring the student on academic progress.
 - Advocating for career-related learning opportunities.
 - Organizing and leading the evaluation of the career-related learning project.
- ✓ Mentor teams meet regularly and formally review and modify the personalized learning plans bi-annually.
- ✓ Academic departments meet across disciplines to coordinate joint student projects and learning. Courses emphasize thematic learning through integrated curriculum.
- ✓ All staff receives professional growth opportunities in:
 - Reading instruction
 - Personal educational planning for students
 - Interdisciplinary planning and course work development

[Tables included on following pages]

Elementary School - 340 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Teacher salary assumption	\$47,479			Based on actual salaries of elementary school teachers. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Principal salary assumption	\$79,165			Based on actual salaries of elementary school principals. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Classified employee wage rate assumption	\$12.84			Average wage rate for classified employees. Does not include benefits.	Hourly wage data from Oregon Education Association.
Principal's secretary wage rate assumption	\$13.48			Average wage rate for secretarial job classifications. Does not include benefits.	Hourly wage data from Oregon Education Association.
Contract Benefits	\$9,000			Benefits that are typically a fixed dollar amount rather than a percentage of salary. Primarily health insurance.	Estimated based on DBI data.
Other Benefits	22.38%			Employer payroll taxes, employer PERS contribution, and early retirement incentive payments.	Based on federal tax rates, PERS employer contribution rate, and DBI data for early retirement incentive payments.
Core instructional staff	Kindergarten	0.83	55,921	K=40: 0.85 FTE @ 24:1 with half-day Kindergarten.	
	Grades 1-3	7.20	483,155	1-3=180 students. Class size=24.	
	Grades 4-5	4.80	322,103	4-5=120 students. Class size=24.	
	Program staff: music, PE, art, media/librarian, second language, reading specialist, math specialist, TAG facilitator, child development specialist	2.00	134,210	Schools choose staff to best meet their specific needs.	
	English as a Second Language (ESL)	0.50	33,552	Assumes 13% of students are English Language Learners = 44 students.	Percentage ESL from DBI data.
	Special education staffing	1.00	67,105	40 spec. ed. students. Teachers teach 5 of 8 classes to allow time for paperwork, IEP meetings. Assumes high-cost students are funded directly by the state.	Itinerant services for areas like speech pathologist, school psychologist. Includes Medicare offset. Excludes services provided with Federal and ESD funds (included elsewhere in the model).
	Licensed substitute teachers for general instruction		24,140	\$71 per student times 340 students.	Per student expenditures from DBI data.
	Licensed substitute teachers for special education		3,400	\$10 per student times 340 students.	Per student expenditures from DBI data.

Elementary School - 340 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Additional instructional time for students to achieve standards	Licensed	3.00		060 students - 4wks summer sch: 1/2 days- 3 licensed staff, 1 wk full-time preparation and 4wks 1/2 teaching = 15 staff days @ \$296/day.	Summer school and extra time focused on students with most need and motivation. Not available to all students. Annual salary converted to daily basis (assuming 185 days) plus PERS and federal payroll taxes.
	Classified	1.00		01 classified staff, 1 wk preparation and 4wks 1/2 time school =15 days @ \$120/day.	8 hours per day times wage rate of \$12.40 plus benefits at rate of 20% (excludes early retirement portion).
	Supplies			060 students @ \$21 per student.	
	Other activities			0 Saturday school, tutoring, after school programs. Assumes 60 students (20% of 1-5) at \$211 per student.	
Instructional improvement		0.00		0 Curriculum Development specialist to help teachers teach to standards, administer assessments, score work samples.	
Instructional support staff	Special education	1.00	31,876	185 days per year.	Classified wage rate estimates based on OSEA survey. School is free to distribute these support positions in whatever configuration is most consistent with achieving higher standards at that school.
	Classified	3.00	95,628	185 days per year. Positions such as records clerk, parent involvement coordinator, playground supervisor, family resource center coordinator, technology specialist.	
	Secretary	1.00	36,266	210 days per year.	
Administrative accountability	Principal	1.00	104,299	Salary plus benefits. Salary is average for elementary principals.	Salary data from ODE certificated personnel file.
	Supplies and materials		1,700	Newsletters, report cards, student records. \$5 per student times 340 students.	Estimated based on DBI data.
Computer hardware/software	Hardware including student and administrative		17,000	Purchases 20% new computers per year. 20% of 85 = 17 computers @ \$1,000 per computer.	6 students per computer, 1 computer for each instructional & administrative staff. Total of 85 computers.
	Software		2,550	Software for new computers plus upgrades for one third of existing computers each year at \$150 per machine.	In QEM 2000, only new computers received software upgrades.
	Network upkeep/upgrades		0	Upgrade and maintenance of network hardware and software.	Not included in QEM 2000.

Elementary School - 340 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Supplies, books, materials	Texts, consumables, classroom sets		10,880	\$32 per student times 340 students.	Some schools do not use texts. Funds could be redirected to school-produced materials.
	Classroom materials & equipment		13,940	\$41 per student times 340 students.	Includes video, tvs for classes, globes, maps, science equipment, etc.
	Copying		9,520	1670 copies per student @ \$.017 per copy = \$28 per student times 340 students.	Classroom-related, administrative.
	Media center materials		2,380	Library books, reference materials, subscriptions. \$7 per student times 340 students.	Library books, reference materials, subscriptions.
	Teacher reimbursement of materials purchases		3,400	Out-of-pocket teacher expenses for materials/supplies @ \$10 per student times 340 students.	
	Other supplies and materials		0	Other supplies and materials. \$0 per student times 340 students in the Baseline.	
Extra-curricular activities			0	Elementary school extra-curricular activities are assumed to be self-supporting through fund-raising.	
Professional training & development	3 days of teacher professional development related to standards and assessments	16.33	10,339	\$211 per diem- District/school discretion on how this is used: teacher training, teacher collaboration and team planning, or other professional development activities.	Schools can use a combination of extended contract, stipends, per diem to compensate teachers.
	Materials, Travel,		3,887	\$238 per teacher.	
	Consultants		0		
	Special ed. support staff-3 days	1.00	318	\$106 per day.	
	Leadership training for Principal	1.00	0	\$317 per day.	Baseline has zero days.
Building support costs: Costs distributed to each building	Food services		0	Assumes self-supporting food services program.	
	Student transportation		108,460	\$319 per student times 340 students	Statewide average for elementary schools.
	Technology services		34,340	Computer networks, telephones, voice mail - \$101 per student times 340 students.	Estimated based on DBI data.
	Operation, plant maintenance		190,400	Custodian, maintenance staff, utilities, security system - \$560 per student times 340 students.	Estimated based on DBI data.
	Other support services		13,940	Warehouse, courier service, community facilities (pool, library) - \$41 per student times 340 students.	Estimated based on DBI data.
	Centralized special education		20,060	Self-contained schools, other students who are not served at the building level - \$59 per student times 340 students.	Estimated based on DBI data.
	Centralized curriculum development, assessment		13,940	Centralized curriculum development, assessment, and other instructional improvement services - \$41 per student times 340 students.	Estimated based on DBI data.

Elementary School - 340 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
District administrative support	Executive administration: Board of Education, superintendent		30,600	\$90 per student times 340 students.	Estimated based on DBI data.
	Business & Fiscal Services		30,260	\$89 per student times 340 students.	Estimated based on DBI data.
	Personnel Services		12,580	\$37 per student times 340 students. Includes district supplemental retirement incentives.	Estimated based on DBI data.
	Public Information		2,720	\$8 per student times 340 students.	Estimated based on DBI data.
	Change in district administrative support--policy scenario relative to the baseline.		0	0	
Change in Instructional Days		0	0	Cost per student per day times number of days times 340 students	
Total School Cost			\$1,924,868		
School Cost Per Pupil			\$5,661		
Education Service District support	Special Education Services		27,880	\$82 per student times 340 students.	Based on DBI data. Does not include cash payments to districts, which are included as expenditures in other categories above.
	Instructional Support		40,460	\$119 per student times 340 students.	
	Technoogy Services		10,200	\$30 per student times 340 students.	
	Central Services		4,080	\$12 per student times 340 students.	
	ESD Administration		17,000	\$50 per student times 340 students.	
Total Cost			\$2,024,488		
Total Cost per Pupil			\$5,954		

Middle School - 500 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Teacher salary assumption	\$46,918			Based on actual salaries of teachers. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Principal salary assumption	\$81,385			Based on actual salaries of middle school assistant principals. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Assistant Principal salary assumption	\$73,145			Based on actual salaries of middle school principals. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Classified employee wage rate assumption	\$12.84			Average wage rate for classified employees. Does not include benefits.	Hourly wage data from Oregon Education Association.
Principal's secretary wage rate assumption	\$13.48			Average wage rate for secretarial job classifications. Does not include benefits.	Hourly wage data from Oregon Education Association.
Contract Benefits	\$9,000			Benefits that are typically a fixed dollar amount rather than a percentage of salary. Primarily health insurance.	Estimated based on DBI data.
Other Benefits	22.38%			Employer payroll taxes, employer PERS contribution, and early retirement incentive payments.	Based on federal tax rates, PERS employer contribution rate, and DBI data for early retirement incentive payments.
Core instructional staff	English, math, science, social sciences, second languages, the arts	20.80	1,381,500	Each student takes English, math, science, social science, second lang (at least 1 yr), arts (at least 1 yr).	Students take 7 of 8 classes. Teachers teach 6 of 8 classes.
	Additional teacher in math, English, science	0.00	0	To provide smaller classes in these areas to develop key literacy, numeracy, scientific reasoning skills.	Each school to decide how best to deploy extra resources.
	English as a Second Language (ESL)	0.50	33,209	Assumes 8% of students are English Language Learners = 40 students.	Percentage ESL from DBI data.
	Media/Librarian	1.00	66,418	Assumes licensed librarian paid at same rate as teachers.	
	Special education and alternative education staffing	2.75	182,650	60 spec. ed. students. Teachers teach 5 of 8 classes to allow time for paperwork, IEP meetings. Assumes high-cost students are funded directly by the state.	Itinerant services for areas like speech pathologist, school psychologist. Includes Medicare offset. Excludes services provided with Federal and ESD funds (included elsewhere in the model).
	Licensed substitute teachers for general instruction		34,000	\$68 per student times 500 students.	Estimated based on DBI data.
	Licensed substitute teachers for special education		4,500	\$9 per student times 500 students.	Estimated based on DBI data.
	Counseling/Child Development Specialist	1.50	99,627	1:250 as per accreditation guidelines.	

Middle School - 500 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Additional instructional time for students to achieve standards	Licensed	6.50		0100 students - 4wks summer sch: 1/2 days- 6.5 licensed staff, 1 wk full-time preparation and 4wks 1/2 days teaching = 15 staff days @ \$296/day @ 15:1.	Summer school and extra time focused on students with most need and motivation. Not available to all students. Annual salary converted to daily basis (assuming 185 days) plus PERS and federal payroll taxes.
	Classified	1.00		01 classified staff, 1 wk full-time preparation and 4wks 1/2 days=15 staff days @ \$120/day.	8 hours per day times wage rate of \$12.40 plus benefits at rate of 20% (excludes early retirement portion).
	Supplies			0Assumes 100 students at \$21 per student.	
	Other activities			0Saturday school, tutoring, after school programs. Assumes 100 (20%) students at \$423 per student	
Instructional improvement		0.00		0Curriculum Development specialist to help teachers teach to standards, administer assessments, score work samples plus release periods for 5 other teachers to help departments.	
Instructional support staff	Principal's secretary	1.00	42,758	260 days per year.	Classified wage rate estimate based on OEA survey. School is free to distribute these support positions in whatever configuration is most consistent with achieving higher standards at that school.
	School nurse	0.50	32,740	Licensed staff rate.	
	Special education	1.50	47,814	185 days per year.	
	Attendance	1.00	31,876	185 days per year.	
	Additional support	1.00	31,876	185 days per year.	
	Community outreach	1.00	36,204	220 days per year.	
	Family resource center coordinator	0.00	0	185 days per year.	
	Volunteer coordinator	1.00	36,204	220 days per year.	
	Media center assistant	1.00	36,204	220 days per year.	
	Receptionist	1.00	31,876	185 days per year.	
	Campus monitor	2.00	63,752	185 days per year.	
Change in classified staff: policy scenario compared to baseline		0.00		0185 days per year.	

Middle School - 500 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Administrative accountability	Principal	1.00	106,971	Salary plus benefits. Salary is average for middle school principals.	Salary data from ODE certificated personnel file.
	Assistant principal	1.00	97,052	Salary plus benefits. Salary is average for middle school assistant principals.	Salary data from ODE certificated personnel file.
	Teacher leadership		19,000	Department chairs, lead teachers. \$38 per student times 500 students.	
	Supplies and materials		5,000	Newsletters, report cards, copying. \$10 per student times 500 students.	Estimated based on DBI data.
Computer hardware/ software	Hardware including student and administrative		21,000	Purchases 20% new computers per year (16 student, 5 staff = 21) @ \$1,000 per computer.	6 students per computer, 1 computer for each instructional & administrative staff. Total of 105 computers.
	Software		3,150	Software for new computers plus upgrades for one third of existing computers each year at \$150 per machine.	In QEM 2000, only new computers received software upgrades.
	Network upkeep/upgrades		0	Upgrade and maintenance of network hardware and software.	Not included in QEM 2000.
Supplies, books, materials	Texts, consumables, classroom sets		19,000	\$38 per student times 500 students	Some schools do not use texts. Funds could be redirected to school-produced materials.
	Classroom materials, all equipment, supplies		24,000	Includes video, tvs for classes, globes, maps, science equipment, etc. \$48 per student times 500 students	Includes video, tvs for classes, globes, maps, science equipment, etc.
	Copying		12,000	1400 copies per student @ .017 per copy = \$24 per student times 500 students.	Classroom-related, administrative.
	Media center materials		3,500	Library books, reference materials, subscriptions. \$7 per student times 500 students	Library books, reference materials, subscriptions.
	Teacher reimbursement of materials purchases		5,000	Out-of-pocket teacher expenses for materials/supplies. \$10 per student times 500 students	
	Other Supplies and Materials		0		
Extra-curricular activities	Extracurricular expenditures		65,000	Clubs, drama, debate, newspaper, FFA, athletics, outdoor school. \$130 per student times 500 students.	Estimated based on DBI data.
Professional training & development	3 days of teacher professional development related to standards and assessments	26.55	16,806	\$211 per diem- District/school discretion on how this is used: teacher training, teacher collaboration and team planning, or other professional development activities.	Schools can use a combination of extended contract, stipends, or per diem to compensate teachers.
	Materials, Travel,		6,319	\$238 per licensed staff.	
	Consultants		1,000		
	Special ed. support staff- 3 days	1.50	477	\$106 per day.	
	Leadership training for principal and assistance principal	2.00	0	\$317 per day.	Baseline assumes zero days.

Middle School - 500 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Building support costs: Costs distributed to each building	Food services		0	Assumes self-supporting food services program.	
	Student transportation		157,000	\$314 per student.	Statewide average for middle schools.
	Technology services		49,500	Computer networks, telephones, voice mail. \$99 per student.	Estimated based on DBI data.
	Operation, maintenance of plant		293,500	Custodian, maintenance staff, utilities, security system, roof repair, general upkeep. \$587 per student times 500 students.	Estimated based on DBI data.
	Other support services		20,500	Warehouse, courier service, community facilities (pool, library). \$41 per student times 500 students.	Estimated based on DBI data.
	Centralized special education		29,500	Self-contained schools, other students who are not served at the building level. \$59 per student times 500 students.	Estimated based on DBI data.
	Centralized curriculum development, assessment		20,500	Centralized curriculum development, assessment, and other instructional improvement services - \$41 per student times 500 students.	Estimated based on DBI data.
District administrative support	Executive administration (Board of Education, superintendent)		45,000	\$90 per student times 500 students.	Estimated based on DBI data.
	Business & Fiscal Services		44,500	\$89 per student times 500 students.	Estimated based on DBI data.
	Personnel Services		18,500	\$37 per student times 500 students. Includes district supplemental retirement incentives.	Estimated based on DBI data.
	Public Information		4,000	\$8 per student times 500 students.	Estimated based on DBI data.
	Change in district administrative support--policy scenario relative to the baseline.		0	0	
Change in Instructional Days		0	0	Cost per student per day times number of days times 500 students	
Total School Cost			\$3,280,984		
School Cost Per Pupil			\$6,562		
Education Service District support	Special Education Services		41,000	\$82 per student times 500 students.	Based on DBI data for 2000-01. Does not include cash payments to districts, which are reflected in school-level and centralized district spending.
	Instructional Support		59,500	\$119 per student times 500 students.	
	Technoogy Services		15,000	\$30 per student times 500 students.	
	Central Services		6,000	\$12 per student times 500 students.	
	ESD Administration		25,000	\$50 per student times 500 students.	
Total Cost			\$3,427,484		
Total Cost per Pupil			\$6,855		

High School - 1,000 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Teacher salary assumption	\$47,872			Based on actual salaries of teachers. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Principal salary assumption	\$84,036			Based on actual salaries of high school principals. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Assistant Principal salary assumption	\$75,489			Based on actual salaries of high school assistant principals. Does not include benefits.	Calculation of average salary includes employee contribution to PERS for districts that pay it for their employees.
Classified employee wage rate assumption	\$12.84			Average wage rate for classified employees. Does not include benefits.	Hourly wage data from Oregon Education Association.
Principal's secretary wage rate assumption	\$13.48			Average wage rate for secretarial job classifications. Does not include benefits.	Hourly wage data from Oregon Education Association.
Contract Benefits	\$9,000			Benefits that are typically a fixed dollar amount rather than a percentage of salary. Primarily health insurance.	Estimated based on DBI data.
Other Benefits	22.38%			Employer payroll taxes, employer PERS contribution, and early retirement incentive payments.	Based on federal tax rates, PERS employer contribution rate, and DBI data for early retirement incentive payments.
Core instructional staff	English, math, science, social sciences, second languages, the arts	41.00	2,771,016	Each student takes 4 English, 4 math, 4 science, 4 social science, 3 second lang., 2 arts	Assumes teachers teach 3/4 of classes in a day (3 of 4 or 6 of 8). Assumes students are taking 7 of 8 classes.
	Additional teacher in math, English, science	0.00	0	To provide smaller classes in these areas to develop key literacy, numeracy, scientific reasoning skills	Each school to decide how best to deploy extra resources.
	English as a Second Language (ESL)	0.50	33,793	Assumes 6% of students are English Language Learners = 60 students.	Percentage ESL from DBI data.
	Media/Librarian	1.00	67,586		
	Special education staffing	3.25	219,654	120 spec. ed. students. Teachers teach 5 of 8 classes to allow time for paperwork, IEP meetings. Assumes high-cost students are funded directly by the state.	Itinerant services for areas like speech pathologist, school psychologist @ .75. Includes Medicare offset. Excludes services provided with Federal and ESD funds.
	Additional special student programs	2.50	168,964	Alternative ed., teen parent, adjudicated students, home tutors.	
	Licensed substitute teachers for general instruction		70,000	\$70 per student times 1,000 students.	Estimated based on DBI data.
	Licensed substitute teachers for special education		8,000	\$8 per student times 1,000 students.	Estimated based on DBI data.
	Counseling	2.80	189,240	1:250 as per accreditation guidelines.	
	Co-curricular/activities director	0.00	0	Stipend of \$5,144 in baseline. Salaried in the full model.	

High School - 1,000 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Additional Instructional Time for Students to Achieve Standards	Licensed	13.00		0200 students - 4wks summer sch: 1/2 days- 13 licensed staff, 1 wk full-time preparation and 4wks 1/2 days teaching = 15 days of staff time @ \$296/day @ 15:1.	Summer school and extra time focused on students with most need and motivation. Not available to all students. Annual salary converted to daily basis (assuming 185 days) plus PERS and federal payroll taxes.
	Classified	2.00		02 classified staff, 1 wk full-time preparation and 4wks 1/2 days=15 staff days @ \$120/day.	8 hours per day times wage rate of \$12.40 plus benefits at rate of 20% (excludes early retirement portion).
	Supplies			0Assumes 200 students at \$21 per student.	
	Other activities			0Saturday school, tutoring, after school programs. Assumes 200 students at \$423 per student.	
Instructional Improvement		0.00		0Curriculum Development specialist to help teachers teach to standards, administer assessments, score work samples plus release periods for 5 other teachers to help departments.	
Instructional Support Staff	Principal's secretary	1.00	42,758	260 days per year.	Classified wage rate based on OEA survey. School is free to distribute these support positions in whatever configuration is most consistent with achieving higher standards at that school.
	School Nurse	1.00	66,628	Licensed staff rate.	
	Special education	2.00	63,752	185 days per year.	
	Support staff for alternative education and teen parent	1.50	54,306	220 days per year.	
	Counseling office	1.00	36,204	220 days per year.	
	School-to-work coordinator	1.00	36,204	220 days per year.	
	Registrar	1.00	41,150	260 days per year.	
	Attendance	1.00	31,876	185 days per year.	
	Community outreach	1.00	31,876	185 days per year.	
	Family resource center coordinator	0.00	0	185 days per year.	
	Departmental support	2.00	63,752	185 days per year.	
	Bookkeeper	1.00	41,150	260 days per year.	
	Volunteer coordinator	1.00	36,204	220 days per year.	
	Health clerk	0.50	15,938	185 days per year.	
	Media center assistant	1.00	36,204	220 days per year.	
	Receptionist	1.00	31,876	185 days per year.	
	Campus monitor	3.00	95,628	185 days per year.	
	Change in classified staff: policy scenario compared to baseline	0.00		0185 days per year.	
Administrative Accountability	Principal	1.00	110,163	Salary plus benefits. Salary is average for high school principals.	Salary data from ODE certificated personnel file.
	Assistant principals	2.00	199,747	Salary plus benefits. Salary is average for high school assistant principals.	Salary data from ODE certificated personnel file.
	Teacher leadership		55,000	Department chairs, lead teachers. \$55 per student times 1,000 students.	
	Supplies and materials		10,000	Newsletters, report cards, copying. \$10 per student times 1,000 students.	Estimated based on DBI data.

High School - 1,000 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Computer Hardware/ Software	Hardware including student and administrative		45,000	Purchase 20% new computers per year (32 student, 10 staff, 3 office = 45) @ \$1,000 per computer.	6 students per computer, 1 computer for each instructional & administrative staff. Total of 225 computers.
	Software		6,750	Software for new computers plus upgrades for one third of existing computers each year at \$150 per machine.	In QEM 2000, only new computers received software upgrades.
	Network upkeep/upgrades		0	Upgrade and maintenance of network hardware and software.	Not included in QEM 2000.
Supplies, Books, Materials	Texts, consumables, classroom sets		40,000	\$40 per student times 1,000 students.	Some schools do not use texts. Funds could be redirected to school-produced materials.
	Classroom materials, all equipment, supplies		56,000	Includes video, tvs for classes, globes, maps, science equipment, etc. \$56 per student times 1,000 students.	Includes video, tvs for classes, globes, maps, science equipment, etc.
	Copying		25,000	1467 copies per student @ .017 per copy = \$25 per student times 1,000 students.	Classroom-related, administrative.
	Media center materials		8,000	Library books, reference materials, subscriptions. \$8 per student times 1,000 students.	Library books, reference materials, subscriptions.
	Teacher reimbursement of materials purchases		10,000	Out-of-pocket teacher expenses for materials/supplies. \$10 per student times 1,000 students.	
	Other Supplies and Materials		0		
Extra-Curricular Activities	Coaching	37.00	190,328	Average coaching stipend of \$5,144 including benefits.	Amount of stipend is from OSBA survey of teacher salaries and benefits.
	Other extracurricular sponsors	9.00	69,296	Clubs, drama, debate, newspaper, FFA, DECA, FBLA @ \$5,144 per stipend plus \$23 per student in supplies, materials, transportation etc.	Estimated based on DBI data.
	Athletic event-related expenses		21,000	Referees, uniforms, event supervision, league fees. \$21 per student times 1,000 students.	Athletic participation & gate receipts fee cover other costs.
	Other extracurricular materials and supplies		0	Assumed to be self-supporting through user fees.	
Professional Training & Development	3 days of teacher professional development related to standards and assessments	51.05	32,315	\$211 per diem- District/school discretion on how this is used: teacher training, teacher collaboration and team planning, or other professional development activities.	Schools can use a combination of extended contract, stipends, or per diem to compensate teachers.
	Materials, Travel,		12,150	\$238 per staff member.	
	Consultants		3,000		
	Special ed. and Alternative ed. support staff-3 days	3.50	1,113	\$106 per day.	Training focused on special ed. and alternative ed. support staff.
	Leadership training for principal and assistance principals	3.00	0	\$317 per day.	Baseline assumes zero days.

High School - 1,000 Students

Program Element:	Component	FTE	Component Cost (2002-03)	Explanation/Assumptions	Comments
Building Support Costs: Costs Distributed to Each Building	Food services		13,000	\$13 per student times 1,000 students in baseline. \$0 in full model.	Some, but not all, districts can run on a self-supporting basis.
	Student transportation		332,000	High school transportation is state-mandated unless district receives a waiver. \$332 per student times 1,000 students.	Statewide average for high schools.
	Technology services		103,000	Computer networks, telephones, voice mail, student records, administrative computing services. \$103 per student times 1,000 students.	Estimated based on DBI data.
	Operation, maintenance of plant		642,000	Custodian, maintenance staff, utilities, security system, roof repair, general upkeep. \$642 per student times 1,000 students.	Estimated based on DBI data.
	Other support services		48,000	Warehouse, courier service, community facilities (pool, library) \$48 per student times 1,000 students.	Estimated based on DBI data.
	Centralized special education		59,000	Self-contained schools, other students who are not served at the building level. \$59 per student times 1,000 students.	Estimated based on DBI data.
	Centralized curriculum development, assessment		41,000	Centralized curriculum development, assessment, and other instructional improvement services - \$41 per student times 1,000 students.	Estimated based on DBI data.
District administrative support	Executive administration (Board of Education, superintendent)		90,000	\$90 per student times 1,000 students.	Estimated based on DBI data.
	Business & Fiscal Services		89,000	\$89 per student times 1,000 students.	Estimated based on DBI data.
	Personnel Services		37,000	\$37 per student times 1,000 students.	Estimated based on DBI data.
	Public Information		8,000	\$8 per student times 1,000 students.	Estimated based on DBI data.
	Change in district administrative support--policy scenario relative to the baseline.		0	0	
Change in Instructional Days		0	0	Cost per student per day times number of days times 1,000 students	
Total School Cost			\$6,610,621		
School Cost Per Pupil			\$6,611		
Education Service District support	Special Education Services		82,000	\$82 per student times 1,000 students.	Based on DBI data for 2000-01. Does not include cash payments to districts, which are reflected in school-level and centralized district spending.
	Instructional Support		119,000	\$119 per student times 1,000 students.	
	Technology Services		30,000	\$30 per student times 1,000 students.	
	Central Services		12,000	\$12 per student times 1,000 students.	
	ESD Administration		50,000	\$50 per student times 1,000 students.	
Total Cost			\$6,903,621		
Total Cost per Pupil			\$6,904		

Conclusion

The Oregon Legislature has set high goals for our K-12 schools, calling for a world-class education system with rigorous academic standards for all students and expectations that all children are challenged to meet their full potential. To help achieve these goals, the 2004 Commission not only took on the traditional tasks of the Quality Education Commission, but we also broadened the scope of the QEC to include changing policies affecting Oregon's educational future. This year's Commission made the annual updates to the Quality Education Model and analyzed current and projected fiscal scenarios, but we also created three panels to discuss important topics in-depth: a cost panel, an accountability panel, and a best practices panel. The three panels, as well as the Commission as a whole, also discussed the changes brought about by the No Child Left Behind legislation and made recommendations to integrate federal mandates into state goals.

The Governor is approaching the next biennium with a change in focus on how the state's budget is set. Instead of the old current services model, his team is looking at priorities for funding that have the greatest impact on Oregon's current and future costs and outcomes. This is consistent with how the Quality Education Commission has approached its work. The Commission recommends that the silos of education be readdressed, allowing the system to take an integrated approach to education which involves post-secondary education, Pre-Kindergarten, other social service agencies, the business community, and the general public. This is the time for action, not because of the requirements of NCLB, but because it is the right thing to do for our students.

APPENDIX A – QUALITY EDUCATION GOALS

(ORS 329.025)

It is the intent of the Legislative Assembly to maintain a system of public elementary and secondary schools that allows students, parents, teachers, administrators, school district boards and the State Board of Education to be accountable for the development and improvement of the public school systems. The public school system shall have the following characteristics.

- (1) Provides equal and open access and educational opportunities for all students in the state regardless of their linguistic background, culture, race, gender, capability or geographic location;
- (2) Assumes that all students can learn and establishes high, specific skill and knowledge expectations and recognizes individual differences at all instructional levels;
- (3) Provides special education, compensatory education, linguistically and culturally appropriate education and other specialized programs to all students who need those services;
- (4) Provides students with a solid foundation in the skills of reading, writing, problem solving and communication;
- (5) Provides opportunities for students to learn, think, reason, retrieve information, use technology and work effectively alone and in groups;
- (6) Provides for rigorous academic content standards and instruction in mathematics, science, history, geography, economics, civics and English;
- (7) Provides students an educational background to the end that they will function successfully in a constitutional republic, a participatory democracy and a multicultural nation and world;
- (8) Provides students with instruction in, but not limited to, health, physical education, second languages and the arts;
- (9) Provides students with the knowledge and skills that will provide the opportunities to succeed in the world of work, as members of families and as citizens;
- (10) Provides students with the knowledge and skills to take responsibility for their decisions and choices;
- (11) Provides opportunities for students to learn through a variety of teaching strategies;
- (12) Emphasizes involvement of parents and the community in the total education of students;
- (13) Transports children safely to and from school;
- (14) Ensures that the funds allocated to schools reflect the uncontrollable differences in costs facing each district;
- (15) Ensures that local schools have adequate control of how funds are spent to best meet the needs of students in their communities; and
- (16) Provides for a safe, educational environment

(ORS 329.015)

- (1) The Legislative Assembly believes that education is a major civilizing influence on the development of a humane, responsible and informed citizenry, able to adjust to and grow in a rapidly changing world. Students must be encouraged to learn of their heritage and their place in the global society. The Legislative Assembly concludes that these goals are not inconsistent with the goals to be implemented under this chapter.
- (2) The Legislative Assembly believes that the goals of kindergarten through grade 12 education are:
 - (a) To demand academic excellence through a rigorous academic program that equips students with the information and skills necessary to pursue the future of their choice;
 - (b) To provide an environment that motivates students to pursue serious scholarship and to have experience in applying knowledge and skills and demonstrating achievement; and
 - (c) To provide students with lifelong academic skills that will prepare them for the ever-changing world.

APPENDIX B – NO CHILD LEFT BEHIND LEGISLATION REQUIREMENTS

From: “A Toolkit for Communicating about Adequate Yearly Progress Under the “No Child Left Behind” Act – 2004” Compiled by the Oregon School Boards Association

What is Adequate Yearly Progress?

Adequate Yearly Progress (AYP) is one of the cornerstones of the federal No Child Left Behind (NCLB) Act. In Oregon, it will be a measure of year-to-year student achievement on the statewide assessments under the Oregon Educational Act for the 21st Century.

There are two ways schools can meet AYP. But first, they must have enough students to be “statistically valid.” In Oregon, that means at least 42 state tests must be taken by students over a two-year period (2002-03 and 2003-04) in BOTH math and language arts areas. Typically, one student will take four of these tests per year. This qualification also applies to each subgroup of students (e.g. White, Hispanic, etc.). If a school doesn’t have enough students in each category to qualify, these students’ scores are counted toward the district’s overall AYP rating.

1) Each school must get 40 percent of students in each subgroup (e.g. White, Hispanic, etc.) to meet state reading benchmarks and 39 percent of its students in each subgroup to meet math benchmarks. For this measure to count, at least 95 percent of the school’s population must take the tests. Then, other requirements kick in: Annual attendance rate of 92 percent for elementary/middle schools; 68.1 percent graduation rate for high schools (not required for LEP and economically disadvantaged subgroups). The same attendance/graduation standards are required under Oregon’s school and district report cards.

2) Or, if a school reduced the percent of students who didn’t make AYP last year by at least 10 percent AND met the graduation target for high school and attendance targets for middle and elementary schools.

Each state creates its own starting goal for AYP and “raises the bar” in gradual increments so that by the 2013-14 year, 100 percent of students must be proficient on state assessments to meet AYP.

Oregon’s increments:

Years 2002, 03, 04	40 percent
Years 2005, 06, 07	50 percent
Years 2008, 09, 10	60 percent
Year 2011	70 percent
Year 2012	80 percent
Year 2013	90 percent
Year 2014	100 percent

APPENDIX C – Ballot Measure 1, 2004 Report

[Included on following pages]



May 2003

Ballot Measure 1

Report from the Legislature

2001-2003 Education Budget

Introduction: Ballot Measure 1

Oregon voters enacted Ballot Measure 1 in November 2000.

The Legislative Assembly shall appropriate in each biennium a sum of money sufficient to ensure that the state’s system of public education meets quality goals established by law, and publish a report that either demonstrates the appropriation is sufficient, or identifies the reasons for the insufficiency, its extent, and its impact on the ability of the state’s system of public education to meet those goals.¹

**Ballot Measure 1
Report from the
Legislature**

The 2001 Oregon Legislature enacted ORS 171.857 that specified the contents of the report. That statute reads, in part,

Membership:

Sen. Ryan Deckert
Co-Chair

Rep. Susan Morgan
Co-Chair

Sen. Ken Messerle
Rep. Elaine Hopson

. . . The Legislative Assembly in the report shall demonstrate that the amount within the budget appropriated for the state’s system of kindergarten through grade 12 public education is the amount of moneys as determined by the Quality Education Commission that is sufficient to meet the quality goals or identify the reasons that the amount appropriated for . . . education is not sufficient, the extent of the insufficiency and the impact of the insufficiency on the ability of the state’s system of kindergarten through grade 12 public education to meet the quality goals. In identifying the impact of the insufficiency, the Legislative Assembly shall include in the report how the amount appropriated in the budget may affect both the current practices and student performance identified by the commission . . . and the best practices and student performance identified by the commission . . .

Staff:

Jan McComb
Committee Services

Sue MacGlashan
Legislative Fiscal Office

“Quality goals” for kindergarten through grade 12 (K-12) education are specified in ORS 327.506, which references goals in the Education for the 21st Century statutes, ORS chapter 329. In regards to post-secondary education, the same statute states

The Legislative Assembly shall identify in the report whether the state’s system of post-secondary public education has quality goals established by law. If there are quality goals, the Legislative Assembly shall include in the report a determination that the amount appropriated in the budget is sufficient to meet those goals or an identification of the reasons the amount appropriated is not sufficient, the extent of the insufficiency and the impact of the insufficiency on the ability of the state’s system of post-secondary public education to meet those quality goals.

NOTE: Because of the changing budget levels during the 2001-03 biennium due to special sessions, this report has been prepared later than 180 days following regular legislative session. Due to this, there is information contained in this document that would not have been available within 180 days of legislative adjournment, the time period the report would normally be prepared, as directed by statute.

¹ Section 8(1), Article VIII, Oregon Constitution.

K-12 Schools Funding

Quality Goals

“Quality goals” for Oregon's state system of kindergarten through grade 12 public education include those established under ORS 329.007, 329.015, 329.025, 329.035, 329.045, 329.065, 329.465, 329.475, and 329.487.”² These sections of statute include a statement of education goals, characteristics of school system, legislative findings, need to review and modify common curriculum goals, that adequate funding be required prior to the provisions of ORS chapter 329 being implemented, Certificates of Initial Mastery requirements, Certificate of Advanced Mastery requirements, and second language requirements.

What Funding Level is Sufficient?

The funding level sufficient for K-12 students to meet “quality goals” has not been inarguably identified. Other states are grappling with this concept, as lawsuits are filed citing that funding is inadequate. Oregon's School Distribution Formula attempts, to some degree, to gauge relative student education costs by its system of student weightings—that some students cost more to educate than others—but does not assign an actual per student cost. It should be noted that the funding formula was not designed to gauge costs, but rather distribute revenue. House Speaker Lynn Lundquist created a council in 1997 to try to determine the cost of a quality K-12 education. This effort was endorsed by Governor John Kitzhaber and codified by the legislature in 2001.

Quality Education Model

The Quality Education Commission (QEC) is assigned the task of determining “the amount of moneys sufficient to ensure that the state’s system of kindergarten through grade 12 public education meets the quality goals”³ and attempts to link school spending with student performance. Using the December 2000 Quality Education Commission report, the QEC reported that full implementation of the Quality Education Model would cost \$6.061 billion⁴ for the 2001-03 biennium, or \$5,762/ADMw⁵ in the first year and \$5,880/ADMw in the second year.⁶ Actual funding for the 2001-03 biennium was \$4.919 billion. This represents funding K-12 education at 81% of the amount recommended by the QEC. The 2000 QEM does not forecast the impact of budget reductions on best practices and student performance, although QEC staff may prepare possible spending scenarios with reduced funding.

Oregon Benchmarks

The Oregon Progress Board reports each biennium to the legislature on the progress the state has made toward a set of 90 benchmarks, or measures, of economic, social, and environmental health. There are a number of education benchmarks. The Progress Board found progress had been made in most categories in 2001-03. It did not find progress being made in the area of Labor Force Skills Training, and found progress for Eighth Grade Skill Levels had stagnated since 2000.⁷

Funding Levels of Successful Schools

Another measurement of determining adequate funding is to examine the funding levels of “successful” schools. The table below shows a random list of elementary schools that were successful in getting their third graders to read at state benchmark levels, and the approximate amount of funding each school received. It should be noted that school and student characteristics vary and comparisons should not be made without adequate information.

² ORS 327.506

³ ORS 327.506(2)

⁴ Quality Education Commission figures refer to state General Fund support only.

⁵ "ADMw" refers to average daily membership, weighted; the student count plus special student weightings (ORS 327.013).

⁶ Quality Education Commission. *Quality Education Model 2000*, p. 9.

⁷ Education benchmarks: Ready to Learn, Third Grade Skill Levels, Eight Grade Skill Levels, Certificate of Initial Mastery, High School Dropout Rate, High School Completion, Some College Completion, Adult Literacy, Computer/Internet Usage, Labor Force Skills Training. Is Oregon Making Progress? The 2003 Benchmark Performance Report.

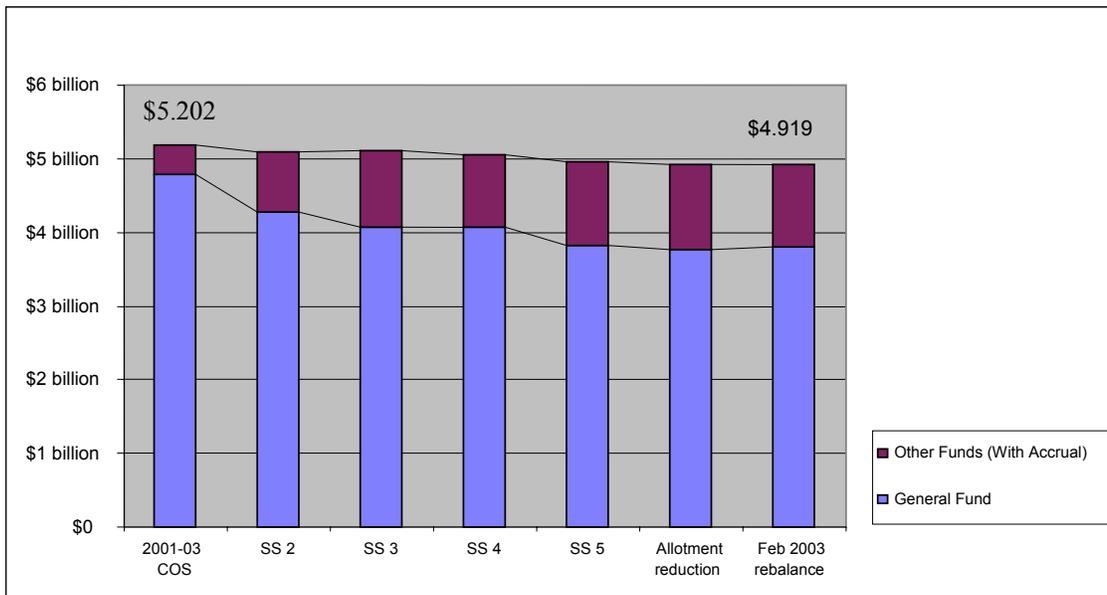
<http://www.econ.state.or.us/opb/2003report/Report/2003BPR.pdf>

SCHOOL	% of 3 rd Graders Reading At Benchmark	2001-02 Spending Per Student, General Fund ⁸
Briscoe Elementary Ashland	95%	\$6,194
Alameda Elementary Portland	94%	\$6,189
Cooper Mountain Elementary Beaverton	95%	\$5,859
Edison Elementary School Eugene	98%	\$6,268
West Hills Elementary School Pendleton	>95%	\$6,342
Oak Elementary Albany	93%	\$5,967
Ocean Crest Elementary Bandon	94%	\$5,117

2001-03 K-12 Budget:

2001-03 Close of Session Budget

The close-of-session legislatively adopted budget for the State School Fund and other K-12 grants totaled \$5.202 billion,⁹ an increase of approximately 8.1 percent over the 1999-01 level of \$4.811 billion.¹⁰ By the close of the 2002 legislative special sessions and the failure of Ballot Measure 28, the K-12 budget was reduced to \$4.919¹¹ (\$4.69 without accrual¹²). While General Funds decreased, the legislature used other funds to reduce the impact of the funding reduction (*see below*).



⁸ Oregon Database Initiative. School Profile Report. 2001-02. “General Fund” refers to a school district’s General Fund, constituting primarily of local property taxes plus the distribution it gets from the state through the formula.

⁹ \$5.202 billion includes state timber taxes of \$23.7 million.

¹⁰ \$4.811 billion includes \$50 million in SB 622 proceeds; \$127 million in lottery bond proceeds; and \$50 million in Common School Fund monies.

¹¹ Includes \$17.7 million of Common School Fund monies (HB 4055).

¹² “Accrual” allows districts to include revenues in their 2002-03 financial statements that won’t be available until July 2003.

In addition, the Legislative Fiscal Office anticipates an \$8 million loss due to a MUPL¹³ shortfall, and local revenues will be about \$31 million lower than close-of-session estimates.¹⁴

Findings

It is the determination of the Ballot Measure 1 Committee that the level of K-12 funding is insufficient to meet Quality Education Commission recommended levels. The Ballot Measure 1 Committee finds there were significant stresses on the K-12 system due to declining revenues and increasing costs of service delivery. Trying to maintain the prior level of service given those constraints was a tremendous challenge for schools and one that will likely continue should funding levels continue to decline and costs increase.

In its obligation to fully fund K-12 education to achieve educational outcomes prescribed by law, the Legislative Assembly implicitly confronts a fundamental decision about whether and how to generate sufficient revenue to meet this goal. By setting the appropriation level at \$5.2 billion in 2001, a decision was made not to seek additional revenue to fully fund K-12 at the QEM level of \$6 billion.

Ballot Measure 5 – Equalization – School Distribution Formula

School districts are experiencing the results of state policy put into effect in 1991. Passage of Ballot Measure 5 limited the amount of local property taxes collected and used for schools, shifting the bulk of funding from the local property tax to the state's General Fund. In response, the state created a school fund distribution formula and began the process of equalizing the amount of funding school districts received per student, an amount that had been disparate between districts. In the equalization process, highly-funded school districts' funding was frozen then reduced, while lower-spending districts' funding was increased. In addition, Ballot Measure 5 capped districts' ability to raise operating revenue locally. While education organizations are reluctant to modify the school funding formula, it is generally recognized to be a blunt instrument when dealing with particular situations such as special education funding, districts with declining enrollments, or districts with rapidly increasing enrollment.

Declining Revenue Findings

Falling State Revenue – National Economic Decline

Personal income tax collections were reduced by falling wages and losses from the stock market while declining profits sharply reduced corporate income tax payments. The decline in tax collection due to the weakened economy resulted in a budget that could not sustain state programs at their current budget levels. State General Fund resources for 2001-03 are now \$2.127 billion, 18.5% below the close of 2001 session forecast. The 2001-03 General Fund resources are also estimated to be \$1.119 billion, 10.7 % below 1999-2001 General Fund resources. Although revenue growth will pick up with economic recovery, revenue from capital gains and corporate profits associated with the late 1990's financial bubble is unlikely to return.

While the overall General Fund was reduced 18.5%, the State School Fund fell from \$5.202 billion to \$4.901 billion, a reduction of 5.79%.

Failure of Ballot Measure 28

The Fifth 2002 Special Session of the Oregon Legislature referred to voters the option of increasing personal and corporate income tax rates for three years. The Legislative Revenue Office estimated that passage of the measure would have raised \$313 million in 2001-03 and \$412 million in 2003-05. It would have cost the average taxpayer \$114 a year in additional taxes.¹⁵ The measure failed statewide (575,846 voting yes, 676,312 voting no), although it passed in five counties: Benton, Gilliam, Lane, Multnomah, and Polk.¹⁶ Had Ballot Measure 28 been enacted, an

¹³ Medicaid Upper Payment Limit

¹⁴ The \$31 million does not include additional Common School Fund distributions of \$17.7 million provided by HB 4055, Third 2002 Special Legislative Session.

¹⁵ Secretary of State. *Ballot Measure 28 Legislative Argument In Support*, January 28 Oregon Voter's Pamphlet.

¹⁶ <http://www.sos.state.or.us/elections/jan282003/s03abstract.pdf>

additional \$95 million would have been available for schools in 2002-03, or an additional 4.2%,¹⁷ and Legislative Fiscal Office estimates a similar amount would have been available for 2003-04. The failure of public support for Ballot Measure 28 may have the effect of discouraging the Governor and legislature from seeking a solution to funding shortfalls through a tax increase.

Reduction in Local Property Taxes Collected

In addition to state dollars, local property taxes are a significant source of school funding and those collections are lower than expected. At this time, it is expected that local property tax collections will be \$31 million short of session estimates.

Increased Costs Findings

Special Education

The school distribution formula accounts for special needs students by double-weighting them. School districts report that this weight can still fall short of actual costs. When the federal Individuals with Disabilities Act (IDEA) was enacted by the U.S. Congress, it was with the intention that the federal government would fund 40 percent of the Act's costs. This level of funding has never been realized and was 14% in 2000-01, and 15% in 2001-02.¹⁸ Because the IDEA mandates a level of service for these students, funding is often shifted from the general education program to cover special education costs.

PERS – Insurance – Utilities

Because school payroll costs account for approximately 80% of district spending, increased Public Employees Retirement System (PERS) costs significantly impact a school's budget; 40% of the PERS is made up of school employees. School districts, as public employers, are facing a PERS unfunded actuarial liability (UAL). The UAL is the difference between what PERS can generate based on expected earnings and what it needs to pay current and future estimated pensions. The gap is currently estimated to be approximately \$16.4 billion for the system, of which \$6.56 billion is school district shortfall. School district employers currently pay 12.73% of covered salary as employers and will have to pay 18.58% beginning July 1, 2003. About 65% of districts also pay ("pick up") the 6% employee contribution to PERS. Those employers that pay the employee's 6% will have a rate of approximately 24.58% beginning July 1, 2003; nearly 25 cents of each payroll dollar paid will be for PERS costs. This rate may be lowered depending on legislation enacted by the 2003 Legislature and subsequent court decisions.

Historic PERS Employer Rates	
1973	7.5%
1976	7.60%
1978	9.15%
1979	10.45%
1980	11.75%
1981	11.67%
1983	12.17%
1984	10.30%
1988	11.80%
1992	10.86%
1993	9.88%
1997	9.93%
1999	12.25%
2001	12.73%
2003	18.58%

According to a March 2001 survey¹⁹ done by the Confederation of Oregon School Administrators (COSA), school districts expect the rates charged by their health care providers to increase. On average, medical health insurance is expected to rise 16.6%; dental to rise 13.9%, and vision care insurance to increase 12.4%. Implementation of these increases will vary among districts because of current employee contracts and future contract negotiations. Many districts are capping premium costs as a strategy for controlling rising premium costs.

COSA also surveyed member districts in April 2002 on utility bill increases. Electricity is expected to increase nearly 30%, natural gas 30.5%, heating oil 27.3%, water and sewer 16.9%, and garbage 9.8%. These numbers are estimates, however, and may not be as high as estimated, or may actually drop.

¹⁷ The increase would have been 4.2% of the \$2.25 billion total in 2002-03; or 1.8% for the biennia.

¹⁸ Legislative Fiscal Office figures.

¹⁹ 72 school districts and 8 ESDs responded.

Impact of Insufficiency

Cost increases in K-12 outstripped the funding available. Major cost increases were PERS and health care, causing significant budget cuts to occur at district levels to accommodate the legislative funding level. Because funding cuts occurred late in the biennium, districts had limited options to find areas to save. Most districts chose to use available reserve revenues, shorten the instructional year, or both.

Impact on Student Performance

Test scores held steady for the most part, with declines in 8th grade writing, and 5th, 8th, and 10th grade math problem solving.²⁰ Test scores for the 2002-03 school year, not available at this time, will also reflect the impact of the 2001-03 budget.

Recent Assessment Results - Percentage Meeting Standards

Year/test	99-00	2000-01	2001-02
3rd grade reading	82%	84%	85%
3rd grade math	75%	75%	77%
5th grade reading	73%	77%	79%
5th grade math	69%	73%	75%
5th grade writing	65%	64%	69%
5th grade math prob. solving	64%	76%	62%
8th grade reading	64%	62%	64%
8th grade math	56%	55%	55%
8th grade writing	66%	68%	67%
8th grade prob. solving	55%	58%	51%
10th grade reading	51%	52%	53%
10th grade math	40%	42%	45%
10th grade writing	42%	79%	79%
10th grade math prob. solving	36%	57%	50%

Impact on Current/Best Practices

The 2000 Quality Education Model does not identify "best practices" explicitly, but rather implicitly through its prototype components. These components are as follows: adequate staffing; added instructional time and activities for students having trouble meeting standards; curriculum development and technology support; on-site instructional improvement; professional development for teachers and administrators; assistance with CIM record keeping; adequate classroom supplies; and adequate funds for building maintenance.²¹

Schools have responded to the 2001-03 budget cuts in a number of ways, but because personnel costs make up 80% of a school's budget, significant savings can only be seen in staff reductions and staff salary and benefit adjustments or a shortened school year. Data is not available on personnel cost reductions, but a survey by the Oregon School Boards Association found that 90 school districts planned to shorten the school year to save money, the bulk of which consists of lost wages to school personnel, including teachers.²²

LEGISLATIVE FINDINGS CONCERNING POSTSECONDARY EDUCATION

The Legislature finds community colleges and higher education are critical to the state, but while these are components of the state's system of public education, they do not have the same type of statutory goals identified for K-12 schools, and thus, are exempt from the reporting requirements of Ballot Measure 1.

²⁰ Statewide assessments for 2001-02 were given in the winter and spring of 2002; on-line tests are given October-May. The largest budget cuts did not occur until 2003.

²¹ Quality Education Commission. *Quality Education Model 2000*, p. 5

²² OSBA. Cutting School Days Helps Budget Crunch in 90 Districts. April 30, 2003.

<http://www.osba.org/hotopics/funding/2003/030429.htm>

APPENDIX D – The Complete Cost Panel Report

The Cost Panel Report will be included in the final Quality Education Commission's December 2004 Report.

***Conceptual Framework and Recommendations
for a
Comprehensive Data and Accountability System***

***Accountability Panel Report
To the Quality Education Commission***

July 2004

Prepared by

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Consultant to the Center for Educational Policy Research

Background

This report is undertaken by the Accountability Panel of the Quality Education Commission. The purpose of the report is to identify ways in which Oregon's educational system can function in a more accountable fashion. This is consistent with the Quality Education Model's goal of determining the amount of money needed for Oregon's schools to achieve identified performance levels. Without accountability for performance, the QEM does not account for what occurs if schools are provided identified resources and do not subsequently achieve predicted levels of performance. More fundamentally, without accountability, taxpayers are being asked to provide resources without any governmental mechanisms to determine performance in relation to resources expended.

As this report will demonstrate, accountability is a multi-faceted concept with implications for all parties who have responsibilities related to the governance and functioning of Oregon's public schools. This analysis identifies as the primary necessary condition for accountability the existence of a comprehensive system of data on student learning and organizational functioning that allows all actors to judge their own performance and that of all other actors against specified standards and desired outcomes. Currently, Oregon's data system is not sufficiently developed to allow conclusions to be drawn about system functioning beyond rudimentary observations, nor does it provide diagnostic data that allows those who seek to improve their performance to do so expeditiously.

Theory of Action

This section summarizes the theory of action from which the analysis, conclusions, and recommendations contained in this report are derived.

Schools can become high-performance organizations that enable an ever-increasing number of students to meet state standards and receive a quality education if schools are provided sufficient data on a wide range of critical factors related to student learning and organizational functioning.

The purpose of the educational governance and policy system in this regard is to ensure schools receive the necessary data, that they have the capacity to analyze the data, that they have the flexibility to act upon the data, and that they have the resources necessary to achieve the levels of performance expected of them. Schools that fail to improve under these circumstances first require diagnosis of the reasons they are failing to improve, and then require interventions specific to the causes identified through the diagnosis. The intention is always to improve, not to punish, schools.

Data-driven school improvement demands patience and persistence. While short-term indicators of success and difficulty must be closely monitored, improvement is best judged over a longer timeframe than a single year. A longer-term perspective is more likely to lead to institutional-ization of effective practices and greater awareness of why such practices are working.

Data also allows for all actors in the governance system to be held to a level of accountability. The use of data is not limited to school buildings, but applies to all governance entities and policy actors.

The Notion of a Reciprocal Accountability System

An accountability system consistent with the theory of action just outlined is one in which each level in the educational governance and delivery system has available to it the data it needs to make necessary decisions about how best to improve its practices and to organize its responsibilities within the context of an educational system focused on continuous improvement and high levels of student learning.

This presumes a willingness and capacity by all governance levels to utilize data and to examine critically their procedures and practices in light of the data. Furthermore, for those levels of governance whose actions facilitate or constrain success at the school site and classroom levels, this system implies a commitment by those levels of governance to evaluate the adequacy of their support for classroom success and to develop operating practices

and principles that hold their own level in the policy system to a standard of accountability comparable to that which they are expecting of public schools.

In essence, reciprocal accountability implies a reciprocal or symmetrical partnership that extends across all levels in the governance and policy systems. Continuous improvement occurs when the entire system functions in a unified fashion with a common focus on agreed-upon outcomes and a commitment to developing policies and practices that contribute to achievement of those goals.

Accountability can be thought of as linear or reciprocal. Traditionally, accountability systems are linear and unidirectional. Linear accountability is predicated on each organizational unit holding all units below it accountable while not explicitly being accountable itself for actions that affect subordinate organizational units. In linear accountability systems, students may end up being the only system participants held truly accountable in ways that affect them directly. Teachers and principals may also have rewards or sanctions directed toward them or their school. Superintendents and school boards are rarely held directly accountable in a linear system. State-level policy actors, including state education departments and boards of education, governors and legislators, are assumed to be monitored by a different set of rules and rarely if ever experience any direct effect of school performance.

Reciprocal accountability implies that each organizational level is responsible both for its own performance and for the success of other organizational levels, both subordinate and superordinate. Reciprocal accountability is difficult to establish, since superordinate units rarely allow themselves to be held accountable for enabling the success of subordinate units in an organizational or governance system.

However, it is possible to establish mechanisms that create the effect of reciprocal accountability without explicitly requiring a superordinate unit to defer to a subordinate unit. Publicly discussed data available to all actors in the system helps enforce a form of reciprocal accountability by exposing to greater scrutiny the actions of each organizational unit as those actions affect the ability of subordinate units to meet system goals and to improve continuously.

The goal in a reciprocal accountability system is to generate enough data of the right types to create common agreements on a much wider range of aspects of systems functioning. If such agreement can be attained, it becomes easier to assign responsibilities in ways that lead to systems improvement in place of mutual recriminations. The goal of reciprocal accountability is to reinforce the very concept of a system—that all elements work together in a coordinated fashion to achieve more effectively goals that each element of the system could not achieve as well except as part of the system.

The next table summarizes the data necessary to each level in the educational governance system if participants at that level are going to act to enable the system to function effectively and efficiently, and the responsibilities they have to act upon the data.

Summary of Necessary Data and Concomitant Responsibilities by Governmental Agency or Constituent Group

Organizational unit	Necessary data	Responsibility
Student	<ol style="list-style-type: none"> 1. Regular feedback on performance 2. Clarity on expectations 3. Knowledge of available resources and options 	<ol style="list-style-type: none"> 1. Utilize diagnostic data to improve learning 2. Prioritize learning around expectations 3. Utilize available resources to assist learning
Parents	<ol style="list-style-type: none"> 1. Information that allows them to compare performance at their school 	<ol style="list-style-type: none"> 1. Influence the quality of education at their local school by applying

Organizational unit	Necessary data	Responsibility
	<p>to other schools within the state</p> <ol style="list-style-type: none"> 2. Information on the instructional goals for their child 3. Information on the performance of their child relative to other groups of children and to state standards 4. Information about ways to contribute toward their child's educational progress 	<p>pressure for improvement</p> <ol style="list-style-type: none"> 2. Support their child's success by gauging their child's progress in relation to state averages and school averages 3. Pursue opportunities to interact collaboratively with teachers and administrators at their children's school to determine how to support their children's educational success 4. Develop positive relationships with their children that help motivate the child to engage positively with the formal education process as conducted in school
Teacher	<ol style="list-style-type: none"> 1. Student-level diagnostic data on student performance in key academic areas provided on a real-time basis 2. Comparative data on how students in other settings are performing compared to students in this setting 3. Information on student goals and aspirations that can be used to motivate students to learn 4. Information on student attitudes towards and perceptions of the learning experience at the school 	<ol style="list-style-type: none"> 1. Adjust instructional pace and method in response to data on student learning 2. Examine expectations for student learning and establish learning goals designed to achieve equity for all students 3. Work collaboratively with others in the school to ensure an aligned educational program and appropriately high expectations for student learning 4. Develop learning environments that motivate students to learn 5. Identify and connect with disenfranchised students and those in danger of failure or dropping out
Principal	<ol style="list-style-type: none"> 1. Student, classroom, grade- or department-level, and school-level data, disaggregated by multiple subgroups 2. Longitudinal data on student performance over a multi-year period 3. Organizational effectiveness indicators that provide insight into how well the school is functioning 4. Student participation and attitudinal data 5. Fiscal data that allows determination about the relationship between expenditures and student learning within the building 	<ol style="list-style-type: none"> 1. Determine current strengths and weaknesses in the school's instructional program and organizational structure 2. Identify trends in student achievement, the cause of such trends, and the changes in practices and structures necessary to make desired changes in the trends 3. Monitor the organizational health of the school and make necessary changes to maximize staff effort and engagement 4. Identify groups of students that are not engaging in the school and ascertain ways to engage them before they fail or drop out 5. Develop budgets that allocate resources in ways carefully designed to achieve state and school goals linked to student achievement
Central office/ superintendent	<ol style="list-style-type: none"> 1. School-level data by grade or department and district-level data, disaggregated by subgroups 	<ol style="list-style-type: none"> 1. Closely monitor trends across school buildings to identify and anticipate any commonly-occurring problems or

Organizational unit	Necessary data	Responsibility
	<ol style="list-style-type: none"> 2. Longitudinal data on student performance at individual grade levels or by department, by school, and district-wide over a multi-year period 3. Organizational effectiveness indicators that provide insight into how well each school in the district is functioning 4. Fiscal data that allows determination about the relationship between expenditures and student learning within buildings and district-wide 	<p>areas of concern in order to inform district-wide support activities delivered during that school year</p> <ol style="list-style-type: none"> 2. Review longitudinal data to make strategic decisions regarding curriculum, texts, instructional methods, and professional development. 3. Review data on organizational effectiveness to determine the support schools need to improve functioning, including the leadership being provided in the building 4. Review longitudinal data on student learning and fiscal allocations in combination to develop budget and decide how best to allocate funds to support improvement
Board of Education	<ol style="list-style-type: none"> 1. School and district-level student achievement data, disaggregated by subgroups 2. Longitudinal data on student performance at individual schools and district-wide over a multi-year period 3. Organizational effectiveness indicators that provide insight into how well each school in the district is functioning 4. Fiscal data that allows determination about the relationship between expenditures and student learning district-wide 	<ol style="list-style-type: none"> 1. Review data on student learning for evidence of differential impact of curriculum and instruction 2. Cross-reference data on expenditures per school with student achievement patterns to ascertain impact and effect of resources expended 3. Review data on organizational effectiveness to identify potential trouble spots and move proactively to prevent any decrease in student learning 4. Utilize all listed data sources in combination when developing a plan of improvement for a school that persistently fails to improve adequately
ESDs	<ol style="list-style-type: none"> 1. Individual district profiles of service needs (student populations the district is not able to serve effectively or efficiently) 2. Collective district profiles of service needs (trends among all districts in the ESD's service area in terms of key unmet needs) 3. Individual school profiles for schools that consistently fail to make improvements (those that the district has helped but have still not improved) 	<ol style="list-style-type: none"> 1. Provide services to individual districts as a direct function of the needs of the district. This implies a regular updating and revising of services in response to district needs as revealed in the profiling process. 2. Adapt the capacity of the ESD on a regular basis to provide services to districts based on trend data derived from the collective district profiles 3. Provide additional support to individual schools that have failed to improve after being provided support by the district. Analyze the causes of failing schools for districts incapable of conducting such analyses.
ODE	<ol style="list-style-type: none"> 1. School, district, and state data, disaggregated by subgroups. 2. Fiscal data that allows determination about the relationship between expenditures and student learning at 	<ol style="list-style-type: none"> 1. Present data in a form that allows educators and other education stakeholders to utilize the data for improvement purposes 2. Organize fiscal data in ways that can

Organizational unit	Necessary data	Responsibility
	<p>the school, district, and state level</p> <ol style="list-style-type: none"> 3. Longitudinal data on student performance at individual schools, districts, and statewide over a multi-year period 4. Organizational effectiveness indicators that provide insight into how well schools within the state are functioning 5. Information necessary to gauge the ability of schools to improve their own practices and to diagnose problems in under-performing schools 6. Information on key educational needs and deficiencies statewide that would aid ODE in organizing its support services and resources to address key issues 	<p>be utilized to improve the precision of the QEM as a forecasting tool and that local schools can use to judge the effectiveness of their budgeting strategies in relation to student learning</p> <ol style="list-style-type: none"> 3. Identify trends in student achievement statewide and provide hypothetical explanations of trends in order to facilitate SBE goal setting 4. Provide a profile and index of organizational effectiveness that helps the legislature ascertain how efficiently tax dollars are being spent, helps schools compare their organizational effectiveness to statewide averages and goals. 5. Devise programs to help schools develop the capacity to improve their own practice and to help school districts diagnose problems in under-performing schools 6. Organize ODE in ways that directly support educational improvement and goal attainment in key identified areas
SBE	<ol style="list-style-type: none"> 1. Information necessary to improve the precision and forecasting function of the QEM 2. Information necessary to set performance expectations for Oregon schools over a multi-year period 3. Information necessary to set goals for the Oregon education system that help direct the efforts of ODE and help the legislature prioritize budget requests 	<ol style="list-style-type: none"> 1. Utilize the QEM as a tool for modeling the functioning of the educational system 2. Set performance expectations for Oregon schools that span a multi-year period 3. Set annual goals for Oregon education that assist the legislature in prioritizing budget requests and help local school districts and schools develop budgets focused on key improvement targets
Governor	<ol style="list-style-type: none"> 1. Information from the QEM necessary to develop a budget projection 2. Information necessary to determine if schools were meeting state goals in an efficient, effective fashion 	<ol style="list-style-type: none"> 1. Develop the K-12 budget utilizing the QEM as the fundamental framework 2. Develop a “statement of confidence” in Oregon education that indicates the degree to which the governor’s office is confident that Oregon schools are utilizing their funds efficiently and effectively
Legislature	<ol style="list-style-type: none"> 1. Longitudinal data on student performance over a multi-year period that indicate student performance in relation to projections and in relation to funding 2. Fiscal data that allows determination about the relationship between expenditures and student learning at the school level 	<ol style="list-style-type: none"> 1. Review, modify as necessary, and endorse statewide goals and performance expectations for K-12, as developed initially by the SBE 2. Develop mechanisms that seek to provide stabilized revenue for K-12 education tied to student achievement goals as established by the legislature

Organizational unit	Necessary data	Responsibility
	3. Organizational effectiveness indicators that provide insight into how well schools within the state are functioning and how effectively they are utilizing funds 4. Data necessary for comprehensive, accurate Ballot Measure 1 report	3. Develop mechanisms similar to the governor’s “statement of confidence” that gauge legislative confidence in the performance of K-12 education 4. Issue Ballot Measure 1 report in a fashion that allows Oregon’s citizens to judge the adequacy of education funding as provided by the legislature
General public	1. Longitudinal data on student performance over a multi-year period that indicate student performance in relation to projections and in relation to funding 2. Fiscal data that allows determination about the relationship between expenditures and student learning at the school level	1. Have a general familiarity with the state of K-12 functioning, the goals for the K-12 system, and the system’s progress over a multi-year period of time 2. Commit to support a level of fiscal resources necessary for schools to achieve goals adopted by the legislature

Detailed Data Specifications by Governance Level

The following are examples of the types of data sources that are commonly employed or could be utilized to generate the desired data for each level in the educational governance and policy system. The emphasis is on the use of data in a reciprocal or symmetrical fashion, where each level utilizes the data to improve its own practice as well as to judge how well each level is fulfilling its responsibilities.

Organizational unit	Examples of ways to generate data to establish accountability at this level and to establish reciprocal accountability
Student	<ul style="list-style-type: none"> • Standards-based assessments, including state multiple-choice tests • Performance tasks (e.g., math problem-solving, writing) • Collections of evidence (classroom-based work samples) • Single-purpose diagnostic tests • Attitudinal surveys • Culminating projects
Parents	<ul style="list-style-type: none"> • Attendance at key school functions (e.g., parent-teacher conferences) • Responsiveness to school requests for specific information or support • Knowledge of key data on school performance • Comparisons of school-level parent involvement with other similar and dissimilar schools • Number of parent willing to sign voluntary parent-school contracts that spell out parental responsibilities relative to their children's education
Teacher	<ul style="list-style-type: none"> • Value-added measures of student learning (gain scores adjusted for socioeconomic status) • Evaluations of teacher knowledge and skill sets • Inventory of resources available to teacher to teach required knowledge and skills and to improve teaching in relation to levels specified in Quality Education Model • Comparative teacher compensation data (compensation in relation to performance from district to district, state to state)
Principal	<ul style="list-style-type: none"> • Inventory of resources available to school to teach required knowledge and skills and to improve teaching in relation to levels specified in Quality Education Model • Value-added measures of student learning with the capability to compare easily with other schools with similar student populations

Organizational unit	Examples of ways to generate data to establish accountability at this level and to establish reciprocal accountability
	<ul style="list-style-type: none"> • Evaluations of principal knowledge and skill sets, included demonstrated leadership abilities
Central office/ superintendent	<ul style="list-style-type: none"> • Analysis of capabilities of district data system • Analysis of resources devoted to data analysis and interpretation for schools • Inventory of resources devoted to school improvement as a proportion of central office budget • District scores and improvement trends in comparison to other districts • Evaluation of superintendent and central office staff ability to support districtwide school improvement efforts and attainment of goals contained in school improvement plans
Board of Education	<ul style="list-style-type: none"> • Comparative analysis of board training and skills in goal-setting and school improvement • Community surveys rating board effectiveness • Degree to which school attain their school improvement goals based on comprehensive school improvement plans approved by the board • Elections
ESDs	<ul style="list-style-type: none"> • Resources devoted to school improvement for member districts • Technical expertise present on staff • Survey by districts and schools served on effectiveness in support of school improvement
ODE	<ul style="list-style-type: none"> • Proportion of budget devoted to school improvement • Quality of ODE website and usability of site • Evaluations by Oregon educators and citizens of ODE’s utility and value • Quality and utility of statewide education data system as rated by users and external experts • Inventory of specific activities conducted by ODE to support school improvement statewide and in individual schools and districts
SBE	<ul style="list-style-type: none"> • Analysis of SBE agendas to determine time spent on school improvement-related topics • External analysis of clarity and utility of OARs adopted by SBE • Perceptions of legislators of SBE’s effectiveness as the agency charged with implementing state law.
Governor	<ul style="list-style-type: none"> • Relationship of governor’s proposed budget to QEM baseline, targeted implementation, and full implementation models • Number and timeliness of public pronouncements by governor on performance of education system • Elections
Legislature	<ul style="list-style-type: none"> • Relationship of adopted budget to QEM baseline, targeted implementation, and full implementation models • Ballot Measure 1 message explanation for disparity between adopted budget and QEM figure • Elections
General Public	<ul style="list-style-type: none"> • Survey of general knowledge of education policy issues • Survey of general knowledge of performance of education system based on publicly-available data

Accountability as Currently Designed

Oregon’s current accountability system is geologic in nature. That is, it is composed of various strata laid down upon one another in a cumulative fashion. Some elements were put in place at a time when the state had little responsibility for school performance, while currently the state must meet tight federally-imposed standards. Oregon’s state-mandated measures function primarily to maintain minimum acceptable standards, and are based on the assumption that local districts will improve upon these state standards. The state graduation requirements

are an example of such a measure. Other measures are relatively more recent and reflect previous school reform eras. Teacher evaluation laws fit this description. They were enacted originally in the 1970s, but have been updated periodically in response to attempts by the legislature at general system improvement. Still more recent are state standards and assessments. Standards establish accountability for what is taught and assessments for how well students learn what they are taught of the standards.

District accreditation, or standardization, is an example of a process that has evolved considerably over the past 15 years and continues to evolve in response to state and federal school reform priorities. What was once largely a process of counting books and reviewing curriculum binders has moved toward school improvement planning, primarily at the district level. In the future, the process may even come to focus on individual schools and how well they are improving.

The problem with a geologic system of accountability is that it tends to measure and report, but not create strong motivations for actions beyond compliance with basic legal requirements. The Certificate of Initial Mastery, for example, must be offered, but nothing happens if all or none of the students in a school achieve it. The net result is that the proportion of Oregon students earning a CIM hovers in the low 30% range.

An additional problem to the geologic approach is that the accountability measures may inadvertently send mixed messages to schools regarding what they are expected to do and how they should allocate resources. Funding linked to October attendance reports, for example, does little to encourage schools to keep students enrolled each day of the year, as would, say, a daily attendance count requirement.

Where We Are: Accountability Mechanisms in Oregon by Organizational Level

Organizational Level	Accountability Mechanisms	Reward/sanction
Individual student	State tests at grades 3, 5, 8, 10 in English, math, science (federal requirements will see tests added at 4, 6, 7)	Varies from school to school, generally none, although may affect class placement, or, rarely, promotion. Not tied to graduation except in a few districts.
	Individual teacher grading practices	Promotion, high school graduation, college admission, placement into classes
Individual teacher	State laws governing licensed teachers	Dismissal if state law is violated
	Evaluations conducted by principal as per state law	For substandard performers, can lead to improvement plan and dismissal Can be linked to professional growth opportunities
Principal	Evaluations conducted by supervisor as per state law	Principals can be removed for poor performance, although few districts define expectations explicitly.
	Performance goals established locally	Principals are often “rewarded” for improving student achievement by being sent to a more challenging school.
	Community perceptions	Principals are powerfully influenced by local perceptions, although there are no formal rewards and sanctions
Central office administrator, including superintendent	Evaluations as conducted by superintendent or local board of education.	Termination of employment Continuing contract
Local board of education	Local elections	Continuation in office. Recognition for a job well done. Support of specific issues of value to an individual board member or interest group.

Organizational Level	Accountability Mechanisms	Reward/sanction
		Community disapproval. Not being re-elected to office.
Education Service District	Governing board elected locally or comprising representatives from member districts	Since makeup of governing board is fixed and guaranteed proportionally, little incentive or sanction associated with appointment or election
	Service agreements with local school districts	Influence the distribution of ESD resources in ways that benefit particular districts or schools
Oregon Department of Education	Election of superintendent of public instruction	Voters able to express general policy preference in terms of whom they elect.
	Feedback from local educators	ODE viewed as responsive. Educators more likely to implement ODE policies and perhaps to support agency budget request before legislature.
	Agency budget as passed by legislature	Agency garners more resources. Agency makes major cuts, becomes less influential.
State Board of Education	State laws requiring development of OARs	No direct rewards or sanctions for developing OARs
	Feedback from local educators	Indirect effects only, depending on board's interest in garnering support of local educators
	Requests from governor's office (rarely occurs)	Indirect effects only via influence
Governor's office	Creation of state education budget request	Influences but does not determine legislative outcomes. Sends clear messages to educators about what governor thinks is important, but generally is just a roll-forward of current expenses
	Veto power and ability to influence legislative process	Constrains legislative action, but at a cost. Can only be used sparingly without discouraging collaboration with legislature.
	Election process	Governor can be rewarded for supporting education, but is just as likely to be rewarded for doing little to harm education directly. Seldom are specific education policies or goals a focal point for governor's race.
	Bully pulpit	Can create greater accountability for other governance entities, but requires the use of political capital few governors have been willing to expend.
	Appointment of State Board of Education members	Shapes state education policy through makeup of board
State legislature	Passage of state school budget	Perhaps the most direct way to reward or sanction school districts, but very difficult to use in a way that achieves specific goals.
	Re-election to office	Potential reward for supporting (or opposing) specific education issues
	Election to higher office	Potential reward for supporting (or opposing) specific education issues. Opportunity to enact specific education policies

Accountability Incentives and Disincentives

An accountability system has little meaning without incentives and disincentives. Oregon's current system contains few of either. Those that do exist are relatively low-impact, as described in the previous table. While other states are establishing a simple system of rewards and punishments largely tied to funding, Oregon needs to think carefully about incentives and disincentives which promote an effective accountability system.

Accountability and quality data are closely inter-connected. If no data are collected on a performance area, it is not possible to judge if it is being conducted effectively or not or whether improvement is occurring. After high-quality, comprehensive data have been provided, the individuals within the system at all levels can then be motivated to utilize the data to make systematic improvements toward achievement of state goals. Motivation is further increased by linking a range of incentives and disincentives to specific performance areas. It is important to note that the strength of the reward or sanction must be carefully calibrated to the ability of the affected actors to achieve the desired goals and must be in areas where actors can affect outcomes.

The table below contains examples of the elements that could be included in a reciprocal accountability system that established responsibilities at all levels. The table as currently constructed is not a comprehensive accountability system. It is illustrative of the range of ways in which behaviors can be influenced by governmental actions and policies at a variety of levels. The key to making such a system work is the right combination of incentives and disincentives. A disincentive is not always a sanction, which is almost always a punishment. A disincentive may be an outcome to be avoided, and the avoidance is the goal, not the imposition of the measure itself.

An effective accountability system will carefully balance incentives and disincentives in the proper ratio to gain maximum motivation. Nothing in the system should be punitive or of a nature that participants feel they are destined to fail and be sanctioned. If the incentives are too mild or the disincentives too powerful, the effect tends to be the same; people tend not to respond in the desired fashion to the mechanisms.

It is worth noting that most educators are already motivated to do the best job they can, and rewards and disincentives will only have a marginal impact on their behavior. However, these mechanisms can be effective up to a certain point in environments where, for whatever reasons, educators need some additional motivation. If rewards and sanctions are understood to operate most powerfully on the fringes, not the core of the system, the expectations for what can realistically be accomplished through them can be properly tempered.

The key element of an accountability system remains data, which educators can then utilize to make better professional decisions. The data enables the vast majority of educators to do their jobs better. Incentives and disincentives help to direct the system and to address outlier cases where additional state influence is the only means for achieving desired results.

Where We Want to Be: Possible Accountability Mechanisms in Oregon by Organizational Level

<u>Condition</u>	<u>Accountable Party</u>	<u>Incentive</u>	<u>Disincentive</u>
Individual scores on state assessments	Student/parent	Recognition Acceleration Scholarships Graduation Public recognition	Remediation Graduation delayed
Scores on state assessment for a classroom of students	Teacher	Public recognition Collaboration opportunities	Public embarrassment Prescribed professional development program

<u>Condition</u>	<u>Accountable Party</u>	<u>Incentive</u>	<u>Disincentive</u>
		Professional development options Goal-oriented evaluation process Financial incentives to teach at high-needs schools	Performance-oriented evaluation process
Scores on state assessment for a grade level or subject area	Teacher team, central office curriculum developers	Discretion over resource expenditures and instructional program Collaboration opportunities Professional development opportunities	Prescriptive curriculum development Prescriptive professional development Teacher reassignments
Scores on key student learning indicators at the school level for one year	Principal	More intensive networking with successful schools Budgetary and curricular discretion	Warning Notification to parents of deficiencies and intent to remedy them
Scores on key student learning indicators at the school level for two consecutive years	Principal, central office staff, teaching staff	Public recognition Greater discretion in programs	Data collection and analysis taken over by external group
Scores on key student learning indicators for three consecutive years	Principal, central office staff, teaching staff, board of education	Recognition External team validates school's effective strategies and programs Cash reward to faculty for schoolwide discretionary spending	Intensive external analysis of conditions within the school Externally developed plan of improvement Prescribed transfers
Inconsistent pattern of assessment scores over time (erratic performance)	Principal, central office staff, teaching staff, board of education, ODE		Intensive external analysis of conditions within the school Externally developed plan of improvement
Building-level funding focused on student achievement	Principal	Retain broad discretion to direct resources to areas of priority and need Contribute data to help determine optimal level of school funding	Require external approval of school budget Utilize QEM prototypes as reference point to judge effectiveness of budget
District-level funding focused on student achievement	Superintendent, board of education	Retain broad discretion to direct resources to areas of priority and need Contribute data to help determine optimal level of school funding	Require external approval of district budget

Designing an Effective Educational Data System

Numerous states are moving in the direction of developing data systems of the type referenced in this report. As

one component of this report, the panel commissioned an investigation of the current state of the art in data collection systems and the components of effective data systems. This section outlines elements necessary for an effective accountability system, summarizes some of the practices in other states and organizations, and briefly reviews the state of Oregon's current data system.

Design Elements of a Comprehensive Data System

A reciprocal accountability system which enables actors to make informed decisions about educational processes in order to improve student learning must include the timely exchange of comparable student, staff-level, and fiscal resource data for subgroups across the state. A data system that accomplishes this kind of exchange needs to comprise the following seven elements:

Integrated: It must include information from different K-12 school districts to capture student mobility, and it must bring together all aspects of the student's learning trajectory, from Pre-Kindergarten through post-secondary education.

Individual: It must utilize student level information instead of school averages in order to make accurate determinations about student progress in relation to processes.

Informative: It must include relevant and comprehensive indicators, not just standardized test scores, and those indicators must be verified to ensure accuracy.

Independent: It must allow for flexibility so schools can customize the system for local needs. For the system to be cost-effective, it must replace current school and district data systems, so it must be able to meet the needs of the current users.

Interactive: It must recognize that different users have different needs and make the data transparent in an easy to access format for students, parents, teachers, principals, superintendents, policymakers, and other educational stakeholders.

Instant: It must present data to users in a timely manner so the information can motivate students, inform instructional practices, and improve the quality of educational service in real time.

Interconnected: It must promote organizational capacity to analyze data once it has been collected and presented, not just at the state level, but also within schools and districts so data can become a useful tool for educators.

Examples from Other States

The intent of this section is to highlight a few examples of successful practices going on in other areas so Oregon can choose pieces relevant to its needs. This is by no means a comprehensive best practices review of all state systems and educational organizations or corporations. Much of the information from this section is taken directly from websites of the educational entity.

The Texas Education Agency Academic Excellence Information System (AEIS)

<http://www.tea.state.tx.us/perfreport/aeis/2002/index.html>

The Academic Excellence Indicator System (AEIS) pulls together a wide range of information on the performance of students in each school and district in Texas every year. This information is put into the annual AEIS reports, which are available each year in the fall. Performance on indicators is shown disaggregated by ethnicity, sex, special education, low income status, and, beginning in 2002-03, limited English proficient status. The reports also provide extensive information on school and district staff, finances, programs and demographics.

The Arizona Student Accountability Information System (SAIS)

<http://www.ade.state.az.us/sais/>

ADE has developed the Student Accountability Information System (SAIS), a program for fundamentally advancing Arizona's school finance system. SAIS will allow districts to electronically submit raw student and school data based on real-time events rather than summary reports on paper or diskette. Because SAIS will collect data at the student and school level, the system will capture, process and report information on a real-time basis, thus enabling real-time funding. As a result, SAIS will operationalize school finance reform, leading to true equity and true local control through financial and academic accountability at the level closest to the student. In addition, SAIS will use the school report cards to post academic achievement data for district and school use.

The Florida Department of Education K20 Educational Data Warehouse (EDW)

<http://edwapp.doe.state.fl.us/doe/>

The mission of the Florida K-20 Education Data Warehouse (EDW) is to provide stakeholders in public education—including, but not limited to, administrators, educators, parents, students, state leadership, and professional organizations—with the capability of receiving timely, efficient, consistent responses to inquiries into Florida's Kindergarten through University education. EDW integrates existing, transformed data extracted from multiple sources that are available at the state level. It provides a single repository of data concerning students served in the K-20 public education system as well as educational facilities, curriculum and staff involved in instructional activities.

Just for the Kids

<http://www.just4kids.org/jftk/index.cfm?st=US&loc=home>

The Just for the Kids School Reports are a powerful tool to help schools identify how they are performing compared to other schools in the state with similar or more disadvantaged student populations and to learn what the highest-performing schools are doing to achieve academic excellence. These reports are based on information obtained from the state department of education in each state and provide an unbiased, data-based view of a school's academic achievement.

California Department of Education

CDE's Data and Statistics branch uses several software components to display data about California schools to the public. Two frequently used data systems are Dataquest (<http://data1.cde.ca.gov/dataquest/>) a system which includes reports for accountability, enrollment, graduates, dropouts, course enrollments, staffing, English Learners, and test data, and Ed-Data (<http://www.ed-data.k12.ca.us/welcome.asp>) a system which includes state, county, district and school level reports covering areas such as students, staffing, finances and performance rankings. The California Department of Education data site also includes a data resource guide and detailed information about the Academic Performance Index (API) and Adequate Yearly Progress (AYP) with methods of measuring student performance.

Massachusetts Department of Education Student Information Management System (SIMS)

<http://www.doe.mass.edu/infoservices/data/sims/>

The Student Information Management System (SIMS) is a student-level data collection system that allows the Department to collect and analyze more accurate and comprehensive information, to meet federal and state reporting requirements, and to inform policy and programmatic decisions. The SIMS has two important components: a unique student identifier for all students receiving a publicly funded education in Massachusetts, and transmissions of data from districts to the Department for all students via the security portal of the Mass Data collection System.

The Kentucky Department of Education Max System and Commonwealth Accountability Testing System (CATS)

http://kdemaxport2.kde.state.ky.us:7777/servlet/page?_pageid=162,164&_dad=portal30&_schema=PORTAL30
)

The Kentucky data system provides information about Kentucky students and schools to the public. Max is an online portal offering teachers, parents, policymakers and other decision makers public information about

Kentucky's schools such as school and district profiles, financial data, and assessment results. The Commonwealth Accountability Testing System (CATS) provides a way to evaluate educational success, set goals and track improvement. Student progress is determined by the performance level achieved rather than grades. Through CATS, students may achieve a novice, apprentice, proficient or distinguished performance level. Performance level is determined by scores on standardized tests, as well as nonacademic indicators such as attendance, dropout and successful transition to adult life, and other measurements of success.

Standard and Poor's School Evaluation Services

<http://ses.standardandpoors.com>

Standard and Poor's, a for-profit evaluation company, has created a School Evaluation Services (SES) group which recently gained a federal contract to provide data system creation and maintenance for national public schools. While SES is developing a national system for the US Department of Education, they also provide fee-for-service analysis capabilities for states. The SES data system allows users to view academic, financial, and socioeconomic indicators, benchmark comparisons and trends; read S&P's written reports on a district's strengths and challenges; find schools or districts achieving better results; create side-by-side comparisons of schools or districts; and understand the relationship between spending and achievement.

The Current Data System in Oregon

Currently, Oregon's educational community uses a mixture of different systems to meet the state's data needs. Schools keep their own records which are reported to their district's own data system, developed and maintained at great cost to the district. Some regional educational districts, or ESD's, have combined the resources of multiple districts to create data warehouses for educational data. These systems, however, are not compatible with each other, nor with the Oregon Department of Education's data system. Each system serves the purpose of those who designed it, and the lack of easy communication between systems has meant added expense not only in design and maintenance costs, but also in staff time to translate data between the systems. This section briefly outlines the state of the educational data system in Oregon, starting with the first major data initiative and including recent developments.

The Database Initiative

In 1997, Oregon moved to the forefront of the educational data warehouse field when they implemented the Database Initiative (DBI). The DBI was created in part because the legislature was frustrated at not being able to compare districts within the state because every district had a different expenditure system. The DBI used a common chart of accounts, which included definitions to detail each specific expenditure and revenue to be used at every district level.

Much of the data was required to be collected by statute in 1997, but it wasn't required to be made public, especially the budget information. There were inconsistent methods of reporting and there was no mechanism for the legislature to make decisions based on data. So the DBI was designed as a database which would systematize data reporting among districts. Information which used to be submitted on paper or in various computer programs was changed to submissions in web surveys or standard message format. The institution identification number also helped the DBI coordinate its system because prior to its inception, districts used different types of school codes which were added haphazardly by different entities, creating confusion about schools and programs in the state.

The DBI was an advanced technological system in its time. However, lack of maintenance to the system means that currently the system does not meet the needs of educational stakeholders. It is difficult to use and does not make data transparent so it can inform educational practices. For a data system to succeed in informing educational practices, it must be continually evaluated and revised based on newer technological inventions as well as shifting educational priorities.

Multiple District Data Systems

In 2003, six years after the creation of the DBI, the Oregon Department of Education technology office did a brief analysis of educational data systems in Oregon and came up with a business plan for developing an integrated data system. The following is from their report:

Student information is managed in Oregon with methods ranging from manual record keeping and reporting to sophisticated systems. There are various vendor systems, ranging from custom packages installed in only one district to systems serving up to 35 districts. Unfortunately, these systems are integrated only to a limited extent, for a narrow set of statewide assessment and other ODE student data collections. This makes meaningful state-level reporting difficult and costly, not only for ODE but also for districts. Transferring student information from one district to another is a slow and inconsistent process, limiting educators' ability to deliver the right type of educational and program support for new students.

It is cost-inefficient to have multiple districts create, maintain, and pay for their own data systems when the state needs district data in one centralized location. Reducing the cost of multiple systems and simplifying the process of connecting those systems will provide an enormous amount of savings in cost and person-hours for all recipients of educational dollars, even though it requires an up-front investment of resources.

New Approaches in Oregon

In December 2002 the State Board of Education started requiring all Oregon students to develop an educational plan and profile to help achieve their lifetime career goals. To help expedite this process, the Multnomah Education Service District, in collaboration with the Department of Community Colleges and Workforce Development and the Oregon University System Chancellor's Office, developed a conceptual design for the College Admission and Placement Profile, or CAPP. CAPP electronically transfers traditional high school transcript elements, state assessment data, and other data indicating student proficiency from Oregon school districts to Oregon's community colleges and the Oregon University System (OUS) campuses. Specifically, the CAPP creates a subset of the data outlined in the Oregon Student Record and provides information directly to participating community colleges and OUS campuses.

Another educational data system being used is the mapping capability of the Portland Public School District. Their system shows users a map of the district, divided into high school boundaries with the location of every individual school by type (elementary, middle, high). Clicking on an individual school pulls up information about that school including a picture of the school, school phone number and principal name, information about school services such as after-school programs, the school website address (if available), and a link to a searchable webpage of performance for all Oregon schools. This is not as advanced as the Multnomah County (Portland) Progress Board system which tracks integrated county information using a GIS map, but a simpler system would be an enormous step for the Department of Education. A state model of this GIS mapping capacity needs to have the same kinds of locator information, but should be tied to a more advanced data system with capacity to access easily-printed school report cards or comparative data. In addition, this system could have the capacity to house all school web pages so schools and the state would not have to duplicate each other's information.

A report commissioned by this panel provided pictures of sample webpages for a state-wide educational data system. These pictures are not intended to reflect specific design specifications, but are simply a visual representation of some of the possible components of an effective educational data system. Those pictures are included below.



logged in as
public

/public

HOME

LOCATOR

COMPARISON

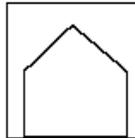
DOWNLOAD

PROJECTIONS

PROFILE

Oregon High School

1234 Oregon Way
Portland, OR 97777
(503) 555-1212
[Map](#)



Principal: [Susan Castillo](#)
Grades: 9-12
[Report Card](#)

www.school.or.us

- ABOUT KIDS
- DEFINITION
- RESOURCES
- REPORTS
- DATA SCHEDULE
- CONTACT US
- HELP

SCHOOL AND CLASSROOM

PERFORMANCE

STUDENTS

Enrollment

Grade	Students
9	530
10	420
11	390
12	210

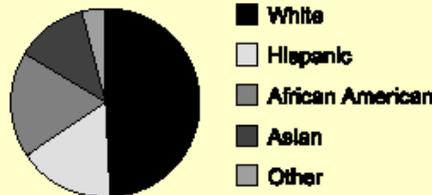
[Definitions](#) | [More Info](#)

Income

	2003	2004
In school Title I?	No	Yes
Free/Reduced Student %	27%	58%

[Definitions](#) | [More Info](#)

Race & Ethnicity



[Definitions](#) | [More Info](#)

Language

Native English	73 %
Non-Native-Fluent	12 %
Non-Native-Limited	15%
LEP Reading	
Spanish	28 24
Chinese	11 6
Russian	18 2

[Definitions](#) | [More Info](#)



logged in as
student

/student

LOCATOR

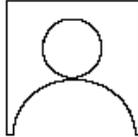
PROFILE

COMPARISON

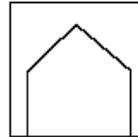
DOWNLOAD

PROJECTIONS

HOME



David T. Conley
Guardian: Ted Kulonowski
1234 Street Ave.
Hemlock, OR 12345
(503) 555-1212



School: Oregon High School
Principal: Brian Reader
Grade: 11

www.school.or.us

CALENDAR

TESTS

ATTENDANCE

EXTRA CURRICULAR

MY EDUCATION PLAN

GRADES

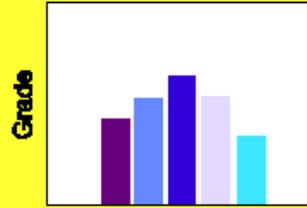
Teacher	Class	Term 1	Term 2	Current	Notes
R. Smith	Reading	A-	A-	A-	- Good Improvement! Top of the class! Keep it up. You need to study. -
S. Jones	Math	B	B-	B	
D. Murphy	Science	A	A	A	
T. Jackson	Art	A	A	A	
P. Arroyo	History	C	B+	B	
J. Baker	Gym	A	A	A-	

Latest CIM Test

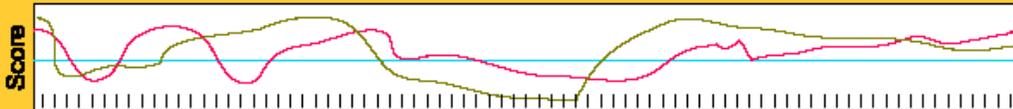
Reading 10



Math 10



TESA ● Math ● Reading ● Passing



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logged in as teacher

/teacher LOCATOR PROFILE COMPARISON DOWNLOAD PROJECTIONS

HOME

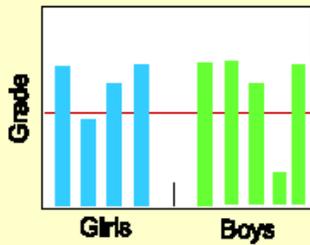
PROFILES

ENTER DATA LESSONS STUDENT CLASS REPORTS PRACTICES SCHOOLINFO

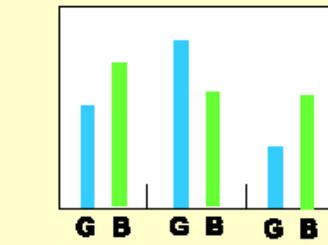
- ABOUT KIDS
- DEFINITION
- RESOURCES
- REPORTS
- DATA SCHEDULE
- CONTACT US
- HELP

| Click on data bars for student information |

Grade to Date

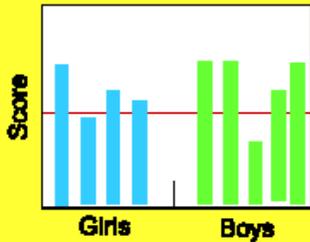


class average

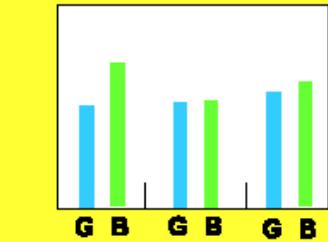


My Class 3rd Grade State

Latest CIM

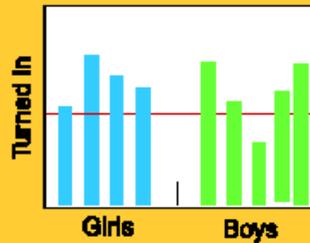


class average

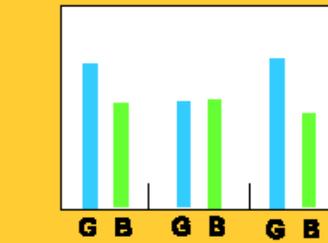


My Class 3rd Grade Oregon

Missed Assignments



class average



My Class 3rd Grade Oregon

Recommendations

The Accountability Panel makes the following recommendations to the Quality Education Commission:

1. Begin Work Immediately on A Comprehensive Data System that Encompasses the Entire Oregon Educational System

The data system should ultimately possess the following general characteristics:

- Be capable of producing a range of data and reports on student learning, from individual student to classroom, school, district, and state performance in formats readily accessible to parents, students, educational practitioners, and policymakers.
- Provide longitudinal data on key learning indicators to track system improvement at all levels.
- Allow for sophisticated comparisons between and among schools.
- Be detailed enough to track fiscal expenditures down to the student level.
- Be standardized and integrated statewide to eliminate duplication and decrease local costs for data collection.
- Start with a set of core data elements but be capable of adding a range of elements in the future related to organizational functioning as the state develops common definitions and collection procedures for such elements.
- Be built around a web-based interface designed for ease of use.
- Reference the data needs in relation to responsibilities outlined in this report as a starting point for system design.

Steps to Develop Data System

1. The Oregon Department of Education should review the range of educational data systems currently in use to identify systems that might provide some immediate functionality for existing data about Oregon schools. If useful systems are identified, ODE should allow them access to relevant information so Oregon schools can benefit from the availability of data in the short term.
2. The Oregon Department of Education should conduct a review of the costs of existing data systems within Oregon to determine how much money is spent on data collection, storage, and analysis by individual districts, consortia of districts, and ESDs.
3. The Quality Education Commission should be charged to work in partnership with the Oregon Department of Education to establish a users' group with broad representation to establish the ultimate content of a comprehensive data system and its potential uses. The users' group should consult the contents of this report as one starting point for identifying data needs. The ultimate design would project out ten to 15 years into the future to anticipate data that are critical to improving school functioning and student learning but that are not collected currently. The data should be at the level of individual students and should be portable across all educational environments, from Pre-Kindergarten through post-secondary education.
4. The Oregon Department of Education should establish a set of specifications for potential contractors to construct the data system. The specifications should allow for the development of the data system in a modular fashion over time and for integration with existing data systems and incorporation of new technologies. The specifications should emphasize ease of use and analytic features in addition to warehousing capabilities and available data fields. This process should yield both specifications necessary for a competitive bidding process and a cost estimate for the system's development and implementation over a four to six year period.
5. The Oregon Legislature should allocate an amount of money necessary to support this planning and development process over the next biennium. The amount of funds should be sufficient to allow Oregon to establish relationships with existing data systems and incorporate Oregon data into such systems within the next two years.
6. If feasible, a pilot project should be funded in one school district or education service district region to demonstrate the capabilities and uses of a comprehensive data system and to field-test the specifications developed by the planning group.

2. Develop a Detailed Plan for Reviewing the Governance System in Tandem with the Development of a Data-Driven Accountability System

A review of the educational governance system should be undertaken with the goal of creating a governance structure specifically designed to delineate clear lines of authority and responsibility. Once authority and responsibility are clearly established, each entity in the governance system can reasonably be assumed to have the authority to achieve the goals for which it is responsible. This establishes the key prerequisite for holding each level accountable for specified results and for determining the level of resources necessary at each level to attain the goals set for the educational system as a whole.

To conduct this analysis, the governor should constitute a task force of experts on educational governance systems design. The task force should be staffed and provided the resources necessary to conduct analytic studies of current and best practices. The task force would be charged with the following specific steps:

1. Conduct a critical evaluation of each existing level of governance. For each level, the following would be determined:
 - a. Current purpose and function
 - b. Authority and responsibility distribution within the current system, and congruence between the two at each governance level
 - c. Technical capabilities of each level to achieve its charge
 - d. Capability of each level to improve continuously its functioning and to achieve the purposes specified for it within the system
 - e. Contribution each level makes to achievement of system goals
 - f. Duplication of responsibilities between or across levels
 - g. Effect of regulatory intervention exercised by each level on other levels
2. Identify changes in governance structure, function, authority, and responsibility necessary to support continuous system improvement and enhanced accountability.
3. Develop enabling legislation to bring about recommended changes.

3. Create a Framework for a Comprehensive Accountability System

The accountability system serves as the lens through which system functioning is viewed. In the process, it informs constituents and policymakers about how well the educational system is achieving its specified goals. Through this process, the accountability system makes a connection between resources expended and results achieved.

A redesigned accountability system not only improves student learning, it leads to a policy environment in which the relationship between inputs (funding) and outputs (student learning) can be continuously refined with greater precision. Strengthening this relationship is a core purpose of the Quality Education Model.

The accountability system design must support several major purposes. It must: 1) define the information needed to populate the data system being developed separately; 2) identify how available governmental mechanisms and levers will be arrayed to guide the educational system in the direction of desired performance goals; 3) establish the performances expected from the each level of the educational system and identify the ways in which poor-performing entities will be identified and the technical assistance that will be provided to them. For those entities that do not improve after technical assistance has been provided, the accountability system must address the issue of how to ensure affected students receive an education that enables them to meet state goals.

Key Tasks to Create a Comprehensive Accountability System

1. Constitute a working group that includes representatives of the Oregon Department of Education, State Board of Education, Governor's Office, education service districts, school boards, school administrators, teachers, parents, community agencies, educational improvement advocacy groups, and members of the business community.

2. Staff the working group with sufficient resources to be able to generate options for review by the working group and Oregon educators and the general public.
3. Utilize this report and the results of the governance task force as the starting point for the development of a detailed accountability system that specifies authority and responsibility at each level.
4. Charge the working group with the responsibility to adopt a set of design principles for an accountability system that address the following:
 - a. Identify the key components of the educational governance system and the authority and responsibility of each relative to improving student learning.
 - b. Specify who is accountable to whom within the system.
 - c. Identify the results for which each group will be held accountable.
 - d. Consider the role of constituencies and groups outside the governance structure that cannot be held strictly accountable but that have important roles to play in the education of Oregon's children.
 - e. Specify the measures that will be used to establish accountability for each group.
 - f. Develop a listing of possible interventions that might be employed by the state in schools that fail to meet expected performance or to improve over time. The purpose of such interventions will be to improve student learning, not punish any individual or group.
 - g. Develop a set of options the state would utilize with schools that exceed state standard or expected performance. The purpose of such options would be to enable these schools to continue to improve to the maximum degree possible.
 - h. Delineate the circumstances under which policy tools from above would be applied in relation to performance over time in order to have an educational system where schools were performing at least at levels predicted by the QEM at the funding level provided.
 - i. Produce a descriptive document that summarizes all of the above and circulate that document widely throughout the state.
 - j. Receive input and make modifications in the document consistent with the primary goal of creating a school system where all schools met predicted QEM performance levels.
 - k. Determine any enabling legislation or policy necessary to implement the accountability system arising from the final report.
 - l. Determine the costs associated with the accountability system.
 - m. Implement the system over a 2-4 year period.

What Would Be Different if These Recommendations Were Enacted?

If the state were to adopt the recommendations contained in this report and were to develop a comprehensive data system, a revamped governance structure, and an accountability framework for public education, how would education policy and practice be affected? The following section outlines how the process of developing a state education budget would differ from current practice and how school performance would be affected.

Effects on Budget Development

The Legislature would possess much more detailed data on the functioning of the education system and how the substantial state investment in education was being expended to achieve the maximum student learning possible. In essence, the Legislature would have the capacity to enter into a performance contract with the school system. The terms of the contract, enacted each biennium, would be set by the Legislature based on the funding it provided to schools and the learning outcomes that were expected in relation to the funding provided. This could be achieved because the data system would be tied to the Quality Education Model and would allow increasingly more precise estimates of the learning that results from expenditures invested in various ways in specific educational programs and practices. While the Legislature would not have to mandate how schools allocated funds, the programs and practices specified in the QEM prototype schools would be used to generate both the funding needed and the predicted student learning that would be expected to result at various funding levels. The funding level the Legislature selected would establish the performance expected of all Oregon schools.

Because the data that comprises the QEM prototypes is drawn directly from Oregon schools and educational practices, the precision with which the QEM prototypes could predict student learning would be enhanced. As the number of data categories expanded and each became increasingly accurate, the relationship between costs and results would be specified with ever-greater precision. Since governance relationships would already have been reviewed and reconfigured to clarify the roles of all existing participants in the system, it is reasonable to expect that each level in the system would be capable of carrying out its responsibilities effectively. In other words, each level of educational governance from the state to the local level could do its job well and contribute to achieving system goals. The system would be working efficiently and effectively to create the maximum value-added in relation to the resources provided.

Effects on School Performance

The accountability system would serve as the “backstop” to the data and governance systems by ensuring that substandard performance did not escape attention and consequence. Although the consequence aspect of the accountability system would be carefully crafted to identify and remedy poor performers, a great deal of improvement in the educational system would increasingly derive from self-regulation by local educators, since the data available to the Legislature would also be in the hands of local educators. This would allow educators to identify areas in need of improvement relative to state goals and to anticipate what was going to be expected of them in the immediate future.

Accountability measures would encompass a broad array of options and would be exercised in a progressively more intensive fashion to bring about desired performance at the school level in terms of individual student learning results. The Oregon Department of Education would manage this enhanced array of accountability strategies, which would also include options to offer students different learning environments if their local school failed repeatedly to improve.

Through this system, the Legislature and the general public would become increasingly confident that public funds were being expended appropriately and that the amount of money provided to schools was consistent with the performance schools demonstrated subsequently. Schools, for their part, would know what was expected of them and would receive resources in proportion to the goals set for them. They would garner some level of predictability about the support they could expect provided. The process for appropriating funds would be driven to a greater degree by rational mechanisms based on data and performance.

This set of arrangements creates a complete system where inputs and outputs are continuously connected and where feedback loops in the form of data and accountability mechanisms work to bring about ongoing improvement to all aspects of system functioning. The net result is a public education system in which expenditures are utilized in the most effective, efficient fashion possible and in which the results obtained are in proportion to the resources invested.

What Would Be Different if These Recommendations Were Not Enacted?

Accountability is a multi-faceted concept with implications for all parties who have responsibilities related to the governance and functioning of Oregon’s public schools. Without accountability for performance, schools are not adequately diagnosed and assisted if they fail to meet expected standards when provided with adequate resources, and legislators have no way of knowing the effect of their actions on schools. Additionally, taxpayers and voters, as well as legislators, are being asked to make decisions without information about what performance they can expect in relation to the funds they are being asked to vote for or allocate.

Oregon does not have a comprehensive accountability system that addresses every stakeholder in the system, and as it starts to develop a better system, it will find that accountability cannot be effectively accomplished without a data system that accurately measures inputs and outcomes for every player in the educational system. Currently, Oregon’s data system is not sufficiently developed to allow conclusions to be drawn about system functioning beyond rudimentary observations, nor does it provide diagnostic data that allows those who seek to improve their performance to do so expeditiously. In addition, the Oregon educational system, comprised of

schools, districts, ESD's, ODE, and nonprofits, also spends scarce fiscal resources duplicating each other's data efforts when consolidating educational data could be both more effective and more cost-effective than the current way of doing things.

If the state were not to address the lack of a sound accountability system, reinforced by a comprehensive data system which gives the educational community necessary information to measure performance and improve their functioning, these trends of wasted resources and inaccurate determinations of performance would continue. Instead of watching schools be labeled as failures when they are performing well given the kind of students and level of resources they have, the state needs to measure whether students, schools, teachers, policymakers are fulfilling their roles and then find ways to help each of them succeed.

APPENDIX F – The Budget Narrative and Proposed Next Steps for a Data Management System

Purpose:

The purpose of this package is to develop a comprehensive data system encompassing the entire Oregon PreK-16 Integrated Data System (KIDS). The data system should ultimately possess the following general characteristics:

- Common technical infrastructure built around the needs of small, medium and large districts
- Data on student learning that can be used at all levels of the system from student to legislature
- Capable of producing a range of reports on student learning, from individual student to classroom, school, district, and state performance in formats readily accessible to parents, students, educational practitioners, and policymakers
- Longitudinal data on key learning indicators to track system improvement at all levels
- Detailed enough to track fiscal expenditures down to the lowest feasible level
- Allow for horizontal (district to district) as well as vertical (district to postsecondary) integration of data
- Standardized and integrated statewide to eliminate duplication and decrease local costs
- e-Learning opportunities to address equity and access issues

This data system will integrate with that being developed for the OUS Student Data System to move student information electronically from PK12 entities to Community Colleges and Universities. This project will leverage the best practices and lessons learned of the Computing and Networking Infrastructure Consolidation (CNIC) project of the Oregon Department of Administrative Services (DAS) currently in progress to consolidate state agency data centers.

How Accomplished:

The request for this package totals \$1,803,000. Of that amount, \$1.5 million will be used to begin the “horizontal integration” of school district and ESD data systems; \$303,000 will be used to begin the “vertical integration” of data between ODE and the Dept. of Community Colleges and Workforce Development and the Oregon University System.

This work will be facilitated by the ODE through a series of Advisory Committee work-sessions with representatives from schools, districts, ESDs, the Governor’s office, DAS, DHS, the Quality Education Commission and the private sector. These representatives will include the technical, instructional, administrative and counseling fields. Specifically the following activities would be performed:

- Develop shared vision with Governor’s office and establish Advisory Committee
- Develop mission, vision, goals and objectives of the project
- Develop roles and responsibilities of Advisory Committee
- Develop updated inventory of PK12 systems within Oregon
- Review existing educational data systems in use throughout the U.S.
- Identify subcommittees to develop requirements specific to issues that may arise relative to:
 - Governance
 - Facility
 - Human Resources
 - Communications
 - Funding
 - Purchasing/Procurement
 - Technical
 - Business requirements (SIS, Financial, HR)
 - Standards
 - Change management
 - Business Case
- Research alternative approaches to developing comprehensive system

- Develop implementation strategy
- Develop legislative package for 07-09

Staffing Impact:

We anticipate that this work will be conducted by two full-time FTE within ODE and stakeholders from the Advisory Team

Revenue Source:

General Fund

2 FTE Project Managers – \$500,000

Travel and Meeting Costs – \$ 25,000

Contracted Services – \$1,278,000

Total \$1,803,000

Preliminary Draft of Next Steps		
Activity	Participants	Details
Develop a picture of the current state of K12 education technical infrastructure and systems, specifically: <ul style="list-style-type: none"> • Hardware/Operating Systems • Applications • Current Service Level agreements • Support infrastructure • Annual costs by function • Those services we are unable to do well 	ODE and ESD/District IT staff	We have some basic information relative to this from studies performed by the department and district IT community. Additional information to be gathered and current information to be validated. To be completed by 9/30/04
Form Advisory Committee to be appointed jointly by Governor and Superintendent: <ul style="list-style-type: none"> • Develop mission, vision, goals and objectives • Review existing educational data system consolidation attempts • Identify subcommittees to develop requirements specific to issues relative to: <ul style="list-style-type: none"> ○ Governance ○ Facilities ○ Human Resources ○ Communications ○ Funding ○ Purchasing/Procurement ○ Technical ○ Business requirements (SIS, Financial, HR, eLearning) ○ Standards – technical and functional ○ Change management ○ Business Case Analysis 	Technical, instructional, administrative and counseling representatives from schools, districts, ESDs, OUS, the Governor's office, DAS, DHS, the Quality Education Commission and the private sector.	This committee work needs to begin immediately in order to develop Ways and Means presentation and communication plan to secure stakeholder understanding and buy-in. This committee should be in place by September and have balanced representation from geographic, functional (instr, admin, tech and counseling), size of district and vendor systems. Representatives from districts will be nominated by Supt with full understanding of time commitment requirements To be completed by 12/31/04
Research alternative approaches to developing comprehensive system to address needs of small, medium and large districts, i.e.: <ul style="list-style-type: none"> • Single data center • Best of breed integrated systems • Limited number of data centers • Data Warehouse using existing systems 	Advisory Committee	To be completed by 6/30/04 Contingent on 05-07 KIDS Policy Option Package approval
Develop implementation strategy including: <ul style="list-style-type: none"> • Identify and document issues, such as stakeholder buy-in • Legislative package for 07-09 	Advisory Committee	To be completed by 12/31/06 Contingent on 05-07 KIDS Policy Option Package approval

APPENDIX G – The Complete Best Practices Panel Report

The Best Practices Panel Report will be included in the final Quality Education Commission's December 2004 Report.