

## MINUTES

School District 4J Budget Committee Meeting  
4J Education Center-Auditorium  
200 North Monroe Street, Eugene Oregon

February 6, 2012  
7:00 p.m.

**PRESENT:** Wendy Laing, Vice-Chair; Betsy Boyd, Shirley Clark, Jennifer Geller, Alicia Hays, Anne Marie Levis, Joan Obie, Sabrina Parsons, Craig Smith, Jim Torrey, Mary Walston, members; Sheldon Berman, Superintendent of Schools; Simone Sangster, Barbara Bellamy, Sara Cramer, Laurie Moses, Larry Sullivan, Celia Feres-Johnson, Caroline Passerotti, Jeralynn Beghetto, John Ewing, John Gogol, Matt Hayes, staff; David Richey, Lane Council of Governments (LCOG)

**MEDIA:** KRVM-AM Radio

### I. Roll Call

Ms. Laing called the roll. Members Debra Smith, Tim Gleason and Beth Gerot had excused absences from the meeting.

### II. Items Raised by the Audience

None.

### III. Items for Information and Discussion

Superintendent Berman explained a process that had been ongoing since September 2011 to more effectively utilize demographic data to inform District decision-making. A meeting of district staff and representatives from Lane Council of Governments (LCOG) was convened to discuss ways that demographic information could be used to make better district decisions, including budget decisions. For example, could the District budget be structured in a way that provided consistency across the District to meet the special needs of students with economic and other challenges? The task group conducted a process to gather data to assess the demographics of the community. In a parallel process, an internal assessment was made as well. The result was a "Calculation of Needs Index" by school, which was provided in a handout. The categories were:

- FRL - percentage of student receiving free and reduced price lunches as of October 2011
- PSED – percentage of students receiving special education services for 2010-2011
- ELL – percentage of students identified as English Language Learners for 2010-2011, as of October 2011
- Mobility – percentage of students who move schools/ mobility rate for 2010-2011.

Superintendent Berman said what they were trying to achieve was a way to look at the needs of schools, with the schools that had the highest needs students receiving more services, and the schools that had a lower needs index receiving a base of services. The result was a composite prepared by Mr. Richey that gave a good sense of how the community was made up and what the schools looked like in the various residential areas.

Superintendent Berman said Ms. Sangster and Ms. Passerotti would focus on the work they had done using the Needs Index to determine how resources could be aligned so that the maximum resources could be delivered to support students in achieving success in the schools.

Superintendent Berman said it had been an incredible team effort, and a variety of configurations of groups had met over time to think through the problem. He was excited to share this with the Budget Committee and to receive the Committee's thoughts and reactions. He said it would be a guide in terms of how the budget would be put together.

Superintendent Berman introduced David Richey from LCOG who was there to present information on the demographic patterns of District residents. Dr. Berman explained that LCOG's work was performed in response to a set of questions. The first question asked was how many of the District's students were going to public schools, private schools, home schools, etc. Building from that, an analysis was done to reflect work he did in Louisville to find another way to desegregate school. Since the Supreme Court prohibited them from using a race-based plan, they developed a different plan with three components: 1) educational attainment of adults in the area, because that was a significant indicator of success of students; 2) socio-economic status, or median income, which also had a correlation with student success; and 3) minority status, which because of the high correlation between minority status and poverty, made a significant difference. The information was provided to Mr. Richey, and he was asked to look at block groups and compile a database. Superintendent Berman said Mr. Richey had done an extraordinary job.

Mr. Richey discussed the three attributes that were looked at from census data and how that data was moved from tract-based areas to elementary-based areas to correlate with the District's neighborhood school boundaries.

Mr. Richey explained that educational attainment was measured from the population 24 years old and greater. The description of educational attainment was the portion of the population that had reached high school, attained an associates' degree, a bachelor's degree or greater. To rate it numerically, a greater number was given to each level of education.

Mr. Richey did not elaborate on the measure of median household income based on the assumption that it was straightforward.

Mr. Richey said the third component was race – percent of the population that was white alone. In the current ethnicity portion of the census form, more than one box could be checked. White alone described persons who checked solely the "white" box. It was simply a way of segregating those that checked only that box or checked any other combination of boxes on the census form.

Mr. Richey explained that moving tract-based statistics to elementary attendance areas involved statistical analysis because households were not evenly distributed on the landscape. He said if an elementary attendance area was made up of portions of seven or eleven different tracts, he had to come up with a method to move that data from that portion of those tracts to the elementary

attendance area. This was done through the use of residential addresses, taking into account that the number of people per household varied by tract.

Mr. Richey had posted 11 maps on the walls. The maps were labeled and titled as follows:

- 1A – Educational Attainment Index
- 1B – Median Household Income
- 1C – Race - % White Alone
- 2A – Educational Attainment Index
- 2B – Median Household Income
- 2C – Race - % White Alone
- 3A – Educational Attainment Class
- 3B – Household Income Class
- 3C - % White Alone
- 4 – 2006 – 2010 Class Composite
- Tract to Elementary Attendance & Attribute Re-Casting

Superintendent Berman explained that the map titled “Tract to Elementary Attendance and Attribute Re-Casting” reflected the process Mr. Richey had just explained. The maps indicated the average characteristics for attendance areas.

Mr. Richey pointed out the data reflected the general population, not just the student population. He said maps labeled with an A represented educational attainment, maps with a B were household income and maps with a C were percentage white alone.

According to the educational attainment maps, Mr. Richey said the South Hills and University areas were high, with lower educational attainments in far West Eugene, Bethel and far North Eugene. He then pointed out the higher household income areas on the maps labeled B, which were the South Hills, North Eugene, and Sheldon areas. He pointed out the maps were not related to the number of people that lived in a particular area. He noted that while the University area was high in educational attainment, it was low in household income. Regarding percentage white alone, he said a different pattern emerged and it could be seen that River Road and Cesar Chavez, in particular, were a more racially or ethnically diverse population, whereas South Eugene and further to the east there was a higher concentration of white alone.

Regarding household income, it could be seen from the maps that River Road and Edison areas were lower, with Gilham and Edgewood higher. He said that Spring Creek and, to some extent, Adams and Twin Oaks were some of the highest.

Mr. Richey said in the educational attainment class, South, Edison, Adams and Edgewood were some of the highest. North Eugene had a fairly low educational attainment and in the middle were Willagillespie, River Road and Cesar Chavez.

The final map showed that Cesar Chavez had the lowest household income, lowest educational attainment and lowest percentage white alone. Edgewood had the highest household income, highest educational attainment and highest percentage white alone.

Superintendent Berman encouraged the Committee members take a few minutes to walk around and study the maps more closely, and Mr. Richey would be available for questions. Ms. Bellamy suggested comparing the Needs Index to the maps so the information could be linked.

Mr. Richey also handed out charts, which showed poverty rate by tract and the educational attainment by poverty rate.

Ms. Hays thanked Mr. Richey for the information and said it was very helpful.

Mr. Richey said he understood the District was facing changes with regard to open enrollment, which he said spoke to this issue. With any school there was cross-attendance so the actual attendance boundary did not determine the population. He said in other maps he had prepared there was one that showed households with only children. On those maps, it can be seen that households with only children were moving out of the 4J area and into Bethel and Springfield. He said the population information could be very useful to the Budget Committee in terms of a general understanding of demographic attributes of the school district and how it affected different schools.

Superintendent Berman said there had been discussions in 4J and other districts where choice was more pervasive in a way to allow parents to select schools they would like their children to attend. He said it was clear in most communities that if students attended neighborhood schools, those schools ended up segregating the community in a particular way. He said you could see the impact of what just neighborhood schools would do to 4J. He said choice was not necessarily the solution, it was understanding the complexity that there were a combination of choices in the neighborhood that made a difference. How resources were distributed also made a difference. Neighborhood schools were maybe not the solution for an integrated district.

Matt Hayes, Data and Research Analyst for the District, addressed the new Student Needs Index and briefly explained how he arrived at the initial conclusions in the Needs Index chart.

Finally, Superintendent Berman said the internally prepared Index Needs and the composite prepared by Mr. Richey were very similar. He said there was still more analysis to be conducted. The data collected to date was provided to Ms. Passerotti and Ms. Sangster. They presented their thoughts and feedback based on this data.

Ms. Passerotti and Ms. Sangster presented a PowerPoint on the new resource allocation model entitled "Budget Committee Meeting, February 6, 2012."

Ms. Passerotti said for school year 2011-12 the Board established a key result that targeted resources be provided for elementary and middle school students that needed additional assistance and high school students needing additional support to meet graduation requirements by 2012-13. In the fall a work group of leadership from the instruction, human resources and financial services departments and principals from all levels was organized to look at the current resource allocation models and develop a recommendation that would be sensitive to students' needs and simplify the allocation process. The primary objectives of the group were to:

- differentiate the allocation of licensed staff to student needs,
- encourage smaller class size,
- ensure that certain positions were staffed by programming them centrally,
- have a model simpler than the current allocation model,
- accommodate full schedules for 9<sup>th</sup> grade students to the extent possible, and
- move toward progressive increases in resource allocation from elementary to middle to high levels.

Ms. Passerotti said one of the large challenges throughout the process was to focus on equity and class size and to determine what balance needed to be struck with regard to those issues.

Ms. Passerotti gave a brief overview of the current resource allocation model, which had become piece-meal over the years. Licensed staffing was allocated 92 percent based on enrollment and 8 percent based on student need. In addition, schools received targeted funding of \$1.8 million that incorporated a variety of grants: Literacy grants were based on a combination of enrollment and student need. Equity grants were provided to five elementary schools, two middle schools and one high school based on achievement gap students and student need. There were also a variety of other sources.

Ms. Passerotti said the new model provided additional support to schools that had greater proportions of high need students and simplified the licensed staffing allocation process. The key difference in the new model was the definition of program staff by level and the balance of staff being added to the classroom based on enrollment weighted for student needs.

Ms. Passerotti said that in addition to the 605 FTEs that had been allocated through the staffing model, they were proposing to add 16 FTEs using 65 percent of targeted funding dollars (\$1.2 million) and \$250,000 from the instruction budget. Once they put on a lens of trying to have an increase in per pupil resources for all levels, they realized there was an imbalance and also recommended shifting 2.6 FTEs from the elementary level to the middle level.

Ms. Passerotti said that what was being recommended was a redistribution of current resources and emphasized that preliminary outcomes could not be used to predict school resources for next year. FTE currently allocated for licensed staff plus 65 percent of each school's targeted funding and \$250,000 from the instruction budget converted to FTE was the status quo baseline for the model. Grant funded staffing was excluded. Constant enrollment was assumed for schools at all levels. The group targeted an average class size by level of 27 for elementary, and 28 for middle and high school levels. It was assumed desirable to move toward a greater resource allocation by level. High needs students were identified by eligibility for free or reduced price meals, high mobility, special education services or whether they qualified for the English Language Learners program. They believed these needs correlated to the LCOG findings presented by Mr. Richey.

Regarding the Needs Index, Ms. Passerotti said weights were assigned to each of the four elements and that an additive relationship among those elements created an index for each school. The weights could be adjusted in the future, as relationship of student need to student achievement was further understood.

Mr. Passerotti referred to a slide in the PowerPoint, which showed examples of the highest and lowest index needs for elementary schools. Cesar Chavez and River Road showed the highest level of student need, with Buena Vista and Charlemagne the lowest.

Ms. Passerotti said that in addition to resource allocation, staff was looking for other ways to use the information the Needs Index provided, which included:

- Evaluating student achievement relative to student characteristics to target instruction interventions or programs, and
- Piloting higher enrollment caps at certain schools based upon improvement in balance of student characteristics.

Superintendent Berman said that on February 8, 2012 the Board would vote on a proposal centered on Buena Vista Elementary. Buena Vista currently had an enrollment cap of 275 but the Needs Index showed 20.1 percent for free and reduced price lunch eligibility. The District had an average of 42 percent FRL. The average ELL score was 3 percent. What was being proposed was to take those two figures and total them, to create an average in the District of 45 percent. If it was targeted the District wanted schools to be within a range of 45 percent, so there was equity across the district, there would always be variation. The question of how much variation was acceptable was proposed as between 30 and 60 percent. For Buena Vista one of the things being proposed was to shift it to a dual language program, bring ELL students into that program, and provide busing to particular areas. Also being proposed was to increase, over a period of years, the percent of both FRL and ELL students so it would fall into the diversity index of the 30 to 60 percent. That was suggested as a pilot. As a result, a school would become more diverse and open to diversity. He said the strategy thought about was bringing diversity to schools.

Ms. Passerotti pointed out the challenges to implementation of the new model. She said it would be ideally implemented when resources were increasing because it was being proposed to shift resources from one school to another. They were projecting that enrollment next year and general fund resources would be lower and that would have an impact that had not yet played out. The current allocation models were complex and inconsistent in addressing student needs, so it was desirable to make a change. She wanted to recognize that the literacy and equity grants were providing needed funding to schools, but there were other factors that created an uneven field. Another challenge was that the remaining balance of targeted funding per school would be inadequate to cover current conversions to classified staffing. Moving to the proposed model still had some disadvantages and bumps in the road ahead.

Ms. Passerotti said, regarding proposed allocations for program staffing, they would take the baseline staffing and allocate 24.0 FTE to the elementary level, 10.0 FTE for music and PE, 9.0 FTE for essential skills coordinators and 5.0 FTE for counselors at the schools with the largest or highest student needs populations. For middle schools 10.7 FTE would be allocated; 7.5 FTE for counselors and 3.2 FTE for essential skills coordinators. At the high school level there would be 25.9 FTE going to various program staff positions including counselors, athletic directors and trainers, essential skills coordinators, Freshman Specialists, and IB coordinators. There would be 6.0 FTE allocated strictly according to the Needs Index. The balance of staff would be allocated to the classroom based on a formula of enrollment and student needs index. Schools would be directed to utilize classroom staff for that purpose with flexibility to use staff for other purposes only with advance approval of the appropriate director. The objective was to maintain lower classroom size. Referring to the PowerPoint, Ms. Passerotti provided examples of how staff would shift. For example, it showed that the student to FTE ratio at Cesar Chavez was 23.9 and under the new model would shift to 23.8. River Road showed a shift of student to FTE ratio from 24.2 down to 22.5. Buena Vista showed an increase of 2.2 FTE and Charlemagne 2.6 FTE. She pointed out that this did not include FTE that would be going to all schools for music and PE.

Ms. Passerotti said one outcome of the new model was greater proportions of licensed staff allocated to schools with higher need students. In the model, there would be less than a five percent differential in most schools, as it was a modest shift. Another outcome was that average class size targets were met for schools with the greatest proportions of high needs students by shifting 5.3 FTE additional staff for elementary schools with 27 students per class and 2.3 FTE additional staff for high schools with 28 students per class.

Ms. Passerotti said proposed additional steps for implementation were:

- Methods for creating accountability for additional staff to be developed
- Success to be measured by incremental improvements in student test scores
- Adjustments may be required to produce desired improvements in student achievement
- Cannot be used to predict 2012-13 staffing

Ms. Passerotti said if they wanted to use this new model and have no school lose the staff it had in the current year it would require an additional 21 FTE: 15.6 at the elementary level, 1.5 FTE at the middle level and 3.8 FTE at the high school level. It would require a substantial investment to use the model and have no school lose staff.

Ms. Passerotti also pointed out that there were other funding sources that impacted staffing and were not addressed in this model. Title 1 was purposefully left out. They recognized that high needs elementary and K-8 level schools were receiving additional resources. A work group had been assembled to determine if there were different allocations of Title I resources that would be more appropriate. Funds contributed by parent groups for FTE were also left out, but they wanted to recognize that this would probably increase with a shift to the new model. They would work on a communications plan to work with school principals so they could work with parents and staff about implementation. She said time was of the essence for them in moving forward with the new model if that was the direction in which they were directed to proceed.

In response to confusion about student to faculty ratio, Superintendent Berman explained that the ratio increased in the higher student needs schools under the new model. As an aside, he explained that the District had done a better job of funding Cesar Chavez in the past, while they had not done as well with River Road. With the new model, the alignment would be improved. He said with the new model funding would be adjusted accordingly between schools, rather than just giving lump sums.

Ms. Obie said she had not seen the issue of attendance and tardiness addressed, which she thought was very important. She said tardiness affected all students, as it was a disruption in class. She said there were laws around attendance and that the District could not educate students if they were not present.

Superintendent Berman said that was a good point and that perhaps an attendance early warning could be developed, which had been discussed.

Ms. Geller said the new model was a big, important step and she appreciated the staff work in preparing the model. She asked Superintendent Berman to explain the 30-60 range brought up earlier.

Superintendent Berman referred to his experience in Louisville, where they studied desegregation. In Louisville, no school's enrollment could be under 15 percent African American, or greater than 50 percent. When the Supreme Court ruled against that, a geographic plan was created. It was a diversity index that provided their solution. He said the model being proposed here was more finely tuned, as the factors that made a difference were student performance. Although there was no perfect range, the questions were what was achievable and what were the strategies in getting there. He said the 30-60 range was about one standard deviation, which was the margin they were working with.

Ms. Clark asked how they would move from the new model to issues around programming, particularly at the early high school grades. Were they going to add resources to improve the

curriculum to ensure that all students had access and what would that process be? She also asked what type of accountability there would be to ensure a school would use the resources to move in that direction.

Superintendent Berman said if you looked at expenditures on a per pupil basis, it would be found that that was lower at the elementary level than at the middle level, and lower than the per pupil allocation at the high school level. Progressively, education became more expensive. In the past, it was thought the investment should be put in the early years, and currently \$1.00 spent at the elementary level correlated to \$.96 at the middle level and \$1.01 at the high school level. In terms of shifting, they had proposed to add 11 positions at the high school level for freshman, so those freshmen were fully scheduled. That would be part of budget proposal. He said they were proposing investing an additional \$1 million at the high school level to achieve that. To fully schedule all students at the high school level would take an additional 70 faculty members. The District did not have the resources to do that, so they would try to do that progressively over time. The alternative was to fully schedule and then there would be class sizes that would average over 40, and that was not tenable. He said they have to somehow find a way to achieve the balance across the levels and the system. He said they were in the process of looking at common schedules. That would help in terms of efficiencies at the high school level and in terms of the kind of results they could produce. There were greater efficiencies in terms of maximizing staffing with other schedules. There was a committee working on that. He did not know what schedule would be recommended, but they were running at least one of the most costly schedules, staffing wise, that could be run. There would be some gain there if they could shift to a more common schedule that was more economical.

Mr. Smith asked if this was a continuation of previous policy or something radically new. He thought it was a refinement of the direction the District had been heading for some time. He said it was important to explain why focus was on student achievement and it was important to have an educated workforce.

Regarding Mr. Smith's comment about a continuation, Superintendent Berman said they were attempting to do this in a targeted way, which brings consistency and gives them an analytical tool to enable them to more accurately judge what was appropriate for each school. He said that with feedback, the model could be adjusted in the future. He said the District had had equity as a prime value for some time and the proposed model was moving that value forward.

Ms. Walston thanked staff for the work on the model. She said the issue of poverty in schools was important to address and she appreciated the Needs Index. She also appreciated the proposed allocations with regard to regional music and PE at the elementary level.

Ms. Hays expressed her appreciation for everyone that was in attendance at the meeting to hear the presentation and said it would affect the Budget Committee's decisions regarding the budget.

Ms. Laing spoke on behalf of Debra Smith, who was not present. Ms. Smith had written that she saw the proposed model as a move toward greater equity among schools and that priority-based budgeting must be applied in an across the board fashion. Ms. Smith's second point was that she agreed it was critical that schools that receive incremental funding be held accountable for their results. The third point by Ms. Smith was that she did worry about school-based fundraising for incremental staffing. She wrote, intuitively, a school's ability to raise those kinds of funds was based on the socio-economic status of the student population and that reinforced issues of inequity. She was appreciative that the rebalancing work did provide for PE and music in all elementary schools, regardless of the parent's ability to contribute financially.



Ms. Laing said she thought it was a wonderful model and she appreciated the work done. She said, in the past, principals had worked to be creative with their staffing. She asked when the program staffing was allocated, would there be a directive that would go to the principals that they must use it for a specific purpose?

Superintendent Berman said they had told the principals they expected them to use the staffing to reduce class size, and a priority was set on that. At the same time, they wanted to offer some flexibility, if there were a particular need at a particular school for additional staffing to provide interventions or provide programs that they had come up that was seen as advantageous. That would require approval by the directors. The priority was to deliver better services to individual students and to reduce class size.

Ms. Parsons said she appreciated the statistics. She would like to see accountability on all staff levels, not just at schools, and would like to understand that better.

Superintendent Berman said this had allowed them to look at which schools were under performing and over performing. They were able to determine which schools were being effective, and determine their strategies. The Needs Index would enable them to track that data.

From a communications standpoint, Ms. Boyd said she had read the materials distributed to the Budget Committee and was interested in discussing how it could be communicated. She hoped the District would use site councils to communicate with the parents, teachers and stakeholders. In her experience, it was very uneven how site councils were used, and there was no central commitment to provide training on a regular basis.

#### **IV. Items for Action at This Meeting**

##### **A. Approve Minutes from the January 9, 2012 Budget Committee Meeting**

Mr. Smith, seconded by Ms. Hays, moved to approve the January 9, 2012 Budget Committee minutes. The motion passed unanimously.

#### **V. Items Raised by Members of the Budget Committee**

Ms. Laing noted that the next two meeting had already been set.

Superintendent Berman said based on the questions he had heard and the feedback received, his assumption was the Committee thought the district was pursuing the right direction, should move ahead with the new resource allocation model, and should build the budget based on what was heard tonight. While no vote was required, the Committee affirmed that his statement was true.

#### **VI. Adjournment**

The meeting adjourned at 8:47 p.m.

*(Recorded by Ginger Morton)*