

Montana Public School Renewal Commission Minutes
Montana State Capitol
Room 317
Dr. Kirk Miller, Presiding
August 16, 2004

Meeting Summary

Participating: Carter Christiansen, Ron LaFerriere, John McNeil, Steve Johnson, Scott Seilstad, Bob Keenan, Robert Murray, Kirk Miller, Steve Gibson, Carmen McSpadden, Darrell Rud, Holly Raser, Carol Juneau, Linda McCulloch, Keith Allen, Bruce Messinger, Pat Wagman, Doug Mood, Jules Waber, Cathy Day, Eric Feaver, Mary Whittinghill, Madalyn Quinlan, and Erik Engellant.

Recorder: Suzan Hopkins

The meeting was convened at 9:54 a.m.

The minutes from the previous meeting (July 19, 2004) were discussed. Revisions were made as follows: page 6, Ron LaFerriere wished to strike the first sentence, "*He also didn't support the idea of developing a risk pool for rural schools to assist with special education costs.*" The minutes were unanimously approved as revised.

Summer Opportunities and Extended School Opportunities - Wagman/Messinger Committee

Pat Wagman wishes to endorse a broad statement that would say, "This committee would support a funding formula that would lend flexibility to the districts to enable them to utilize their time and staff more efficiently throughout the year for all education". Bruce Messinger advocated that more flexibility in calendar and assignment of support staff is needed. Carol Juneau was concerned with losing the language of summer opportunities and extended school opportunities. She feels that these statements provide opportunities for students who are not achieving well in our schools. Bruce Messinger read a statement that he wished to propose:

"Encourage greater flexibility in the school calendar and time (days/hours) requirements. Encourage local school districts to provide expanded learning opportunities addressing the unique learning needs of all students by flexing time and resources."

Vote: Statement approved by unanimous consensus.

Commissioner Holly Raser proposed an additional statement for Commission consideration related to summer and extended day opportunities:

"State facilitated public/private partnerships for locally (*need*) based summer programs and extended school programs for identified students".

Vote: Statement approved by unanimous consensus.

This language addresses both summer and extended school opportunities. The language within this statement, (*need*), was proposed by Carol.

Vote: Amend to add the work “need” did not reach consensus.

Lance Melton suggested that public input should be heard before any decisions are finalized regarding language changes, etc. Kirk Miller stated that we will proceed in the manner by discussing each parking lot item, allowing the public to comment at that time, and then vote to determine consensus. The final report will be brought forth at the next meeting with recommendations. At that time, public comment will be taken on the recommendations as a whole.

Eric Feaver indicated his non-approval of the statement regarding summer and extended school programs with the word “private” included. He was not present during the vote that resulted in unanimous consensus.

Pupil Instruction Related Days – Wagman/Messinger Committee

As addressed by Bruce Messinger, it was suggested to amend the general statement to include staff in this language. Holly Raser suggested that whatever statement we reach consensus on should also be included under the recruitment and retention issue.

The general statement previously agreed upon was amended to address pupil instruction related days as follows: ***“Without reducing the minimum aggregate hours of pupil instruction required by law, encourage greater flexibility in the school calendar and time (hours/days) requirements. Encourage local school districts to provide expanded professional development opportunities”***.

Vote: Amendment approved by unanimous consensus.

Cultural Education - Carol Juneau distributed revisions to a statement approved at the last Renewal Commission meeting for cultural education. The statement reads as follows with revisions:

“State funded Indian Education for All curriculums and policies/rules developed through partnerships led by the Office of Public Instruction, Board of Public Education, and legislature including Indian educators, tribes, and others. These partnerships will develop and implement:

- *Policies/rules that support and insure that all schools provide the necessary guidance to the school instructional staff and programs to include culturally appropriate instruction for students.*
- *Professional development for all school personnel to insure they are adequately prepared to provide instruction and supportive services for all students, including Indian students.*
- *Curriculum development and supportive instructional resources necessary to meet state accreditation guidelines as well as local district standards to integrate*

culturally appropriate American/Montana Indian Lessons in all curricular areas in grades K-12 for all students.

- *Assessments standards that incorporate measurements for the achievement of all students and are tied to the goals of Indian Education for All.*

*All Montana Schools supported by partnerships led by the Montana Board of Public Education, the Office of Public Instruction, and Legislature will provide educational opportunities to eliminate the wide disparity in educational achievement that exists between the American Indian students in Montana's Public Schools and their ~~White~~ **non-Indian** peers as clearly documented by educational achievement research and data. (~~dropout rates, graduation rates, adequate yearly progress, etc.~~)”*

**The language in bold print was previously approved and Carol Juneau brought the italicized language forth as a proposal. Darrell Rud proposed the deletion of the word “white” and Bob Keenan proposed to replace this word with “non-Indian”. Eric Feaver proposed the strikethrough in the last sentence.

Vote: Statement as amended received majority consensus.

Neutral votes* were recorded by Bob Keenan and Doug Mood.

- Bob Keenan stated that he supported this statement but was concerned that he hadn't had adequate time to look over the statement before voting.
- Doug Mood was uncomfortable with the linking of the two subjects; need to address cultural education separate from dropout rate as the dropout rate is not exclusive to the Indian population.

Public Comment - none at this time.

Continue Discussion of Moving Items from Parking Lot to Draft Recommendation Status

Review Ground Rules - Kirk Miller reviewed these. If there is a sideways (neutral) or downwards (dissenting) thumb, this person will clarify their rationale for this position for the record.

The final document will include an executive summary that outlines the major recommendations that have come out of the group. The body of the report would include each topic that was discussed, the rationale for it, any research that was involved, as well as sub point discussions.

Quality Infrastructure - Carmen McSpadden addressed this issue, which was brought up at the last meeting. She distributed a statement addressing quality infrastructure. The statement reads as follows:

“The Renewal Commission recognizes that adequate infrastructure, in the form of physical plant and equipment, is a key component of a quality educational system.

Overcrowded, substandard and inappropriate facilities negatively impact the learning environment. Although the Renewal Commission did not have the time or resources to explore in detail the infrastructure needs of Montana schools the Commission recognizes:

- The importance of quality infrastructure;
- The unequal resources available to individual school districts to meet their infrastructure needs.”

Vote: Statement approved by majority consensus.

Neutral votes* were recorded by Bob Keenan and Pat Wagman.

- Bob Keenan stating he doesn't recall receiving this information via email; therefore, he needed more time to absorb the statement.
- Wagman felt this would probably be the next lawsuit and needed more time to digest the statement.

Full Day Kindergarten -Tonia Bloom addressed this issue by distributing a modification (that was emailed to the commission members) of an adopted statement. This proposal attempts to flesh out the statement adopted on June 28, 2004. The main statement proposed reads:

“The Montana Legislature should strongly consider the benefits of expanding kindergarten services to improve student learning and achievement and should provide the statutory and budgetary flexibility to school districts so they can offer additional kindergarten services for all students. School districts should receive state funding proportionate to the level of service they provide for kindergarten students ranging from half time to full time programming.”

Carmen McSpadden felt that this proposed statement would address the issue of cultural education also.

Several commission members spoke at length in favor of full day kindergarten.

Lance Melton provided public comment stating that some school districts are providing full day kindergarten. They are finding the resources to provide this because “our system is irrational enough that there are some times the districts get more resources than what might be necessary to give an area and then they siphon that off and provide something that isn't going to be consistent. We should be greatly troubled that some school districts have the resources to provide all day kindergarten and others don't”. In summation, equity is a cause for concern.

Vote: Statement approved by majority consensus.

A neutral vote* was recorded by Steve Gibson. Dissenting votes* were recorded by Doug Mood, Mary Whittinghill, Pat Wagman, and Bob Keenan.

- Steve Gibson (neutral vote*) - feels this statement is “building in” discrimination, some kids who need it will not be allowed the opportunity.

- Doug Mood (dissenting vote*) - not desirable to prioritize how to spend money, more important to spend resources on teacher's salaries.
- Mary Whittinghill (dissenting vote*) - would support a statement that strongly encourages the legislature to look at the benefits of expansion of our current kindergarten in terms of state funding, studies that she looked at offer no clear differential, believes this issue warrants further research to fully understand the implications of expansion of this program.
- Pat Wagman (dissenting vote*) - reiterates what has previously been stated by the others.
- Bob Keenan (dissenting vote*) - believes MCA 20-7-117 speaks adequately to the issue.

Parking Lot Items:

Quality Infrastructure

Previously addressed by Carmen McSpadden and consensus was reached on a statement.

Remove Barriers to Efficiency

John McNeil distributed a document that was previously presented to the commission. First, consider item 6 (consolidation and annexation **with** the assumption of bonded indebtedness). Bruce Messinger spoke against this recommendation. It was recommended by the chair (John McNeil) to pull this bullet off from the section "the Renewal Commission recommends that the following areas of the law be clarified to eliminate barriers to voluntary consolidation." Eric Feaver recommended that 20-6-410 be embraced by this statement. Tonia Bloom suggested that we add a bullet under the section "the Renewal Commission recommends no change in state statute in the following areas", and include "revision to 20-6-410 to include unification."

On behalf of the Barriers to Consolidation Working Group, Chairman John McNeil proposed the following:

"The School Renewal Commission recommends that the following areas of the law be clarified to eliminate barriers to voluntary consolidation.

1. Provisions for consolidation of one K-12 district with another K-12 district should be included in statute wherever they are currently absent. Specifically, it should be made clear in statute that a K-12 district may consolidate with another K-12 district without first being required to dissolve its K-12 structure.
2. The Commission believes that the K-12 structure is the most efficient school district structure and does not recommend allowing K-12 districts to be dissolved to consolidate with a stand alone elementary district.

3. Statute should specify that a newly consolidated district becomes an official entity on July 1 following a successful vote on consolidation in each of the constituent districts.
4. The governance of a consolidated district should be clarified in the following manner. Immediately following voter approval of a consolidation (elementary, high school or K-12) a joint board, composed of the members of the existing school boards of the participating districts should be formed to deal with transitional issues. The joint board would also serve as the governing board of the newly consolidated district from the July 1 effective date of the consolidation until the next regular school trustee election. At that election the appropriate number of trustees for the new district would be elected by the combined voters of the new district, with the lengths of terms to be assigned by drawing of lots.
5. The law should specify that the existing elected boards of the consolidating districts would continue their duties and perform close-out duties related to their individual districts until the July 1 effective date. The joint board would address all planning, budgeting, contracting and hiring issues related to the operation of the newly consolidated district.

~~The law should specify that all consolidations and annexations (including those that take place across county lines) take place only with the assumption of bonded indebtedness. Currently the assumption or non-assumption of bonded indebtedness is a separate issue that can overshadow and taint the consideration of the consolidation issue itself. Debt associated with the capital assets that become the property of and will benefit a consolidated district should be the responsibility of the new district as a whole.~~

6. The law should specify that any ongoing building reserve or technology depreciation levies accrue to and become the responsibility of the newly formed district as a whole in the same dollar amounts that were originally approved.
7. The law should allow joint districts (defined as those with territory in more than one county) to be formed by consolidation, annexation or the attachment of an abandoned district to a neighboring district. Currently, joint districts may be created by consolidation, but may not be formed by annexation or attachment.
8. MCA 20-6-410 be expanded to include unification.

The School Renewal Commission recommends no change in state statute in the following areas:

1. Employment status and tenure issues are adequately covered in state law. Bargaining of a new collective bargaining agreement should be left to management and labor in the newly consolidated district under applicable labor laws and under the guidance of the Board of Personnel Appeals.

2. There is a potential need for both an annexation and a consolidation process in different situations. Therefore, the Commission recommends retaining both processes in state law.
3. The Commission recommends that the requirement for an affirmative vote in both districts for consolidation be retained. Approval by voters in effected districts provides necessary legitimacy to the process.
4. The Commission rejects the idea of instituting a trial period for consolidation during which “de-consolidation” could occur. Consolidation should be final. The technical issues involved with de-consolidating a district would be great. Current laws governing cooperative agreements between districts provide ample opportunities for districts to experiment with cooperation prior to deciding to consolidate. Districts can currently share administration, staff, programs, purchasing, etc., as well as the sponsorship of athletic programs.
5. The law should specify that all consolidations and annexations (including those that take place across county lines) take place with or without the assumption of bonded indebtedness. Currently the assumption or non-assumption of bonded indebtedness is a separate issue that can overshadow and taint the consideration of the consolidation issue itself. Debt associated with the capital assets that become the property of and will benefit a consolidated district should be the responsibility of the new district as a whole.

Finally, the Commission believes that some structural features of the current funding system and the current taxation system create disincentives to consolidation when such consolidation might otherwise make sense. These structural features include:

- the fact that the basic entitlement is the same for districts of every size;
- the fact that the taxable valuations available to support schools vary widely from district to district.

The Commission recommends that tax inequities between school districts be addressed and that any new funding formula avoid building in disincentives to consolidation.”

Vote: Statement approved by unanimous consensus.

Regionalization of School Services

On behalf of the Regionalization Working Group, Chairman Kirk Miller proposed the following statements:

“The Regionalization Working Group strongly views regional education service agencies as a key component in restructuring and renewing public education in Montana. Through hours of deliberate discussion, research, and analysis of ESA’s in other states, working group members have determined that intensive study of this issue is warranted, as the potential benefits of an effective ESA system. Benefits include:

- Enhanced opportunities for students and educators.

- More streamlined and effective partnerships between state and local education governance significant cost savings; and greater accountability, communication, and coordination between local school districts.

Vote: Statement approved by unanimous consensus.

Revenue and Taxation Modernization

On behalf of the Taxation and Revenue Working Group, Chairman Kirk Miller proposed five policy statements:

1. “Implement a statewide equalization plan with an emphasis on homeowner equity and uniform property taxation.
2. Fund the base budget using statewide equalization.
3. Use **equalized funding** to fund 80-100% (maximized) budget.
4. A balanced taxation approach that includes existing statewide taxes such as property taxes, income taxes, and natural resource taxes and also considers new revenue such as a general statewide sales tax to be used as a **mechanism for equalization**.
5. A balanced taxation approach that includes existing taxes such as property taxes, income taxes, and natural resource taxes and also considers new revenue such as a general statewide sales tax should be used as a **mechanism for funding quality public schools.**”

Commissioners recommended changes to the third bullet as noted by bold print and language which differentiates the fourth bullet from the fifth bullet is also noted by bold print.

Vote: Statement approved by majority consensus.

Neutral votes* were recorded by Pat Wagman, Doug Mood, Keith Allen, and Mary Whittinghill.

- Pat Wagman stated he doesn’t have a good enough understanding of the issues.
- Doug Mood supports the proposal but a number of tax proposals on the surface are excellent and they die in the legislature due to fierce opponents.
- Keith Allen personally supports this but the organization he represents (AFL/CIO) opposes a sales tax.
- Mary Whittinghill fears that they will end up being a total package and might get lost as separate items when they were proposed as a whole package.

Modern Funding System

A working group on funding formula, consisting of commission members Steve Johnson, Carter Christiansen, Scott Seilstad, Bruce Messinger, Holly Raser (Chairman?), Cathy Day, Don Ryan (Chairman?), Tonia Bloom, Carmen McSpadden and Mary Whittinghill will be assembled to bring forth recommendations. Kirk Miller appointed Holly Raser as Chairman, but she reserved that right to be presented to Don Ryan first. Commissioner Raser will contact Commissioner Ryan and will call a meeting of the working group to prepare a recommendation for the next meeting.

Next Steps

September 15, 2004 is the date for the final report to be presented to the Interim Committee. Chairman Miller asked if Commissioners would be willing to come to another commission meeting on their own time and expense, as finances are depleted? General consensus was reached to agree to do this. The commission will approach the Governor's office for further funds for one more meeting. The next commission meeting date is September 8, 2004 at 9:00 a.m.

Public Comment - no public comment at this time.

The meeting adjourned at 4:00 p.m.

***The ground rules state:**

- **A thumbs up means: I agree and will support this recommendation.**
- **A thumbs sideways means: I'm neutral or may not prefer this recommendation or action but I will support it. Indicated in the Summary as a Neutral Vote.**
- **A thumbs down means: I cannot support this recommendation or action. Indicated in the Summary as a Dissenting Vote.**