

Chair Gelser, Vice Chair Sprenger and member of the committee:

My name is Matt Coleman and I am the Assistant Superintendent for the Springfield Public Schools. I am here today, speaking on behalf of the Bethel, Eugene and Springfield School Districts.

I appreciate the opportunity to speak on behalf of House Bill 3401 and specifically the impact it would have on Springfield Public Schools.

I want to start by acknowledging our Education Service District – Lane ESD – and the long-standing relationship and service Lane ESD has provided to Springfield and the students we serve. We do not see this bill as being an indictment of ESDs and certainly not Lane ESD. We believe this House Bill reflects the current state of education and education funding in our state. Specifically, the need to evolve old structures to support new challenges to include the need to achieve maximum efficiency in everything we do.

This bill would enable our district to purchase services from other Education Service Districts and would encourage ESDs to consider other means of achieving economies of scale and improved services. The following example illustrates the potential impact this bill would have on Springfield.

We currently have a contract with Linn Benton Lincoln Education Service District to provide our business information system and the necessary services associated with this type of system. We pay LBL over \$230,000 a year for the system and service. This contract is paid directly from our general fund allocation.

In the current year - Lane ESD budget for technology infrastructure is approximately \$900,000. Over \$210,000 of this budget was generated by Springfield Public Schools ADM. Yet, SPS does not receive direct services that come anywhere close to the \$210,000 generated by SPS ADM and applied against the cost of providing this core service for the region. We do not access this core service based on our size and the fact that we have and need our own IT department. The other core services provided by our ESD include general education school improvement support, courier services, and innovative projects.

Assuming House Bill 3401 was to move forward and be approved, SPS would be in the position of applying most, if not all, of the revenue generated by Springfield ADM spent on Core Technology Services (through Lane ESD) toward the cost of the Business Service Infrastructure and Support we currently contract from Linn Benton Lincoln Service District. This would realize a savings to SPS of approximately \$200,000 that would be reinvested to support kids.

One concern that is often voiced is the potential negative impact this may have on small districts. We believe this bill would encourage ESDs to innovate with the potential to generate resources through the various services they provide. This yields the potential for ESDs to generate the economy of size needed to service small districts while not

requiring large districts to allocate resources toward services they do not need or use. In terms of innovative ESDs generating economies of scale, the LBL's Business Information System model is a great example as over \$650,000 is generated through non-component district contracts. These contracts more than double the available resource when added to the core resolutions services provided to all districts in the LBL region.

In the 2013-14 Local Service Plan, the Lane ESD region agreed to allow for a 50% opt-out of our flex funds in the form of transit dollars. SPS is planning on taking 50% of the flex fund allocation out and providing our own Life Skills classrooms at the elementary level. This past year, we purchased over 80 Life Skills seats in ESD supported classrooms – many of which exist within our schools.

We believe we may be able to realize a savings in terms of our Life Skills placement based on the assumption that we can support the implementation of these programs with existing overhead.

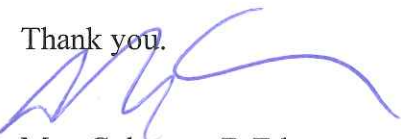
We are confident we can enhance services by (a) creating a direct link between the teachers and educational support staff in these classrooms and our building/district administrators and (b) providing the ability to flex the resources at the site level as needed to further support students in the Life Skills program or to support a broader continuum of services for our students with special needs.

As we plan for the implementation of elementary Life Skills programs in our district, we are doing so with the intent to serve students from smaller, neighboring districts. This collaborative model will be established with an Inter-Governmental Agreement and will ensure that our small districts are able to provide the level and type of services needed for their students – at, or below the existing cost established by the ESD. While we are looking for cost savings and other efficiencies, we are committed to supporting our neighboring districts and affording them the opportunity to benefit from the economies of size provided by our district.

As stated previously, we believe this House Bill reflects a progressive move supporting innovation and new collaborative models with the intent to meet the many challenges facing education.

We appreciate your time and efforts on behalf of the children in Lane County and throughout the state.

Thank you.



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Springfield Public Schools