

SCHOOL FUNDING TASK FORCE EQUITY SUBCOMMITTEE

JUNE 20, 2014

Hearing Room 343, State Capitol Building, Salem, OR

Members Present:

Sen. Richard Devlin, Chair
Steven Isaacs
Kelly Devlin
John W. Hayes, Jr. PhD
Claire Hertz

Members Excused:

Sena Norton,
Michael Wolfe

Staff:

Brian Reeder, Asst. Supt., Research & Data
Analysis, ODE

Jan McComb, Legislative Coordinator, ODE
Michael Elliott, Fiscal Analyst, ODE

The task force convened at 9:09 pm. Chair Devlin reviewed the agenda.

CONTINUED DISCUSSION ON EQUITY

- Components of Oregon's distribution formula
- Equity objectives of each component
- Weighted student formulas v. other approaches for promoting equity
- Tradeoffs between equity and other goals
- Feedback to the full task force

Brian Reeder, Asst. Supt., Research & Analysis, ODE, stated that the prior meeting, they got through most of the agenda, but there were some unresolved issues. A draft document was circulated containing draft observations (7) that appeared to be supported:

- When the distribution formula was created in 1991 in response to Measure 5, equity in resource allocation among districts was the goal; the former system of school funding (2/3 property taxes) provided funding levels that varied so much across districts that the system was widely considered to be inequitable.
- The current distribution formula provides a far more equitable distribution of resources than the former system, but the level of resources dedicated to K-12 is still not adequate.
- When the original distribution formula was created, setting of the weights for at risk students was based on research from other states. Oregon's weights have not been changed since the formula was first created. Now, Oregon has data to allow more in-depth study of the cost differences across categories of students.

- The fact that we still have achievement gaps for students with special needs suggests that the current weights may not be directing sufficient additional resources to districts with disproportionately large populations of students with special needs.
- However, the fact that comparable school districts have different student outcomes suggests that additional money alone cannot eliminate the achievement gaps. Educational practices do matter and should be factored into the evaluation of the formula.
- When school funding reaches more adequate levels it will be easier to make adjustments to the student weights, if they are justified.
- The state's 40-40-20 Goal could/should help steer education funding policies.

There were four tentative recommendations:

- Oregon should maintain its existing weighted student formula until a thorough study of the formula can be conducted. The formula should be changed only if the study provides clear evidence that the current formula is not meeting the state's agreed-upon equity goals.
- The legislature should appropriate funds to conduct the study, and the emphasis of the study should be on whether the current weights are an accurate representation of the cross-district cost differences for which they were intended to compensate. The Equity Subcommittee or a larger group of Task Force members should have input into the design of the study.
- Also study the distribution of the "carve-outs" from the SSF, particularly the High Cost Disability Grant and the Facilities Grant. Funding provided through strategic investments should also be evaluated for its equity effects.
- The practices of successful districts should be identified and shared with other districts in a systemic way so that all districts can benefit.

The full and subcommittee have discussed different ideas of equity. As Reeder recalled, most if not all supported the idea of student outcomes.

Discussion:

- Districts with the same funding but different outcomes may not be a result of inadequate weights/funding, it could be an issue of practice.
- What are the appropriate outcomes? Long term v short term. Just high school graduation may not be the best outcome, as it may not have any long term ramifications e.g. college, trade schools, etc.
- Wolfe e-mail – opening up channels of communication.
- Importance of students believing they are capable of doing more after high school graduation.
- Postsecondary attendance opportunities may be effected by tuition as well as high school success.
- How are we doing with ELL, special ed students? Some districts are having success with those students but most are not. Kids deserve the best education regardless of how they come to us.
- Districts look different; example, some districts have 100 different languages while others just have two predominant languages. Immigrant populations look very different and have different needs.
- The current formula provides equity across districts; you can have equity differences within a district. The state formula isn't about equity within a district.
- The importance of students have equal opportunities.
- Whether issues have changed since the formula was created in 1991; does funding districts equitably address the problems?

- Formula needs regular review or ongoing review regarding costs v. weights. Review should be on all the weights since they all affect each other.
- ELL best practices need add'l research.
- Poverty practices likely needs to be looked at and whether the formula is the best approach.
- The role of schools and social services.
- The ramifications of making ELL funding a block grant.
- Facilities grant may phase out.
- Transportation grant recognizes that different districts have different costs.
- Mitigating poverty is an area where there seem to be a lot of unknowns; whether schools are the best venue for solving those problems.
- Changing demographics; shrinking of the middle class.
- Increasing the high cost disabilities account has a high level of support among superintendents.

Reeder reviewed the proposed recommendations. He will e-mail them out so members can review them prior to Tuesday's meeting.

- Oregon should maintain its existing weighted student formula until a thorough study of the formula can be conducted. The study should provide a clear statement of the state's educational equity goals, then determine if the current formula is meeting those goals. The formula should be changed only if the study provides clear evidence that the current formula is not meeting the state's agreed-upon equity goals.
- The legislature should appropriate funds to conduct the study, and the emphasis of the study should be on whether the current weights are an accurate representation of the cross-district cost differences for which they were intended to compensate. The Equity Subcommittee or a larger group of Task Force members should have input into the design of the study. The formula should be reviewed regularly—perhaps every 8 years—to make sure it is accomplishing it's goals.
- The distribution of the "carve-outs" from the SSF, particularly the High Cost Disability Grant and the Facilities Grant, should be studied as well. Funding provided through strategic investments should also be evaluated for its equity effects. Both the carve-outs and the strategic investments should be evaluated for their incentive effects to make sure they do not create unintended consequences.
- The practices of successful districts should be identified and shared with other districts in a systemic way so that all districts can benefit. In order to achieve equity of student outcomes, all districts need to be using their resources in the most effective manner. Additional resources alone will not ensure better outcomes—resources must be used wisely.
- The study should explore if there are some equity issues that are best dealt with outside of the education system.

ADJOURN

Chair Devlin adjourned the committee at 10:15 a.m.