Salem-Keizer School District
BUDGET ADVISORY TEAM

Report
&
Recommendations

Submitted to:
School Board of Directors
Budget Committee

January 27, 2004

Raul Valdivia, Chair
Merrily McCabe, Vice-Chair

#3: Focus funding on students who are not meeting Adequate Yearly Progress (AYP) in the literacy skill tests for Reading and Literature, and Writing.

Background

Most of the students not meeting AYP have special needs of one type or another. According to the Oregon Department of Education, the students in Salem-Keizer with the lowest scores are Special Education students, and students for whom English is their second language. Other students who struggle and are barely meeting AYP at this time (as an overall average) include the economically disadvantaged and certain racial or ethnic categories.
These students have higher than average needs. They have the lowest reading, math, and writing scores; the lowest graduation rates; and the highest dropout, suspension, and expulsion rates. Programs that provide extra help to most of these needy students include extra instructional assistants, bilingual materials, and resource teachers for various high need schools that can help teachers learn special methods of instruction. These programs are mostly contained in the special education and compensatory education departments. These departments are continually asked to serve a growing population of high needs students with a shrinking amount of dollars.

Data

According to the Oregon Department of Education's 2002-03 Adequate Yearly Progress Report, Salem-Keizer School District's overall results and Reading/Literature results are:

Economically Disadvantaged Students	HAVE MET
Limited English Proficient Students	HAVE NOT MET
Students with Disabilities	HAVE NOT MET
Asian/Pacific Islanders	HAVE MET
Black (Not of Hispanic Origin)	HAVE MET
Hispanic Origin	HAVE NOT MET
American Indian/Alaskan Native	HAVE MET
White (Not of Hispanic Origin)	HAVE MET
Multi-Racial/Multi-Ethnic	HAVE MET

Those who have not met AYP for 2002-03 are scoring below the 40th percentile (the threshold for AYP). For the 2004-05 school year, the federal threshold will be raised to the 50th percentile.

Another set of figures shows how many students of each category are meeting the AYP standard at various grade levels in reading and literature (writing scores show similar trends).

	Grade 3	Grade 5	Grade 8	Grade 10
Economically Disadvantaged Students	71%	54%	34%	20%
Limited English Proficient Students	36%	15%	3%	2%
Students with Disabilities	43%	39%	17%	9%
Asian/Pacific Islanders	78%	49%	52%	37%
Black (Not of Hispanic Origin)	65%	57%	33%	12%
Hispanic Origin	53%	39%	27%	15%

American Indian/Alaskan Native	76%	56%	46%	38%
White (Not of Hispanic Origin)	81%	79%	63%	57%
Multi-Racial/Multi-Ethnic	80%	76%	57%	45%

Data showing the extra funding sources and distribution for some of the above categories, above and beyond the regular funding for all students in the District:

- **Economically disadvantaged students** receive Title I Federal grant dollars (.25 ADMw). These mandated dollars follow each child to each local school and serve 9,561 students (25% of all students). For 2003-04, there were $10.2 million Title I dollars allocated.
- **Limited English Proficient students** receive State allocated ESL Funds (.5 ADMw) to serve 5,927 students (15% of all students). These dollars are loosely defined and are allocated to the general fund. Out of the general fund, less than half of these dollars are allocated to the Bilingual Department in Compensatory Education. **For 2003-04, $14.5 million dollars were received from the State, and $6.9 million dollars were allocated to the Bilingual Department.**
- **Special Education students** receive federally mandated State dollars (1.00 ADMw), but only for each child up to 11% of the total student population. After that, limited or no dollars are available. For example, 2001-02 final figures show around 190 special education students were receiving services without bringing in dollars. For 2002-03, there were $25,947,805 special education dollars allocated.
- **American Indian/Alaskan Native students** receive federal grant dollars which are allocated to the Indian Education Program in Compensatory Education, as well as general fund dollars. For 2003-04, Indian Education received $129,583 general fund dollars and $128,654 Title VII federal grant dollars.

Recommendation and Rationale

The BAT recommends that funding distribution and services for all at-risk students should be examined carefully and should be funded at more adequate levels in places where the least funding is allocated and the least services are provided, especially in all areas involving literacy instruction. This recommendation is critical in order to attain the goal of meeting Adequate Yearly Progress, especially when the AYP threshold is raised to the 50th percentile in 2004-05.

Our rationale is demonstrated in the figures above. We can see that all students at risk for low achievement need extra services to attain or maintain Adequate Yearly Progress in literacy skills. It is for this reason that they receive extra funding dollars. Of all the categories listed, Hispanic students, Limited English Proficient students, and Special Education students have the lowest achievement rates. Limited English Proficient students have the lowest overall scores of all categories. And of all students, Limited English Proficient students receive the least dollars per student. Though the state allocates .5 ADMw for their needs, they receive less than .25 ADMw.

All students served by Compensatory Education and Special Education are at-risk for low achievement. Low achievement affects the whole District in many ways, but one of the most immediate concerns is how the Elementary and Secondary Education Act (No Child Left Behind federal legislation) affects us. All Title I schools (schools that have a large percentage of Title I students) are subject to losing funding if their Adequate Yearly Progress is not satisfactory. Nearly $8 million of Title I's $10.2 million have been dedicated to literacy support, which we strongly applaud. The results show that the Economically Disadvantaged in Salem-Keizer are meeting Adequate Yearly Progress standards, though just barely.

Procedural Recommendations

#11: Create and implement a tracking system to monitor the use of the .5 ADMw funding allocated by the State for English as a Second Language students

Background

In 1991, the State legislature adopted the .5 ADMw for schools to receive funding for the needs of English as a Second Language students. At that time, there were no legislative mechanisms required to track these funds.

This funding was intended to help school districts fulfill the Oregon law (ORS 336.079) that specifies that for children who are unable to benefit from speaking and writing courses taught in English, course curriculum must be offered in a familiar language. Such courses shall be taught to such a level in school as may be required until children are able to profit from classes conducted in English. The goal was to teach the students to read and write in English, while not losing ground in other academic subjects.

Legislators expected that Districts would accomplish this goal in the best ways according to research, and therefore did not provide a closely monitored system for the allocation and use of these funds. In the 2001 legislative session, legislators were made aware that many of these funds were not being used for the achievement of ESL students, and that ESL students were showing poor academic achievement in spite of the state's allocation of these funds for their help.

There followed a Budget Note being attached to the Education Budget which requested the Oregon Department of Education to report how ESL/Bilingual dollars were being spent. ODE tracked the funds from District financial statements in the fall of 2002. Salem-Keizer District was only able to provide information on part of those funds. Their Comprehensive Annual Financial Report of June 2002 shows that $5.6 million was allocated and $5 million was spent on English as a Second Language Instruction. The District has informed us that they still do not track the balance of the Bilingual dollars received from the state's .5 ADMw.

Data

According to the Salem-Keizer School District's Average Daily Membership information sheet, at the beginning of the 2003-04 school year, we had 5,556 ESL students (now up to 5,927 according the district website). Since each student receives .5 weighting, this equals 2,778 ADM weighting. District staff estimates the dollar amount of a .5 ADMw to equal $2,616 this year. This, multiplied by 5,556 students, equals $14,534,496. Of this, Bilingual Education has received the allocation of $6,982,160 this year. The District does not have a system in place to track how the other $7,552,336 is spent.

References:
ORS 327.013 (B): 0.5 for each student in Average Daily Membership eligible for and enrolled in an English as a Second Language program under ORS 336.079.

ORS 336.079: Specific courses to teach speaking, reading, and writing of the English language shall be provided at kindergarten and each grade level to those children who are unable to profit from classes taught in English. Such courses shall be taught to such a level in school as may be required until children are able to profit from classes conducted in English.

Budget Note: The Department of Education will report to the State Board of Education and the interim Senate and House committees on education by September 2002 on how school district resources, as defined by ORS 327.013 (B), are supporting English Language Learners/English as a Second Language programs in their development, implementation and evaluation as required by ORS 336.079. (This Budget Note was reissued by the Legislature in 2003, with a new due date of reporting by January 2005.)

Recommendation and Rationale

We recommend that the District track how all of these funds are spent so that ODE can make an accurate report to the 2005 legislature and ensure funds are spent in an optimal fashion.

The Oregon Legislature, the Oregon Department of Education, and the Public want to know and have requested a report on how these funds are spent.