



Date: February 8, 2016
To: Senate Education Committee Chair Roblan and Members
From: Laurie Wimmer, OEA Government Relations
RE: *SB 1541 [School District Financial Accountability]*

Thank you for considering these remarks, submitted on behalf of OEA's 43,000 members, regarding SB 1541.

SB 1541 appears to be creating a report that is intended to help the Legislature understand how school districts are budgeting certain resources. This has been characterized as a "financial accountability" report. Given the many ways school districts have been held to a wide range of accountabilities over time, and the number of reports, audits, studies, and evaluative means policymakers and their agents of state government have elicited each year from Oregon's 197 school districts, we wonder what gave rise to this bill.

Additionally, we would ask for clarification of intent. Section 1 (1) (a) wants to know how "amounts allocated to school districts for specified purposes" are tracked. Given that most of the resources "allocated" are either earmarked federal funds that pass through the ODE as grants or are State School Funds, which are not earmarked and may be budgeted for any purpose related to the operation of our public schools, it is not clear which funds are being targeted for this laser-focused review. Is it specialized grants for identified purposes? All monies? Local option resources? The terms are unclear. Because budgets are built and negotiated in public school board meetings and are found on each district website, we also wonder whether the question being asked by SB 1541 is whether ODE is compiling the published budgets into a single analytical compendium, or whether it could do so for "tracking" purposes.

We also would like to understand better the phrase on line 8 of the bill that reads "in addition to previous distributions". Previous to what? The immediate prior biennium or some other point in time?

Several years ago, a large group was formed by a bipartisan group of legislators and education stakeholders to create an inventory of all the various ways and means school districts and ESDs are required to be accountable to the citizens and policymakers of Oregon. We examined financial accountability, academic program quality, staffing accountability, and much more. Our Accountability Task Force found that, rather than insufficient accountability, there could be said to be too much in the way of bureaucratic report generation, auditing, reporting, and so on. Though the task force, led by then-Sen. Frank Morse, had initially thought Oregon may need to strengthen its accountability system, it ultimately determined that what was really needed was mandate relief. In the end, our group brought forward several proposals that were passed into law over two legislative sessions, to address this more pressing problem. Now, we count no fewer than seven different bills in the 2016 session that would begin to travel down just the opposite road again. Given that schools are working hard to ensure that every student has an excellent and successful educational experience, one must ask whether financial accountability is truly the most pressing problem? Public educators might argue that financial sufficiency — to optimize the educational experience each child is able to receive — is a much greater concern.

Thank you so much for considering our thoughts and concerns about SB 1541. If such a study has the kind of fiscal impact that previous such proposals have had, we anticipate the \$200,000 or so expected cost of this "evaluation" to be better spent to track class size data (4 million data cells are collected but the staffing was cut in 2015) or to help the Quality Education Commission fund the research it conducts on educational practices that show the greatest promise in helping our students with the greatest challenges and struggles.