JOHN A. KITZHABER, M.D.
GOVERNOR

Senate Bill 909 Work Group

Oct. 26, 2011
Room 350
State Capitol Building, Salem 97310

Work Group Members Present
Gov. John Kitzhaber, Chair; Nancy Golden, Chair Designee; Richard Alexander; Yvonne Curtis; Matt Donegan; Samuel Henry; Mark Mulvihill; David Rives; Ron Saxton; Mary Spilde; Kay Toran; Hanna Vaandering

Advisors Present
Sona Andrews, Vice Chancellor, OUS; Susan Castillo, Supt of Public Instruction; Camille Preus, Commissioner of Community Colleges; Josette Green, Director, Oregon Student Assistance Commission

Members/Advisors Excused
Julia Brim Edwards; Nichole Maher

Staff/Other Participants

Tim Nesbitt	Mgr, Education Investment Proj	Sarah Ames	Communications, Ed Inv. Proj.
Ben Cannon	Gov's Education Policy Advisor	Jan McComb	Interim Work Group Admin.
Margie Lowe	Policy Ad., Ed Invest Proj.	Cheryl Yehling	Exec. Support, Ed Inv. Proj
Todd Jones	Policy Advisor, Ed Invest Project	Whitney Grubbs	Gov's Education Policy Advisor
Craig Hawkins	Director, COSA	Supt. Sandy Husk	Salem-Keizer SD
Supt. Rob Hess	Lebanon School District	Supt. Jeff Rose	Beaverton School District
Kevin McCann	Director, OSBA	Beth Gerot	Past Pres., OSBA
Karen Cunningham	Beaverton School Board	Andrea Henderson	Director, OCCA

Convening/Organizational Matters
The Governor convened the SB 909 Work Group at 1:05 pm and welcomed members and visitors.

The Governor reminded the audience that the Oregon Education Investment Board had not yet been confirmed; this is the work group. Nominees are getting information through invited testimony. Once the board is confirmed, a public comment period will be added to meetings. Additional information is available on the Governor's web site:
http://governor.oregon.gov/Gov/OEIB/OregonEducationInvestmentBoard.shtml.

Minutes Adoption

MOTION: Henry moved adoption of the SB 909 Work Group minutes for the meeting of October 10, 2011.
VOTE: Hearing no objection, the motion passed unanimously.

The Governor stated that as work progressed, developing and implementing achievement compacts in 2012 appeared to be the most important step forward, especially now that the work was coinciding with the work to secure a waiver of federal law. Staff is reaching out to the legislators on

this strategy. Legislation to give the board the authority to require those achievement compacts would be part of the legislation requested in February 2012. We'll need to get some agreement on what those compacts will look like. Nominee Ron Saxton is working on that with his team. During his report, members are welcome to comment on that work. He reminded nominees that they have 40 days to submit legislative concepts to Legislative Council. He added that he must leave at 3:00 and Nancy Golden would take over chairing the meeting at that time.

Outcomes and Measures of K-12 Progress
Confederation of Oregon School Administrators Presentation

Craig Hawkins, Director, Confederation of School Administrators, introduced the panel of district superintendents: Sandy Husk (Salem-Keizer); Rob Hess, (Lebanon); and Jeff Rose (Beaverton).

Craig Hawkins stated that about 18 months ago, a group of superintendents and other partners got together out of a collective desire to move education forward in this state. An aligned governance system and aligned 0-20 education system were the goals. His organization's committee is working with OEIB toward this end. A LearnWorks exercise has been recently conducted with some of their members. Superintendents and principals agree that LearnWorks is a good start, but they did have some suggestions. As both leaders and practitioners they bring perspectives of this work from a high perspective and on the ground. Many stakeholder perspectives are essential to this work. During a recent principal conference in Bend, they talked about the desire to see administrators and teachers working together; they are the on-the-ground implementers and they look forward to being engaged and involved.

Rob Hess started the presentation and talked about the current state of K-12 education—Pre-K, elementary, secondary, postsecondary, and career—depicted as separate silos and their vision. The vision of SB 909 is to merge these silos into a unified whole. He suggested changing the initially identified five levels of outcomes:

Ready to Learn → → → →becomes →→ → Ready for School
Numeracy & Literacy → → becomes → → → Numeracy & Literacy
Ready for Rigor → → → →becomes →→ → Critical Thinking
Ready for College and Career→ → → becomes →→ → Ready for College and Career
Locally, Globally Competitive → → → becomes →→ → Lifelong Learning & Success

Administrators can align the current work to this framework. The goal of 40-40-20 is a worthy goal. We are a long ways from that goal.

One example is high school completion data—in his district, the four-year cohort rate is barely 40%. Every time this statistic is published, it looks terrible. The district has a low completion percentage because the district provides students with early college credit through the Expanded Options program. The district would prefer a new measure, the number of college credits students earned last year. His district averages over 15 college credits per graduate. This is one way our system of measurements is not aligned with the vision.

Sandy Husk discussed the unintended consequences of the current accountability system. McKay High School, for example, has a high percentage of students who are impoverished, are minorities, and are non-English speaking. The state report card shows McKay is low performing. However, what the report card doesn't show is that in one year, this school had double digit gains in every subject area. Numbers went from 49% to 74%, from 9% to 41%. That's a different perspective. McKay didn't meet federal Adequate Yearly Progress, and McKay continues to have low test scores, but the school has made large gains. In addition, McKay received additional financial support through grants, which helped them make these gains. There is a great deal of parental engagement.

She observed that the formula for the state report card could be improved. Community support is important; McKay does not have the same level of support because we drive people away by the way we describe schools as "failing," and "persistently dangerous." The problems we can fix will take changes on the state, federal, and school levels. For example, now, a student in a subgroup such as an English Language Learner, exits the subgroup when he learns English and is no longer considered an ELL student and school doesn't get credit for the success there. The way the graduation rate is calculated discourages early college programs. We discourage great educators from working in the neediest schools. We need to develop ways to motivate teachers and students that is different from AYP.

Jeff Rose stated that the state is a long way from the 40-40-20 goal. This is not about trying to decrease accountability. But for what are we accountable? Is the current system motivating us to move forward? Is our current measurement giving us what we need? Formative assessments give teachers the information to guide intervention. How are we analyzing success at the school level? For example, look at how the state report card treats two of his schools. One has 30% poverty and is rated "outstanding"; the other is rated "satisfactory" but has 90% poor students. However, the satisfactory school saw larger gains in RIT scores—it doubled the education growth of students when compared with the outstanding school. One argument that could be made is that we want more growth and not ceilings. Without dramatically changing the system, it could be improved.

Jeff Rose continued. What does "college and career ready" mean? What does it take? Not many would rely on the state OAKS test score—that's a bottom level indicator. We should go beyond that. The Beaverton School District has developed a "full option graduate" diploma, based on Dave Conley's work on what it means to be college and career ready. To be college and career ready means students have key cognitive strategies; key content; academic behaviors; contextual skills and awareness. This year, the district's highest poverty high school earned an "outstanding" rating and was ranked as one of the top six high schools in the state. However, at that school, only 28% of Latinos have earned a 3.8 GPA. That's another piece of data we should measure.

Craig Hawkins stated that COSA appreciated the interaction and collaboration with the work group. Both Ben Cannon and Tim Nesbitt have both spoken to COSA groups. If we are going to be successful, we need to be honest. They appreciate the Governor's comments on the underfunding of education. We need an adequate baseline funding. Superintendents want you to know that the achievement compacts make sense; we already do a lot of that kind of goal setting. Superintendents would like to see these compacts become the meaningful measure. In order to do that, some other requirements might have to be abandoned. The achievement compacts need to be two-way compacts. The state needs to provide the resources to accomplish those outcomes. COSA and superintendents are committed to working with you constructively and appreciate the opportunity to testify today.

Discussion:

- How does the current system discourage teachers from working at some schools (unfair label on school as "failure)?
- Making progress toward a goal v. meeting the goal; value of doing both.
- What needs to be in the achievement compact? (OAKS data; response to compact might be more critical than contents of compact; actions taken. Maybe have some with shared characteristics as well as school-specific)
- Value of augmenting a high level measurement with more specific, lower level measurements.
- How to measure student-engaging work and incorporating that in an achievement compact.
- Whether you can capture connections to early education and postsecondary education in an achievement compact.

The Governor noted that this was a rich conversation with those in the room. It was remarkable. We should consider an achievement compact as a living document; it will change over time, as we learn

more. It needs to be owned by the teachers, district, and legislators. Now, the state is a passive player when it comes to education. An achievement compact is an important step forward.

Oregon School Boards Presentation
Kevin McCann, Director, OSBA, testified regarding SB 909 and the work of local school boards. Currently, OSBA staff is visiting member school boards around the state during our annual fall regional meetings. One purpose is to tell members about SB 909. He stated that OSBA was committed to participating in a conversation about a learner-centered, outcome-based education system.

Beth Gerot, Past OSBA President, stated that local school boards and OSBA support many of the goals identified by the OEIB, including early learning, an integrated 0-20 longitudinal data system, and the outcomes and indicators identified by LearnWorks. Learners must have multiple pathways toward success, with clearly identified milestones along the way.

Karen Cunningham, Beaverton School Board, referred to a handout of Beaverton's that describes the Beaverton graduation requirements. Beaverton conducted a strategic planning process with their community. The community said they wanted children to be college and career ready; that students have an individualized education with a plan and profile for their goals; and that students demonstrate continual advancement, not just meeting benchmarks. They started with the "full option" graduation requirements then backtracked to determine what milestones would indicate the students were on track to fulfill the requirements. Beaverton has given ACT tests for many years and has figured out how to make students ready for college and career. This is one example of the work being done around the state.

Kevin McCann stated that students of color, impoverished students, special education students, and English Language Learners are not achieving at the same rates as their white counterparts; this is something everyone must take seriously and put front and center. Our commitment must be to every student.

Beth Gerot stated that any new outcomes must align with the new Common Core State Standards. The federal No Child Left Behind Act shifted teachers toward teaching to the test and narrowed the curriculum. Board members are looking for a stable source of funding, support for professional development, and a longitudinal data system. Districts must have flexibility and tools for when they do not meet outcomes. From a systems perspective, it is not clear what would give the greatest leverage. We want to expand our resources for school improvement and rebuild our capacity.

Karen Cunningham stated that board members play an important role; OSBA provides important professional development for boards. OSBA looks forward to continued collaboration on this important work.

Discussion:
- Key role boards play in student achievement, increasing the college-going rate.
- How the board can imbue in teachers the importance of having high expectations of students.
- Whether teachers do not have high expectations of students.
- School board member concerns and hopes regarding OEIB (people feel hopeful about the conversation, but the timeline raises the risk of not proceeding thoughtfully).

Work Team Reports

Chief Education Officer Selection Process
Hanna Vaandering stated that her team had a conference call about the process to be used with the goal of having someone hired by March 30. The team discussed how to link in with the legislature, the budget, and the role of the workgroups. The team has not decided on whether to use an external recruiting process or an internal one (DAS). They have nine external proposals and one internal DAS

proposal. They are discussing how to reach out to stakeholders as to what characteristics such a person would have, as well as the specifics of the recruitment and interview processes. The next meeting is October 31. We will share rankings of the nine external and one internal proposal and develop a process that works for us.

Discussion:

- Job description specifics, such as education background and experience.
- Reporting relationships; there's a question about whether the person would have direction and control over the Chancellor, Superintendent of Public Instruction, Commissioner of Community Colleges, and Student Assistance Commission director. Because key decisions have not been made, it is difficult to specify duties in advance, so they have a specific and general job description.
- Start up organization skill set versus day-to-day management skill set; which would be best for this position? Should there be two different people? A team around this person?
- The need to have enough information about the job for candidates.
- The desire to have someone of stature to persuade different constituencies.
- The political importance of the governance questions; effect on job description.
- General language in SB 909 concerning this position. Selection process is neutral; job description is not.
- Whether and how to have public input on a job description proposal—they could invite key legislators to comment.
- Will circulate draft job description following Oct. 31 meeting.

Outcomes-Based Investment Strategies

Ron Saxton stated that the achievement compact discussion had made progress conceptually; there was challenge in the specifics (handout). People agree that the compacts should be short and straight forward. They are discussing whether there would be separate compacts for each measure, or one compact. They have a lot of work to do on the details. If you set out a standard, such as "kids ready to learn," what would be a reasonable goal? What are we aiming for? Who gets to pick a number? What is the connection between the compact and funding? We can't have all the money depend on success. What is the relationship? Another big discussion is what the consequences are of not accomplishing the compact. What happens if you *do* accomplish the compact? 100% success is not likely reasonable. What is the link between performance and funding? We have talked about successful school districts getting more flexibility than non-successful districts. It's a complicated discussion and we are having thoughtful conversations.

Nesbitt stated the concepts continue to evolve. Compacts would be in effect for the 2012-13 school year. Still being discussed is whether higher education compacts would be between the OEIB and the State Board of Higher Education or individual institutions. The thinking is that there would be individual compacts with each K-12 district as well as the community colleges, the universities, and OHSU. Regarding what would be in the compacts, categories such as completion, diplomas, and degrees were discussed. However, that does raise a question that is important to think about: what about all those points of the continuum prior to a diploma? What about recognizing learning stages, such as those momentum points identified by the Oregon Education Investment Team? We are assuming a predictable baseline of funding; these other investments would be above that baseline. The relationship with funding is one Nominee Saxton has described well. There's a lot of discussion about the importance of support for low performing districts and how this might equate to existing benchmarks. They are working on identifying the components of an achievement compact to be included in legislation.

The Governor observed that the task may seem overwhelming, but it is do-able. First, the group needs to create a framework that asks the right questions and identifies what the right answers are. The goal is to have those answers vetted and that stakeholders have an opportunity to comment on those answers. The second important thing is transparency. Third, the achievement compacts will be

a living document that will be amended as we go forward and learn. The challenge will be how we reflect that in the document we bring to the Legislature.

Nancy Golden stated we need to think about the 0-20 pathway and what the critical or leverage points are along the way. For example, the ability of students to read nonfiction sets them on a good trajectory to being on track for college and career. The same holds with students being able to calculate fractions. If people got incentive funding, people will pay attention to things that bring money to the district.

Discussion:
- How to define achievement and what to do if districts are not achieving.
- Importance of diagnosing why a district is not achieving and a targeted prescription or intervention for it.
- The similarities with the health care system and producing good outcomes and efficiencies that are directed back into health care.
- The LearnWorks discussion that focused more on relieving districts of requirements if they had successful outcomes.
- The drawbacks of creating a system of penalties.
- The importance of not penalizing students along the way, due to system deficiencies.

The task force took a fifteen-minute break. Nancy Golden assumed the chairmanship.

Nancy Golden concluded the earlier discussion regarding achievement compacts. The idea is that there would be a level of stable funding. On top of that would be funding for high performing districts to help low performing districts improve their outcomes. We would diagnose the problem and have other districts help the low performing districts. The dollars that would go to low performing schools, they might also get additional funding but the funding would be prescriptive.

Discussion:
- Whether there would be more money for districts for interventions or whether the money would be coming from the existing State School Fund, reducing funding for all districts.

Database Plan
Mark Mulvihill updated the work group on database discussions to date. They have had a series of meetings, including Alder Grant meetings. The challenge is developing a database system when we haven't landed on what we want to measure. We need to coordinate with the other groups. What does "return on investment" mean? Marjorie Lowe has done some research on this from Florida.

Marjorie Lowe stated that there's been energetic involvement on the part of all sectors. They are drafting their section of report to help them think through the questions and hope to have a draft by the Nov. 21 meeting. Knowing there's a desire to create compacts for 2012-13, we need to discuss the compact contents and what data needs to be collected. As each group talks about outcomes desired, we ask the sectors if that data is already collected or is measureable. Also, regarding early learning, we've asked ODE and Project Alder to accelerate the early learning portion of the Alder grant. There's still work to be done on kindergarten assessment. We want to make sure data gathered on completion of early learning programs is collected and aligned with the outcome of "Ready for School."

We also looked at what the existing data system can deliver. In the K-12 system, ODE already gathers student progress based on state assessments and has also collected school expenditure data. The two systems operate separately, but the data can be grouped by the age group stages being discussed. We can model return-on-investment methodology. Some districts may not record/share information in the same way with ODE, i.e. library costs; but we'll use this as a test

case, based on how Florida does it. Washington State is starting a similar effort and we'll be sharing with them. Also, they will be developing a long-term design plan for what a system would look like. Stakeholders are interested in a more robust system that would inform classroom practices. That's a more ambitious charge.

Mulvihill stated that everyone has a different concept of what a longitudinal database is; they are creating a matrix of what data is collected now. Lowe added that timelines were short. What level of detail are we going to measure? The postsecondary information is at a higher level than what's available for K-12.

Discussion:
- Importance of report flow from segment to segment, and that there are no gaps.
- The importance of collecting data that teachers need; ask teachers what they need.

Frameworks for Postsecondary Achievement Compacts

Sona Andrews, Vice-Chancellor for Academic Strategies, Oregon University System; Camille Preus, Commissioner of Community Colleges; and Andrea Henderson, Director, Oregon Community College Association, discussed possible frameworks for college and university achievement compacts.

Andrews distributed a sample compact between OUS and the state. Two assumptions:
(1) In addition to the achievement compact with the state, OUS will internally develop achievement compacts with each of it institutions based on institutional mission, capacity, array of programs, etc.; and
(2) OUS shares in the responsibility for all segments of 40-40-20. Not only will OUS place a primary focus on bachelor's and advanced degrees, but will also develop joint strategies to assist the community colleges in achieving their goal of 40; as well as placing a focus on teacher preparation, engagement with K-12, and enhancing the K-12 pipeline.

Sona Andrews reviewed the proposed measures in the categories of completion; quality; and connections. Under completions, they are looking to also measure the rural and underrepresented populations. They also want to count those community college students who transfer to OUS before gaining a certificate from a community college; now they are not counted, despite moving toward their personal goal of a bachelor's degree.

Camille Preus described a draft community college compact. It was similarly broken out into three key components: completion; quality; connections. She stated that community colleges put a lot of emphasis on completion of the first term, as that is a good indicator of students staying in school. Coursework milestones are very important, especially students who come to community college unprepared to do college-level work. We thought it was important that both community colleges and OUS connect with workforce.

Andrea Henderson stated that the OCCA talked to 14 of the community colleges and they want to work on what achievement compacts should look like for community colleges and will be bringing that to the work group. Presidents want to make sure the achievement compacts reflect the comprehensive goals of the community college. The achievement compact could help bridge the communications gap between the legislature and community college presidents.

Discussion:
- How can the state count Oregon students that attend out-of-state colleges or private colleges in state or students and workers who come from out of state (focus on in-state; the reason to individualize compacts is that some universities might serve out-of-state students differently).
- Importance of coursework milestones for K-12, as well as community colleges and OUS.
- Retention is an economical strategy to reach 40-40-20 goals.
- Whether stakeholders had seen the draft achievement compacts.

- How "retention" is defined; a student can bounce between OUS and community college and not be considered a success, yet the students' needs are being met.

Updates

No Child Left Behind Waiver

Ben Cannon updated the work group members on the efforts of Oregon to secure a waiver from the federal Elementary and Secondary Education Act (aka No Child Left Behind act). As reported earlier, they still intend to submit the application before the end of the year. The plan is to have this year the last year Oregon is under NCLB. The Governor had a conversation with US Secretary of Education Duncan and talked about that timeline; we should get early feedback to see if we are on track for approval. Questions that the NCLB waiver asks are very similar to this discussion: What matters? What outcomes are we driving toward? How will we measure them? What system of supports will be needed? We are holding those conversations now. Individual student academic growth and college- and career-readiness are critical factors. Oregon doesn't want a one-size-fits-all sanction, but tailor interventions and sanctions to the needs of the school. There are four work groups focusing on different aspects of the application. He noted that he had just presented before a legislative task force on the issue of education accountability.

Discussion:

- Whether waiver would include early education and higher education (will include narrative on vision)

Early Learning Council

Dick Alexander updated the work group on the progress made by the Early Learning Council, on which he serves. They met recently and had a briefing on the statutory requirements. They looked at the principles that would guide the work. They will try to work by consensus. It was a good meeting, well-attended, with several interest groups present. It was an organizational meeting

Early Childhood "Race to the Top" Grant Application

Tim Nesbitt stated the application was submitted on time. Sarah Carlin Ames added the OEIB web page contains information about the grant application, including possible funding. There were 35 states and two districts applying for $500 million. We feel good about the grant application. Even if we don't get the funding, it creates a solid foundation moving forward. We would be able to move faster with the funding, however. The state applied for $40.6 million and had less than two months to turn around an application.

Complete College America Conference

Margie Lowe stated Oregon is a member state of the Complete College America organization (handout). Last week she attended one of their conferences. Established in 2009, the organization was founded to focus solely on increasing the nation's college completion rate through state policy change. About 29 states are members. Member states pledge to set annual state and campus degree and credential completion goals; develop and implement state and campus-level action plans for meeting the state's college completion goals; and use consistent data and progression measures to create a culture that values completion. You can see completion data posted on their web site, state by state.

Goals include "performance funding," that ties funding to outcomes; reducing time and accelerate success with strategies that include individual student college completion plans; and developing shorter and faster pathways to degrees and credentials. Tennessee is at the forefront of performance compacts. Indiana is moving that direction. Illinois has just begun.

Discussion:

- Value of looking to state websites.

Communications: Outreach and Focus Groups
Sarah Carlin Ames stated that the Governor's team has been out on a listening tour of the state. We are taking advantage of existing organization's meetings and meeting with them. These organizations include COSA, OSBA, Chalkboard Project, Stand for Children and the Superintendent of Public Instruction's Youth Advisory Team. We have been hearing from early childhood providers, students, parent groups, community leaders—lots of divergent voices. We don't yet have a product on which to receive feedback. We've been to cities all across the state. Upcoming events include the statewide Chambers of Commerce; OCCA, the OUS symposium on November 1; The Tribal Summit; and Stand for Children meetings. She stated that she would forward members a list so they could decide if they wanted to participate in any of the events. Chalkboard Project is holding focus groups and OEIB nominees are invited to observe.

Oregon Report Card: History and Recent Results
Susan Castillo, Superintendent of Public Instruction, reviewed the history of Oregon school and district report card (handout). In the 1990s, the state shifted from schools being largely funded by local property taxes to state funding. With this shift, there was interest in reporting school outcomes. The first report cards were issued in 2000. Legislators added more data in 2001. ODE added school and class size information. In 2002, NCLB was enacted, which represented a huge change in what was required for reporting, with a focus on the various student demographic populations. This also required the state to gather more information about teachers and leadership in schools. In 2004 and 2007, more data was included. In 2009, the report card was expanded to include student growth and NAEP data. All along, the Dept. of Education and K-12 schools have had significant budget cuts. Many programs have been cut, as has the school year. We've worked to reduce mandates on school districts and ODE, including report card data previously required. HB 2289 (2011) directed the department to reexamine its report cards/accountability rating system. With the potential federal waiver, we now have the opportunity to make great changes to the accountability system. As public reporting has matured, we want it to be a useful tool to support our schools and make it easier for the public to understand the schools.

Susan Castillo explained that the report card rating system and ratings over time. The report card has gone from five categories to three. We have raised the bar for what it takes to get an "outstanding" rating for a school and have also adopted higher test cut scores, as well as implementing Common Core State Standards which are higher standards. We have higher expectations for all kids, yet at the same time we face these many challenges.

Jon Wiens, Assessment Education Specialist, assisted Supt. Castillo in answering questions about the report card formula.

Discussion:
- NAEP data; challenges with English Language Learners.
- Common Core State Standards; passing rates in 2014 on new tests will likely be lower.
- That some schools require students to take tests all three times, even when individual students have met or exceeded, to get additional points so the school might get an outstanding status.
- School level comparisons; factors used, such as Free and Reduced Lunch, mobility, ELL, attendance.
- Report cards factor in student growth

Next Meetings
Nesbitt reviewed the planned content for the next three meetings. The Nov. 10 meeting is scheduled for Salem, the OSBA annual conference starts that day, and it had been suggested that because of

the overlap of interest, it made more sense to move it to Portland. He asked if there were concerns in moving the meeting, and no one raised any issues.

The Nov. 21 meeting would be the first meeting as an actual board, following Senate confirmation. The board will make an effort to meet at schools and colleges, possibly including a tour or presentation. He reviewed the proposed agenda items for the next three meetings.

Discussion:

- Whether to add more time in meetings to coordinate with other teams—more work, fewer presentations.

Golden adjourned the meeting at 5:00 PM.