

MEMORANDUM

TO: School Renewal Commission

SUBJECT: January 12, 2004 Meeting Summary and next steps

FROM: Steve Meloy, Board of Public Education
Kris Goss, Office of the Governor

DATE: February 13, 2004

PARTICIPANTS

Members Present: Tonia Bloom, Steve Johnson, Eric Feaver, Rep. Verdell Jackson, Ron Laferriere, Cathy Day, Linda McCulloch, Bruce Messinger, Rep. Norma Bixby, Kirk Miller, Mike Nicosia, Lt. Gov. Karl Ohs, Darrell Rud, Sen. Don Ryan, Scott Seilstad, Rep. Pat Wagman, Jules Waber, Robert Murray, Tim Lund, John Fitzpatrick, Erik Engellant, Keith Allen, Lorri Coulter, and John McNeil.

Facilitator: Kathy van Hook

Recorder: Suzan Hopkins

OPENING REMARKS

Meeting called to order by Lieutenant Governor Ohs, Chairman, at 10:00 a.m., January 12, 2004.

APPROVE MEETING SUMMARY

The meeting summary was approved with a correction on page 5 **OPTIONS FOR EFFICIENCY**. First bullet should read "56 schools districts in Montana"

DEFINITION OF QUALITY EDUCATION

Kris Goss gave an overview of document put together after several studies; 1975 quality study, Augenblick & Myers study was included, merged all studies together. Ultimate goal is to reach consensus. Meeting discussion began with the following;

Concept of Quality

Learn who they are becoming - (from 1975 document)

Proposed change to system

Full day kindergarten

Full day kindergarten was raised as the first quality issue. This concept was not introduced last legislative session, but the interest was high and most likely will be introduced in 2005. A prohibitive factor of cost was raised. Currently, in one school district full day kindergarten during the first two weeks of school exists in an effort to increase public support of the concept.

Another issue that was raised was that full day kindergarten will help students be more prepared for elementary school and meet NCLB.

Other points discussed regarding full day kindergarten are:

- ❖ Full day kindergarten is offered in 20 districts
- ❖ Consider funding of preschool programs by working with Head Start
- ❖ Status of 3-5 year olds entitlement to special education programs
- ❖ Full ANB for full day school-voluntary program
- ❖ Initiative might cost 12-15 million per year
- ❖ Focus should be on quality right now, not the cost
- ❖ Consideration of the cost to society for not graduating these kids
- ❖ Flexibility to include certain high risk kids need to be considered
- ❖ Determine what we are to be providing, and then how to fund it
- ❖ Explore possibility of corporate benefactors
- ❖ Status of pre-school that supplements Head Start with blended funding
- ❖ In order to meet NCLB need improved early childhood education

A consensus vote was taken on the proposal for a full day kindergarten. The results were 3 against, 2 not sure, and the majority in favor. Support could come if distribution of funds were offset elsewhere. Another opinion suggested that priorities only be set commensurate with money that is already available or seek a sales tax as a method to raise revenue. A third comment suggested that it's not society's role to educate children on every level. The Commission members who could not agree with the proposal on the table were asked, under the Commission Ground Rules, work on a revised proposal for consideration of the members.

Concept of Quality

Develop personal responsibility

Proposed change to system

Summer opportunities

- ❖ Need opportunities with options and flexibility from late May to late August
- ❖ Some rural schools are providing opportunities for remedial classes in the summer
- ❖ Expanded learning opportunities exist in Helena School District both in summer and state funded after school
- ❖ Havre Public Schools-after school program is a summer school program with general funding
- ❖ Status of special education summer programs
- ❖ Make resources available for kids to "catch up"
- ❖ Parents have a responsibility to see that their kids are progressing
- ❖ Where would summer programs fit in with community programs?
- ❖ Does the school provides the facility
- ❖ Role of distance learning
- ❖ Role of parents find tutors
- ❖ Need to compare cost of educating kids versus the cost of not graduating
- ❖ Examine the creation of regional service centers

- ❖ Workforce investment funds can fund high school students to work
- ❖ Identify gaps and identify options for covering gaps
- ❖ Look at school law to identify flexibility to fill gaps
- ❖ Stay open to idea of flexible school schedule
- ❖ Concentrate on current gaps and who is filling them
- ❖ Regional service centers to identify gaps and develop local way to fill needs-state technical support
- ❖ Need flexibility in funding and programs
- ❖ Students need to seek out services
- ❖ Opportunities for students who want enrichment do exist
- ❖ Complement home schooling

Concept of Quality

Be Effective in a Changing World

Proposed change to system

Ethnicity Understanding/Assistance Indian Education for All

- ❖ Need further explanation on the 25% at risk modifier
- ❖ Need to be conscious of Indian Education
 - ◆ Indian Education For All requirements
 - ◆ 50% of American Indian students do not graduate
 - ◆ 10% of the school population is American Indian
 - ◆ WE need to teach all students in Montana
 - ◆ We need to look at the whole education system
 - ◆ System needs to open up opportunities, and offer alternative schools

PUBLIC COMMENT

Steve Meloy pointed out that the renewal commission should consider every issue from a holistic viewpoint to ensure that no proposal is exempt from the debate or discussion. The Commission at this point should not concern itself with funding, as later on it will address structure, governance, efficiencies, and ultimately funding.

Gwen Anderson, Browning Public Schools mentioned the offering of full day kindergarten, and working on the possibility of an alternative high school, changing the length of school day, regional learning centers, and mandatory full day kindergarten.

A special mention was made to thank Jules Waber for providing lunch for the council members.

DISCUSSION ON EFFICIENT AND EFFECTIVE STRUCTURE

Kris Goss introduced presentations regarding what other states are doing with regard to educational service agencies and on the barriers to consolidation and annexation and possible solutions. Jules Waber introduced the first presenter:

- ❖ Brian Talbott, Executive Director AESA, Educational Service Agencies Mr. Talbott represents 641 agencies in 41 states. AESA is a multi-service provider, nationally-moving to put all of their agencies under one service agency and

provide high quality support services (staff development, special education, technology, early childhood, day care). AESA services much of the incarcerated youths, deals with issues of teacher preparation, and professional development of paraprofessionals. The AESA's success is due to having one contact person and accountability. The barriers to success are lack of local agreements, geography, and lack of performance and/or accountability standards. Good models: Iowa, Washington, and Michigan.

- ❖ Dave Puyear and Lance Melton-*Barriers to Consolidation and Options for Efficiency* (listed in documents passed around at the meeting). Mr. Melton suggested that you tie consolidation to regional service corporations. Assess consolidation and closure individually, don't look at one issue.
 - ◆ **Discussion on Section 1 - Law Changes**
 - ◆ Need a model that allows regionalization
 - ◆ Examine creativity on generating revenue
 - ◆ Concern about placing bonded indebtedness without a vote
 - ◆ Flexibility is needed to negotiate indebtedness
 - ◆ Local option tax could be used so community could utilize school
 - ◆ Taxable valuation differences is an issue
 - ◆ Ability to consolidate across boundaries
 - ◆ Must have ability to deconsolidate after a trial period
 - ◆ Discuss timetable on trustee elections

 - ◆ **Discussion on Section 2 - Laws requiring voter approval**
 - ◆ Must retain public vote
 - ◆ No vote could create chaos
 - ◆ Incentive must be in state funding formula
 - ◆ Group of districts consolidate?
 - ◆ Go to 50% funding and phase out of state entitlement over period

- ❖ Senator Don Ryan presented information gathered by Jim Standaert, Senior Fiscal Analyst, regarding equalizing tax effort in the district general fund. The following ideas were proposed:
 - ◆ Increase Direct State Aid (DSA) to the general fund Base budget (State cost in fiscal 2004: \$107 million)
 - ◆ Eliminate HB 124 block grants and HB 20/SB 417 reimbursements in the base area of the district general fund and substitute an equal amount of DSA (State cost: \$0 –Reduce Block grants and reimbursements by \$45.8 million; increase DSA \$45.8 million)
 - ◆ Eliminate distribution of oil and gas revenues and coal gross proceed revenues to district general fund, reallocate to state general fund and increase state DSA by same amount (State cost: \$0-state revenues increase \$6.1 million; increase state DSA costs by \$6.1 million)

- ◆ Eliminate property taxation of centrally assessed property (classes 9-utility wires and poles; class 12-railroads and airlines; and class 13-electrical generation property) for district general fund; substitute equal amount of another type of taxation on centrally assessed property for deposit in state general fund. (state revenues: \$45 million)
 - ◆ Institute Guaranteed Tax Base system in district general fund overbase area. (state cost: unknown, could be designed to achieve any cost level)
- ❖ Impact on district taxpayers discussion:
- ◆ Increasing DSA to Base Budget would eliminate Base mill levies in every district.
 - ◆ If this is paid for by increasing state mill levies, some districts will experience higher mill levies, some lower.
 - ◆ Eliminating centrally assessed property from the district general fund tax base will shift \$45 million in additional state revenue, to institute a GTB system in the overbase area will mitigate the shift in tax burden to homeowners for those districts that are least wealthy.
 - ◆ Net result of total proposal on district general fund mill levies: each district will have lower mills and the dispersion in mills will be reduced substantially, unless state mill levies are increased to pay for higher DSA levels.
 - ◆ Still must fund a base budget
 - ◆ A statewide levy needs to be discussed
 - ◆ Don't shift revenue from rural to urban, takes away from rural flexibility.
 - ◆ Draft a graph of winners and losers
 - ◆ Implement a .01-.02 sales tax
 - ◆ Identify places in the law which cause inefficiencies and simplify for public understanding
- ❖ **Establish Working Groups**
- ◆ John McNeil, Chairman and Scott Seilstad, Madalyn Quinlan (volunteers an OPI staff member), Steve Johnson, Tonia Bloom to look at issues in current law that are barriers to consolidation. Will meet and develop proposals for the full group by the next meeting.
 - ◆ Holly Raser, Jules Waber, Kirk Miller, Ron Laferrere, Cathy Day, Madalyn Quinlan to develop proposals for a working group to take a look at regional delivery systems

FINALIZE VISION AND MISSION STATEMENT

Discussion was divided on the question of a need for a mission statement, because there is no mandate for a mission statement. It was suggested that the commission only adopt a vision statement Consensus on vision statement-passed by consensus Consensus to drop mission statement-passed by consensus.

NEXT STEPS

Next meeting is February 23, 2004 at 10:00 at the Capital-Room 317

❖ **Draft Agenda**

- ◆ Reports from Working Groups
- ◆ Quality-are components going to get us there?

❖ **Wrap up Discussion on Quality**

- ◆ Appropriate parent involvement in definition of quality education. What is responsibility? Appropriate partnership with parents and school
- ◆ Definition of quality is a constantly evolving process
- ◆ Look at deficit in order to better address the needs of students
- ◆ Today's emphasis is on federal mandates, not concepts of quality
- ◆ NW Regional Education Lab captures what parents want for their kids
- ◆ Personal choice results in personal consequences/responsibilities
- ◆ Boys & Girls Club help with meals, computers, activities, homework
- ◆ One teacher can give hope to a student struggling with their life
- ◆ We need to bring back SB 411
- ◆ Full Day Kindergarten Dissent can't revise concept philosophically

PUBLIC COMMENT

Calvin Johnson, Superintendent of Belt Schools, presented statistics from NWREL. He indicated quality and efficiency could be the same thing. He suggested small schools produced better students. In his comments he defined a small elementary school as one enrolling 300-400 students and a small high school enrolling 400-800 students. He emphasized that this commission must factor in declining enrollment as it looks to the future of quality education in Montana. He predicted a 43% loss in enrollment in the next 9 years.

Meeting adjourned at 4:00 p.m.