

To: Oregon House Education Committee Members
Representative Sara Gelsler, Chair
Representative Jeff Reardon, Vice Chair
Representative Sherrie Sprenger, Vice Chair
Representative Gene Whisnant
Representative Shemia Fagan
Representative David Gomberg ✓
Representative Chris Gorsek
Representative John Huffman
Representative Julie Parrish

From: Tom Olson 
Co-Founder, Oregon Save Our Schools

Date February 28, 2013

Subject: Attached Policy Paper regarding the Governor's and Oregon Education Investment Board's Recommended Four "Strategic Investments"

CC: Committee Staff Member Lea Kear

As members of the House Education Committee, you will soon be asked to consider the Governor's and Oregon Education Investment Board's recommendations for four state "strategic investments" in public education.

The attached policy paper may help you to prepare for your consideration of these recommendations. The paper presents a set of clear facts about the status and challenges of Oregon's public education. These facts help answer three critical questions:

- How are Oregon's students doing?
- How has Oregon's student population changed and what are the implications of these changes?
- What are the Oregon trends in our resource base for public education?

The paper urges you to use these facts to carefully consider the Governor's and Education Investment Board's four recommended "strategic investments." The paper suggests five critical state policy questions that should be addressed as you deliberate about these recommendations.

I would be pleased to respond to any questions you may have about the policy paper. I can be reached via email at tskiis@aol.com or by phone at 503-266-9738.

Thanks for your dedicated service to the citizens of Oregon!

CONFRONT OREGON'S PUBLIC EDUCATION REALITIES TO MAKE INVESTMENT DECISIONS

A STATE POLICY PAPER

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February 27, 2013
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This policy paper is dedicated to the memory of John Burns. John was a highly successful Oregon businessman and a tireless citizen volunteer advocate for children. He served on the Beaverton School District's Budget Committee, and was volunteer coordinator of the Oregon Save Our Schools Policy Committee. He advocated continuously for programs to especially serve those students with the greatest learning needs.

John frequently reminded all of us to dig deeply and examine hard facts about the realities of public education. He urged us to make recommendations based on those facts. This paper is offered out of a deeply felt obligation to keep his positive spirit, good humor, and rationality alive in order to improve the learning lives of Oregon's children and youth. His legacy provides a model for all of us who advocate for excellence in public education.

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EXECUTIVE SUMMARY

Oregon's public education system is being challenged to change. Over the past two years, the Governor and his Oregon Education Investment Board (OEIB) have examined proposals for wide-scale "education transformation." This examination has prompted vigorous and sometimes-confusing discussions of how to change the state's governance of public education. In order to create a "more seamless" governance structure, a new Chief Education Officer has been employed and given authority over the design and organization of a transformed "P-20." system. Calls for dramatic improvements in graduation rates have been issued via the state goal of "40/40/20." This means that by 2025 Oregon's adult population would have 40% college graduates; 40% with community college certificates and the remaining 20% would all be high school graduates.

This document uses data to make the following points:

1. Since 2009, the theme of Oregon's "education reform/transformation" discussion (along with press treatments of it) has too often been framed by an inaccurate assumption that Oregon's public schools are "failures." As this paper documents, a full look at student achievement and attainment data paints quite a different picture—one of continued success in the face of severe constraints. The nation's and Oregon's student achievement is near an all time high, and drop-out rates are near an all time low.
2. In developing their recommendations, state education policy officials have ignored the implications of unprecedented shifts in the demographic nature of our student population over the past two decades. These shifts, as detailed in this paper, have presented our schools with unprecedented challenges in sustaining improved achievement and attainment. The OEIB recommendations ignore the evidence about significant special investments needed to remove Oregon's escalating barriers to learning---barriers caused by poverty, by language development issues, and by increases in documented special education needs.
3. To complicate the picture further, the dramatic changes in the demographics of our student population have collided with a decade of diminished state investment in public education. Hard facts about this decade of disinvestment are presented in this paper. Yet, the Governor and OEIB have not recommended any means to address this collision.
4. The Governor and OEIB have not recommended any improvements in investing to increase basic school funding to restore the dramatic reductions of thousands of school days out of the school year; the recent terminations of over 7,000 educators; and major eliminations of critical curriculum offerings like music, art, and physical education.

5. Ignoring the state's Quality Education Commission's well-researched funding targets for providing a quality education, the Governor and OEIB have instead recommended four state "strategic investments." Unfortunately, these investments are not supported by any compelling data; would all be state-run enterprises; and would further erode basic funding for all schools. These recommendations will unlikely have any direct positive impact on significant numbers of students—especially students who are in greatest need.

So consideration of core data about our public education system's actual realities has been absent from OEIB policy discussions and resulting policy actions. The purpose of this paper is to introduce "hard data" regarding the following three critical core questions about reality into the policy discussions:

- "How are Oregon students doing?"
- "How has Oregon's student population changed and what are the implications of these changes?"
- "What are the Oregon trends in our resource base for public education?"

This paper concludes with a presentation of five critical policy questions that should be used as the Legislature examines the work and recommendations that have emerged from the Governor's "Education Funding Team" and the OEIB.

HOW ARE OREGON'S STUDENTS DOING?

Contrary to common impressions, the nation's and Oregon's public schools have demonstrated a trend of *continuing improvements over the past two decades* in a) student achievement as measured by the National Assessment of Educational Progress (NAEP) and Scholastic Achievement Test (SAT) and b) increased high school graduation and reduced drop-out rates. Data are provided below to illuminate these realities.

Trends in Oregon Student Achievement on the National Assessment of Educational Progress (NAEP)

The results from the NAEP are often regarded as U.S. public education's "national report card." It is the only test that is administered nation-wide at the both elementary and secondary levels. Since 1990 there have been steady, sometimes dramatic, national and state improvements in reading, mathematics and science on the NAEP.

Oregon students have often outperformed the nation's NAEP average scale point scores. *When interpreting NAEP "scale score" results, it is important to understand that a gain of 10 scale score points is generally regarded as equivalent of a full grade level's improvement in learning (1).* Keeping this in mind, here are illustrative gains made by Oregon students drawn from the Oregon Department of Education's recent National Assessment of Educational Progress Reports: (2)

- Between 1998 and 2011, Oregon fourth graders improved by 4 scale points on the NAEP fourth grade math test—almost a half grade level's improvement.

- Between 2000 and 2011 Oregon eighth graders improved from 224 scale points on the NAEP math test to 237---well more than a year's growth.
- Oregon's fourth and eighth graders outperformed the national average on the 2011 NAEP science test. (A change in the science framework prevents accurate long term trend analysis.)

Recent Oregon Scores on the Scholastic Achievement Test (SAT)

Oregon's Deputy Superintendent Rob Saxton reported in 2012 (3) that Oregon's secondary students taking the SAT outscored U.S. students. Saxton concluded, "Our students continue to outperform the nation on the SAT college entrance exam, and last year's (2012) graduates made gains in both reading and math. Oregon's Statewide Report Card for 2011-12 (4) showed the following 2012 SAT results for the state:

- Mean critical reading score of 521. The U.S. average was 496.
- Mean math score of 523. The national average was 514.
- Mean writing score of 498. The national average was 488.

The Report also showed that, among states that test more than 50% of high schoolers on the SAT, Oregon tied *for first place in the nation* on critical reading, fourth place on math, and seventh in writing.

These trends document continuous overall improvement in Oregon's student attainments and performance. The trends are even more impressive in the light of significant and well-documented underperformance among growing numbers of students living in poverty, ELL students and students receiving special education services. A simple illustration of this is found by examining the 2003 and 2011 NAEP mathematics test scores among lower and higher income students.(5)

- In 2003, lower income Oregon fourth grade students performed at 226 scale points, while their higher income counterparts performed at 242.
- In 2011, lower income Oregon fourth grade students performed at 226 scale points, while their higher income counterparts performed at 250 scale points.

Trends in Graduation and Drop-Out Rates

Among the world's developed countries, the United States has made impressive gains in reducing numbers of drop-outs and increasing high school graduation rates. For example, in 1950 only 50% of the US population ages 25-29 had completed high school. By 2000, 89% of that population group had completed high school.(6) No other nation can claim this level of performance.

The national pattern of improvement in reducing the number of drop outs and increasing high school completion holds in Oregon. Indeed, gains continued to be made throughout this past decade, in the face of growing student diversity, mixed with declining resources. For example, the Oregon drop-out rate dropped from 5.2% in 2000-2001 to 3.3% in 2010-11.(7) The Oregon graduation rate increased from 71% in 2002 to 76% in 2008.(8) Since then, the methods for counting graduates have changed, but Oregon's progress was ahead of the nation's until recently. The state's small declines in graduation

rates in 2010-12 are likely associated with the changes in the methods of calculating the rate, along with the growing numbers of Oregon students living in poverty.

But, in the face of these patterns of improvement in attainment, we still see great disparities and much higher drop-out rates among students living in poverty, ELL students and special education students. These learning challenges are directly correlated with the leveling of Oregon's improvements in achievement and drop-out rates over the past few years. The challenges present a major state investment policy challenge if we are to continue our pattern of improvement in student performance. Without addressing these challenges, we can predict further major erosions in improvement.

The following section provides data documenting these challenging demographic trends.

HOW HAS OREGON'S STUDENT POPULATION CHANGED?

Ethnic/Language Diversity

The U.S. Census Bureau tells us that in 1970 (the peak of America's "Baby Boom" children), America's public school student population was 79% Non-Hispanic white. By 2005, that percentage had reduced to 59%. (9) Education Week's report Quality Counts: 2012 shows a 51% increase in the nation's number of English Language Learners between 1997 and 2008. During that same period, the increase in the general student population was only 7%. (10) Twenty per cent of the nation's population over five years of age now speak a language other than English at home, and today fully 45% of children under age five are minorities. (11)

Oregon mirrors this pattern. An Oregon Department of Education News Release (12) reported that between 1997-98 and 2009-10 the state's Hispanic student population dramatically increased. In 1998, Oregon's Hispanic students formed 8% of the total student population. By 2010 they constituted 20% of students.

These patterns of growing diversity are prevalent across the state's rural as well as urban school systems.

Significant Growth in Levels of Poverty

In addition to significant changes in the ethnic and language diversity in our student population, the Census Bureau shows significant increases in Oregon's poverty levels. More than 24% of children under 18 now live in poverty. (13) *Numbers of Oregon students on Free & Reduced Price Lunch increased 58% between 1997-99 and 2009-10. (14) Oregon's Deputy State Superintendent Rob Saxton reported there were more than 20,000 homeless students in the state in 2012. (15)*

There is an assumption that these significant increases in poverty levels are concentrated only in large cities. But the data suggest otherwise. For example, over the past decade the student poverty rate doubled in Clackamas County school districts, including smaller rural districts like Canby and Molalla.

Increase in Students Needing Special Education Services

A third dimension of the significant changes in Oregon's student population is the increase in the numbers of our children identified as needing special education services. *The Oregon Department of Education reported that the number of students needing these services increased 16% between 1997-98 and 2009-2010.*(16) There has been a notable increase especially in children with autism. Indeed, since the State has a "funding cap" of 11% of the district's student population, the true percentage of students needing special education services may well be larger than these data suggest.

So Oregon is faced with a student population requiring very special and skillful learning and community supports to cope with a) language development issues; b) poverty's well-known learning barriers; and c) identified handicapping conditions. To further complicate the issue, many children experience two or more of these conditions. For example, an ECONorthwest analysis of ODE data conducted for the Chalkboard project says that fully 2/3rds of Oregon's Hispanic students also live in conditions of poverty (contrasted with 45% of all students).(17)

In 2011 then-State Superintendent Susan Castillo noted, *"While enrollment in Oregon remains steady, the number of students needing extra help has increased. Increased student need for specialized services.... is colliding with diminished funding. This is happening at the same time we have increased learning expectations and graduation requirements for Oregon students."* (18)

The next section provides data about the nature of this collision between escalating numbers of students needing special help and a decade of diminished state funding effort.

WHAT ARE RECENT TRENDS IN OREGON'S STATE RESOURCE BASE FOR PUBLIC EDUCATION?

The past decade has witnessed the following diminished funding patterns in Oregon (19)

- Oregon's per student spending has declined from 15th in the nation in 1997-98 to 37rd in 2008-2009.
- K-12 schools' share of Oregon's state budget dropped from 44% in 2003-2005 to 39% in 2011-2013.
- Oregon has lost almost 16% of its public schoolteachers, teaching assistants, and school maintenance and clerical workers over the past three years. From 2010 to 2012 the state lost 7,300 educator jobs.
- High school class sizes have increased by 28.6%.
- Elementary class sizes have increased by more than 19%.
- Oregon's education funding received a grade of "F" in a new national comparative study of the states' funding efforts for public education. This study conducted by Rutgers University's Education Law Center examined Oregon's very low level of state education funding effort in relation to our State's total Gross Domestic Product (GDP) value.

- Since 2003, Oregon’s public education has received less than one-third of the percentage increase that went to public safety.

According to the Oregon Legislature’s own Quality Education Commission (QEM) research, the state is currently \$3 billion short this biennium in funding a quality education for all students. The Commission’s presentation of their public 2012 Report (20) recommends an increase in basic school support funding level from \$5.7 billion of the current biennium to \$6.7 billion to begin to redress this shortfall in basic school support. The Commission’s Report also shows that state funding effort has been seriously reduced over the past decade, while local funding efforts have sustained. The Report presentation concludes, “Despite the funding declines, student achievement has continued to increase, indicating districts are using resources more productively.”

It is a public disservice to ignore these hard facts about the realities of Oregon’s public education. Instead of facts, the education “transformation” recommendations are based on premises that wrongly paint our schools as “failures,” and decry the lack of “efficiency” in our schools. Based on these premises, the recommendations being brought to the Oregon Legislature ignore the implications of our dramatically changing student demographics, the decade of declining state funding effort. And, finally, the recommendations reject the input received from citizens regarding these realities.

In 2012 the Governor commissioned an “Education Funding Team” to develop funding recommendations for 2013 and beyond. This work, conducted by paid consultants (at up to \$300 per hour) *in secret meetings not open to the public*, resulted in OEIB developing recommendations to the Oregon Legislature for four state “strategic investments.” The following section summarizes these recommended investments, and raises five significant state policy questions about them. These policy questions are raised by looking at the hard facts about the realities and challenges of our public schools’ performance, and the declining state resource base to meet the unprecedented challenges.

CRITICAL STATE POLICY QUESTIONS REGARDING THE GOVERNOR’S AND OEIB’S FOUR RECOMMENDED STATE STRATEGIC INVESTMENTS

Overview of the Four State Strategic Investments Recommended by the Governor and OEIB

These four “investment” recommendations are:

1. *Develop a Representative Corps of Professional Educators*
Creates a new state bureaucratic structure of 4-6 Regional “Achievement Centers” across the state.
2. *“Oregon Reads”*:
Markets a “statewide reading campaign” and a series of reading support programs via contracts with non-profits and the private sector. The Governor/OEIB recommendation states on page 14, “The bulk of the consulting dollars set out in the OEIB budget should be reserved” for this marketing effort.
3. *“Supporting Students and Families”*

Provides grants to nonprofits, private sector and other agencies to market the importance of reading(see #2 above)

4. *“Essential Skills for Global Success”*

Promotes “innovative 9-14 models.” This would include special state funding for selected consortia of school districts, community colleges and 4 year institutions aimed at creating “Science/Technology/Engineering/Mathematics “lab schools,” and dual credit models among other approaches.

Five Critical Policy Questions Prompted by the Recommendations

Policy Question #1:

Why are these investment recommendations silent on the current and projected critical shortfall of basic state school funding necessary for a quality education?

The Governor’s and OEIB’s recommendations ignore the decade-long high quality research work of the state’s own Quality Education Model (QEM) Commission. The QEM Commission report (2012) displays that their 2011-13 current biennial necessary state investment for quality K-12 education should be \$8.74 billion to support quality K-12 public education. This biennium’s actual “investment” is \$5.7 billion. Four strategic investments, largely in new state bureaucracy and grants and contracts with consultants and the private sector, are now proposed without a mention of this dramatic shortfall in basic school support.

The OEIB held eight public forums across the state to seek reaction to these types of recommended investments. *Well over 90% of those testifying strongly advocated state investments that would restore local curriculum offerings, educators, and the thousands of aggregate days cut from Oregon’s school year because of reduced state funding effort. Not one of the four proposed “strategic investment” recommendations responds to this overwhelming expectation by Oregon’s public.*

Policy Question #2:

Why are these recommendations silent on the known primary correlate with low student performance—poverty’s learning barriers?

Given incontrovertible evidence of the strong correlations between poverty and low student performance, one would expect that improving student performance across the state must confront this compelling evidence and at least review best practices about how the state should support communities in removing these tremendous poverty barriers to learning. *To ignore data about this reality; avoid projections of its current and future impacts, and neglect to recommend any significant “investment” in ameliorating poverty’s learning barriers through improved funding of wrap around services will certainly doom the state to future serious achievement gaps.*

Policy Question #3:

There is an overarching bias across all four recommended investments to implement them through special grants/contracts given to a select few nonprofits and private sector organizations, and, in a few cases, some school districts.. Given Oregon’s Constitutional demand that equitable funding must be provided to all school districts,

how can these recommended strategic investments be squared with our Constitutional demand to provide equity in funding all our schools?

These recommendations have the strong potential to even further erode the basic state support for our schools. None of them will restore teachers, counselors, nurses, teaching assistants; none will restore cut days for learning; none will restore the art and music lost to cuts.. The recommendations display a disturbing lack of attention to a) the state's own Quality Education Model funding targets, b) escalating changes in student demographics, c) data about the negative impacts of a seriously declining state funding effort, and d) the overwhelming public opposition to these strategic investment recommendations expressed in eight public forums around the state..

Policy Question #4:

What good evidence exists that these four strategic investments will yield the outcomes promised and accomplish the state's 40/40/20 goal?

Each the four recommended investments lack any clear research base or "theory of action." They fail to draw a clear tie between proposed activities and their promised outcomes. They fail to cite any actual cases where these strategies have been proven successful.

On the day that the OEIB adopted the recommendations (October 9, 2012), the Governor, staff and OEIB members admitted that the "outcomes" they were promising to produce were still tentative and "subject to change." They also heard a report of the strong themes from the public input in eight forums held around the state. In spite of this, the Governor and several OEIB members asserted that they must proceed immediately to adopt the recommendations because "transformation" of the entire system was necessary, and "to delay in this "transformation" would be dangerous.

Policy Question #5:

Given Oregon law which authorizes the "sunsetting" of the Oregon Education Investment Board in 2014,

- a) What significant progress in the quality of students' daily public school experience can the Oregon Education Investment Board document that they have directly influenced to date?***
- b) What state policy criteria will the Legislature use to evaluate the performance of the Oregon Education Investment Board in order to make its "sunsetting" decision in 2014?***

The Oregon Education Investment Board's first major policy action was to mandate that all public education entities develop "achievement compacts," stating outcomes and performance projections. This mandate was cast by the OEIB as a two-way "partnership" agreement between the state and its public education entities. Indeed, the Legislative intent (Senate Bill 1581) clearly was that this be a two-way agreement. Yet, one-third of the K-12 school districts boards of education compacts were then rejected by the Chief Education Officer, and he ordered them to revise their projections upwards. He failed to announce his "standards" for rejection in advance of sending his rejection letters. In spite of the clear legislative intent of a "partnership," this unfortunately devolved into

another unfunded mandate. And there was not an equivalent process to projecting targets for the OEIB performance.

State policy makers should take immediate steps to develop clear criteria and a process to examine the performance of the Oregon Education Investment Board. The facts about the realities of public education that this paper presents have been ignored, and should now be brought forward to inform such deliberations. If we do so, we may well be able to restore a true sense of “partnership” between our public education officials who are on the front lines and state policy actions.. Without such careful examination, the current “transformation” will fail---as have such earlier attempts.

SOURCE DOCUMENTS

- (1) Tom Loveless, "How Well Are American Students Learning?" The 2009 Brown Center Report on American Education. January 2010, Vol. II, Number 4. p. 9.
- (2) See Oregon Department of Education's web site: National Assessment of Educational Progress Reports.
- (3) Oregon Department of Education News Release, "The Pathway to College: SAT Results Highlight Importance of Rigor." September 24, 2012.
- (4) Oregon Department of Education, Statewide Report Card: 2011.
- (5) Sue Hildick, The Chalkboard Project., "Chalkbloggers" November 7, 2011.
- (6) U.S. Department of Commerce, Educational Attainment in the United States: Population Characteristics . Issued June 2004..
- (7) Oregon Department of Education Report, Drop Out Rates in Oregon High Schools (available on the Department's web site).
- (8) National Center for Education Statistics, Trends in High School Dropout and Completion Rates: 1972---2008. tables on pages 39 and 53.
- (9) United States Census Bureau, School Enrollment in the United States, 2008.: Population Characteristics. Issued June 2011.
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- (12) Oregon Department of Education, News Release, Oregon Education Department of Education Releases Enrollment Numbers, February 8, 2011. See also <http://www.ode.state.or.us/wma/superintendent/release/historical-enrollment.pdf>
- (13) Annie Casey Foundation, Kids Count Data Center, 2011.
- (14) Oregon Department of Education, News Release, February 8, 2011.
- (15) Oregon Department of Education News Release, "Far Too Many Students Still Facing Homelessness," November 15, 2012.
- (16) Oregon Department of Education News Release, Oregon Department of Education Releases Enrollment Numbers. February 8, 2011.

(17) The Chalkboard Project, Hispanic Students in Oregon, citing ECONorthwest study of Oregon Department of Education data.

(18) Oregon Department of Education News Release, February 8, 2011.

(19) Data for this list of facts were drawn from State of Oregon Tax Expenditure Reports; Oregon Legislative Fiscal Office; Our Oregon; Oregon Education Association Survey of Cut Days; Economic Policy Institute (Richard Rothstein); COSA/OASBO School Budget Surveys, Sept. 2009, 2010 and 2011; Education Law Center, Rutgers University.

(20) State of Oregon Quality Education Commission; 2012 Report. Powerpoint presentation of recommendations.

