

Quality Schools Interim Committee 59th Montana Legislature

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HOUSE MEMBERS MONICA LINDEEN--Chair WILLIAM GLASER HOLLY RASER PAT WAGMAN

SENATE MEMBERS ROBERT STORY--Vice Chair LINDA MCCULLOCH DAVE LEWIS DON RYAN JON TESTER

EX OFFICIO MEMBERS KIRK MILLER DAVID EWER

COMMITTEE STAFF CONNIE ERICKSON, Research Analyst CHRIS LOHSE, Research Analyst EDDYE MCCLURE, Staff Attorney FONG HOM, Secretary

MINUTES

Outlined minutes with audio recording. These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. For each activity listed, the minutes will indicate the amount of time (in hours, minutes, and seconds) that has elapsed since the start

of the meeting. This time may be used to locate the activity on the audio recording. To access the minutes, click on the date of the meeting. To hear the audio recording, click on the Real Player icon.

Note: You must have Real Player to listen to the audio recording.

August 30, 2005

Capitol Building, Room 317 Helena, Montana

COMMITTEE MEMBERS PRESENT

REP. MONICA LINDEEN. Chair SEN. ROBERT STORY, Vice Chair

SEN. DAVE LEWIS SEN. DON RYAN SEN. JON TESTER

REP. WILLIAM GLASER REP. HOLLY RASER REP. PAT WAGMAN

LINDA MCCULLOCH KIRK MILLER

STAFF PRESENT

CONNIE ERICKSON, Research Analyst CHRIS LOHSE, Research Analyst EDDYE MCCLURE, Staff Attorney FONG HOM, Secretary

Visitors

Visitors' list, Attachment #1.

COMMITTEE ACTION

- The June 24, June 28 and July 21-22 minutes were approved.
- A motion to have electronic recordings be the official minutes and written minutes be a summary document passed unanimously.

PART 1

02:49:37

CALL TO ORDER AND ROLL CALL

00:01:52	Rep. Lindeen called the meeting to order at 9:00 a.m. Roll was taken visually by the Committee Secretary.
00:04:55	Sen. Story discussed whether to have summary minutes or audio streamed/video minutes as the official minutes of this Committee.
00:06:05	Greg Petesch discussed the statutory requirements of minutes.
00:08:06	Sen. Story moved to have electronic recordings be the official minutes and written minutes be a summary document. Motion by Sen. Story passed unanimously.
00:11:16	Rep. Lindeen asked for a motion approval of minutes of previous meetings. Rep Raser moved to approve all minutes, motion passed unanimously.
REPORT FROM R.C.	. WOOD & ASSOCIATES
00:11:57	Dr. Farrier presented his report on Needs Assessment and Cost Analysis (EXHIBIT 1) .
00:42:00	Dr. Don Robson presented the Statistical Analysis and Needs Assessment. This is part of Exhibit 1.
01:56:11	Dr. Farrier and Dr. Robson resumed their presentation with Special
00 00 40	Education, Special Needs.
02:33:10	Education, Special Needs. Indian Education for All
02:33:10	
	Indian Education for All

Facilities and Distance Learning

02:56:02	Transportation, the 3-Mile Rule	
02:59:23	Assessment of Student Achievement	
03:04:14	Preservation of Local Control	
03:09:47	Concluding Recommendations on Statistical Analysis and Needs Assessment, gray sheets. Dr. Farrier reminds everyone that this report is in draft form.	
LUNCH BREAK		
PART 2		
Rep. Lindeen reconve	ened meeting at 1:30 p.m.	
00:00:06	Joyce Silverthorne presented her report (EXHIBIT 2) "Professional Judgment Indian Education Achievement Gap Analysis".	
00:18:14	Dr. Craig Wood and Steve Smith discussed the document "Determining the Cost of Providing an Adequate Education in the State of Montana" (EXHIBIT 3) .	
00:34:17	Amy Carlson asked for clarification regarding the 50% or more population of American Indian students in the group.	
00:35:52	Continuation of Steve Smith's presentation.	
01:09:23	Sen. Story asked Mr. Smith if he would explain what he included or did not include in his Operation costs number of \$1.2. Sen. Story wanted it made clear that he was talking about a portion of total school spending, not all of it.	
01:13:42	Dr. Craig Wood talked about Evidence Based results. This is included in Exhibit 3.	
REPORT FROM DR. DOUGLAS YOUNG AND DR. CHRISTIANA STODDARD		
02:19:55	Dr. Douglas Young presented their findings (EXHIBIT 4) on recruitment and retention of teachers. Dr. Stoddard discussed the Schools and Staffing Survey (SASS).	
02:37:52	Dr. Christiana Stoddard discussed the Analysis of Montana Districts and Salary Classes. Dr. Young discussed Analysis within Montana and Making Comparisons Across Different Districts in Montana. Will have a written report by September 30, 2005.	

QUESTIONS FROM THE COMMITTEE

03:03:32	Sen. Don Ryan asked if Dr. Young could take his data and discuss funding on a per student basis as it related to money available to hire FTE teachers.
03:05:26	Sen. Tester asked Dr. Young if raising salaries by \$2,000 would eliminate the isolation difference in hiring abilities.
03:09:17	Sen. Tester asked if the salary range had an impact on teachers staying in Montana when they got out of college?
03:12:03	Discussion between Sen. Story, Dr. Stoddard, and Dr. Young on whether or not capping spending affected salaries.
03:15:03	Rep. Raser asked if Dr. Young was going to present details as far as the benefits that are offered to help decide what is needed as far as insurance; asked Dr. Stoddard if they were comparing jobs within a community or were they comparing comparative education levels?
03:17:37	Sen. Raser asked about initial teacher cost index based off of information from the Young/Stoddard report.
03:18:46	Rep. Glaser asked, looking at charts on US average of student growth, if Dr. Young/Dr. Stoddard can give the Committee a line chart to see what is going on in Montana as compared to states around us.
03:27:36	Sen. Story wanted to know the number of graduates and number of job openings in Montana; asked about the Recruiting and Isolation Chart.
03:29:24	Rep. Wagman asked about signing bonuses or incentive pay.
03:30:46	Rep. Raser asked if there was a breakdown of the discipline areas where there is difficulty in hiring teachers, and if the Stoddard/Young study did not have this data, she would like to have this information for the Committee.
03:33:13	Sen. Story asked if Dr. Young could list the mis-assigned teachers by elementary/high school.
03:33:59	Amy Carlson asked if the Committee were to accept increases as suggested in the Professional Judgment or Successful Schools Model, that are imbedded, is there any way to estimate (a) which districts were going to be increased and which weren't; and (b) where their salaries were to correlate if the increases in general spending would lead to higher salaries for teachers automatically.
03:37:05	Rep. Bob Lake asked if they have the data from neighboring states as far as the difficulty of hiring within their districts.

PUBLIC COMMENT

03:40:36	JIM ANDERSON, Superintendent of Hays Lodgepole School, wanted to share his situation at Hays Lodgepole. He said that if you want teachers to stay, give more value to teachers, give sense of security, give better salaries.
03:45:08	JERRY PAULI, Thompson Falls, commented that the charts of 1999 do not apply. He would like to have a vision of how Montana will be down the road.
03:51:46	CONRAD STROBE, Superintendent of Billings Schools, shared information found in (EXHIBIT 5) .
04:06:33	MARY JOHNSON, Browning, Montana, talked about student eligibility, thanked the Committee for recognizing achievement gap, and the need to consider reservation schools.
04:10:17	BRUCE MESSINGER, Superintendent of Helena Schools, commented on regression analysis.
04:12:01	CAROL JUNEAU, Chairman of Montana Indian Education Association, said that the statistics presentation by Dr. Farrier and issues of closing achievement gap for Indian children is right on and encourages the Committee to include that information in school funding formula.
04:13:41	Chair Lindeen, seeing no further discussion, adjourned at 5:46 p.m.

QUALITY SCHOOLS INTERIM COMMITTEE MINUTES

August 31, 2005

Capitol Building, Room 317 Helena, Montana

COMMITTEE MEMBERS PRESENT

REP. MONICA LINDEEN, Chair SEN. ROBERT STORY, Vice Chair

SEN. DAVE LEWIS SEN. DON RYAN SEN. JON TESTER

REP. WILLIAM GLASER REP. HOLLY RASER REP. PAT WAGMAN

LINDA MCCULLOCH KIRK MILLER

STAFF PRESENT

CONNIE ERICKSON, Research Analyst CHRIS LOHSE, Research Analyst EDDYE MCCLURE, Staff Attorney FONG HOM, Secretary

PART 1

CALL TO ORDER

00:00:02 Rep. Lindeen called the meeting to order at 9:02 a.m.

QUESTIONS FROM COMMITTEE ON NEEDS ASSESSMENT

00:02:31 Discussion between Dr. Miller and Dr. Farrier on the breakdown of FTE

for administration; clarification on how the data was collected.

00:25:29 Comments from Superintendent McCulloch on current number of the

required number of FTE superintendents and principals and curriculum

coordinators.

00:42:58	Discussion between Sen. Story and Dr. Robson on the methodology of developing the number of special education teachers, meeting standards and lowering student curriculum.
01:04:07	Dr. Robson commented on the difference between actual accreditation standards and what they require.
01:05:32	Discussion by Rep. Raser, Dr. Farrier and Dr. Robson on schools meeting accreditation standards and the number of teachers and administrators; districts that don't meet accreditation standards because of mis-assigned teachers.
01:26:42	Sen. Tester asked about attendance issues; at risk students; and analysis of what is working in school districts that deal with at risk students.
01:29:59	Joyce Silverthorne commented on at risk students.
01:31:51	Joyce Silverthorne commented about Dr. Farrier's proposal for Achievement Gap for American Indians.
01:35:07	Sen. Ryan said whatever we do to develop a new funding formula, we have to have sustainable programs; wanted to be able to show documentation of amount of money; wanted to look at the Joint Select Subcommittee Report.
01:42:59	Sen. Ryan talked about special education and what is included in the number.
01:47:06	Rep. Glaser commented on statistical information that was gathered back and averaged over a period of time resulting in schools getting money that they didn't need; fear that we will be doing the same thing with the data that we have gathered; questions the data; would like all information given to staff as soon as possible.
01:56:14	Dr. Robson talked about the final report that will have their interpretation of what they saw in the data collection and in the data base and their set of recommendations, which will be given to the Committee.
02:03:05	Amy Carlson discussed the achievement gap issue; more needs to be done in the at risk research.
02:09:34	Sen. Story asked Dr. Farrier what was the number on contractual salary increase.
02:12:33	Superintendent McCulloch talked about the achievement gap for American Indian students; the need for librarians.
02:15:43	Sen. Tester asked about transportation, the 3-mile rule and the numbers; wanted to understand it from a rural perspective. Wanted to know if the

	recommendation is to do away with the 3-mile rule across the board, and if it is, does the \$7.2 million figure take into account the people who drive their children two miles to the bus.	
02:20:07	Rep. Wagman wanted to know if the number \$93 million per year on Special Ed about \$5,000 per student and if so, is it on top of the ANB funds.	
02:21:41	Jim Standaert asked Dr. Farrier about the CPI Index found on the gray sheet. What is the CPI Index that is applied to the entitlements in the General Fund. Is that an addition to what we already have now.	
02:23:40	Sen. Ryan, referring back to transportation and figuring out the numbers, asked if RC Wood looked at the dollars that are currently being spent statewide for transportation, or did they look at the allotment because there are districts that levy locally, permissively to go with inside the 3-mile and 2-mile limit.	
02:24:18	Dr. Miller's question referenced accreditation standards, which are listed but with no dollar amount. Was there any attention paid to the costing of the content and performance standards or the program area standards that can define what the program should look like in every school.	
PART 2		
00:00:02	Rep. Lindeen reconvened the meeting at 12:53 p.m.	
QUESTIONS FOR JOYCE SILVERTHORNE		

00:00:44	Discussion with Sen. Story on professional development days for staff and staff having a different methodology in dealing with issues of achievement gap or Indian Education for All; PIR in all schools whether or not they have Native American students or achievement gap issues; incorporating Indian Education for All into all schools curriculum.
00:16:30	Rep. Wagman's discussion on what significant reform or change is necessary from the current system to affect an achievement change for the American Indian students.
00:29:39	Discussion between Sen. Ryan, Rep. Raser and Joyce Silverthorne on programs to help work on the achievement gap issue; federal impact aid funds for schools on reservations.
00:42:45	Rep. Wagman and Dr. Wood discuss year-round schools.

QUESTIONS ON STEVE SMITH'S PRESENTATION

01:00:18	Discussion with Superintendent McCulloch about teacher salaries and the recommendation for salaries in the state.
01:06:50	Discussion between Jim Standaert and Steve Smith on Mr. Smith's chart showing a comparison of expenditures between schools with 60% on the MontCAS versus those schools below the 60%; how to use the data because there are different results and different definitions of success; referring to the Professional Judgment portion of report, the differences in base costs for elementary, middle and high school in small districts versus that of large districts; the difference in their estimated costs versus those found in results of the Augenblick & Meyers study.
01:21:07	Steve Smith talked about his numbers on the chart, Comparison of School with 75% of Student Scoring Proficient or Advance on all sections Norm Reference.
01:28:26	Sen. Story asked that if we develop a system based around the regular student, are we going to have to put in extra to deal with the special needs student?
01:31:01	Discussion with Amy Carlson on districts that have 50% or more American Indian population and what impact the numbers had on these results; supports that there is a need for more discussion about the achievement gap for American Indian students and how we are to address it.
01:36:18	Discussion with Dr. Miller about the analysis done on the successful schools model. Dr. Miller discussed the professional judgment model; would like Mr. Smith to itemize for the Committee how he looked at the teacher salary component that also implements the recruitment and retention and incorporate that in the end.
01:55:39	Jim Standaert asked if it was a weighted average or a regular average when Mr. Smith took an average of the four size categories in Augenblick & Meyers.
01:56:03	Discussion by Rep. Wagman with Mr. Smith and Dr. Wood about consolidation of school districts and not closing small schools.
PUBLIC COMMENT	
02:19:29	DAVE SHREEVE, Superintendent of Forsythe, talked about the recruitment and retention issue.
02:25:26	TOM BILODEAU, MEA/MFT, distributed a document entitled Montana Teacher Salaries Over the Last Generation (EXHIBIT 6), and a document on health insurance (EXHIBIT 7).

0	2:38:53	LANCE MELTON, Montana School Boards Association, talked about weighted average, getting actual numbers instead of national numbers as proxy in defining successful schools, and passed out a speadsheet (EXHIBIT 8) which showed budget trends, General Fund, FY 1991-2005.
0	2:50:17	KAREN MOSES, Trustee in Billings, talked about measuring attendance in schools and isolation of small schools.
0	2:59:36	HARRY CHEFF, Superintendent of Colstrip Schools, said that in 1992 they were labeled "disequalized always." Explained why they joined the lawsuit. Asked the Committee to look at the Augenblick & Meyers study and the other studies and draw their own conclusions.
0	3:03:32	ROD SVEE, Superintendent of Billings Schools, commented on the Accreditation Standards.
0	3:13:22	IVAN SMALL, Superintendent of Poplar Schools and President of Indian Impact Schools of Montana, and also serves on the National Board for Impact Aid. He said that the study is important because it gives guidelines of where we need to go as a state in education for American Indian students.

QUESTIONS FOR DR. CRAIG WOOD

03:24:43	Rep. Wagman asked about smaller class sizes, whether they are effective.
03:29:45	Discussion with Rep. Raser on data that does not support student achievement, a funding formula which she would support, and looking at other entitlements. Rep. Wagman wanted to identify the percentage of dollars that are given to districts that go to classrooms and direct the school boards that they would have to spend it directly in a classroom, which include labor costs.
04:00:04	Rep. Lindeen asks Eddye McClure to address and clarify the definition of quality.
04:09:24	Dr. Miller asked Dr. Wood if there are any states that have developed taxation policies for education and set that in place?
04:11:44	Rep. Lindeen recessed until 9:00 a.m. on September 1, 2005.

QUALITY SCHOOLS INTERIM COMMITTEE MINUTES

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PART 1

00:00:38	Rep. Lindeen reconvened at 9:16 a.m.
00:02:03	Dr. Farrier's presentation. Handed out his corrections for the statistical methodology (EXHIBIT 9)
00:10:01	Discussion between Sen. Story, Sen. Tester and Dr. Farrier about shared superintendents in districts and double counting superintendents as principals.
00:14:00	Dr. Farrier commented that he is very reluctant to imply that what he has furnished is sufficient for us to create a funding formula. They must gather more data and cross validate and make sure we have a formula that will last. He would volunteer his time to get necessary data to have a formula that is defensible and present that rather than plug in things in too short of a period of time.
00:17:10	Sen. Tester said he appreciated his work and all consultants' work. Could Dr. Farrier give us the top three things he would do to address the situation we are in, short term. Dr. Farrier said he is concerned about at

	risk, with the core issue being Native Americans, quality of teachers, and the insurance issue.
00:20:02	Sen. Story asked Dr. Farrier to list pieces needed that he said were missing. More data gathering needs to be done in personnel and accreditation standards.
00:23:16	Discussion of timeline between Rep. Lindeen, Sen. Story and Sen. Tester; extension of timeline to get a proposed formula that would appease plaintiffs.
00:28:37	Eddye McClure asked Dr. Farrier if he was saying that for the December special session we use our existing formula, rationally adjust it to what we know needs to be addressed, and then transition into another formula later next year.
00:32:18	Steve Smith provided another policy that may be considered. Develop a system that says we are operating under a structure that can be modified in the next few years.
00:34:01	Rep. Raser thinks that we do have enough structure that we can come up with a preliminary formula and have a structure plan to put into place later.
00:41:02	Sen. Story said one question the court had in their decision deals with funding in elementary and high school. Do the numbers collected show a rational basis for funding on student basis, funding high school differently from elementary. Are there numbers to back up the Needs Assessment? Did not see anything in study regarding vocational education.
00:47:33	Amy Carlson has concerns on how to get this formula moved forward and where to go from here.
00:48:49	Presentation by Steve Smith.
00:56:44	Amy Carlson asked if the total funding available in Mr. Smith's analysis includes the federal funding available for Title I.
00:59:25	Rep. Lindeen's discussion on data, the problems with the model and the final number of \$200M of additional funds.
01:02:45	Rep. Lindeen asked if Mr. Smith looked at the Augenblick study.
01:09:33	Eddye McClure asked, because most of us didn't participate in the Augenblick study, where the \$350M figure come from?
01:17:48	Sen. Story's discussion on salary study.
01:20:33	Amy Carlson discussed page 5 of the Stoddard/Young study on salary

	that was based on 2003, 2004, 2005, and the last few pages dealing with current data.
01:21:09	Sen. Lewis referred back to what Dr. Farrier said in the beginning. He thinks that what they were suggesting is the Committee look at at-risk, recruitment and retention and that might be a reasonable start.
01:26:38	Rep. Lindeen referred to the gray sheet, Concluding Recommendations. On accreditation standards, there is no number attached to that.
01:28:27	Rep. Lindeen asked about local control. Dr. Farrier said local control is at state level.
01:30:34	Sen. Tester asked Dr. Farrier, when looking at teacher's salaries and the fact that reservations in Montana are not getting the kind of applicants that other schools are getting, why is that and how do we rectify that problem. Dr. Farrier said that if he has time, he would have included that in the study.
01:48:21	Chris Lohse presented the Achievement Gap (EXHIBIT 10) report.
01:57:31	Rep. Lindeen discussed data on MontCAS. Young said that MontCAS is taken one year at a time.
02:32:20	Sen. Tester referred back to the slide that showed the flip-flop in math; discussion by Joe Lamson of OPI and Superintendent McCulloch.
02:36:14	Discussion on the gap in proficiencies between white and American Indian students by Sen. Tester.
02:38:01	Joyce Silverthorne had concerns about the No Child Left Behind Act in that our accountability is watching tests.
02:44:19	Discussion between Rep. Glaser, Chris Lohse, and Joyce Silverthorne on how quickly can \$10M be used, if it would be utilized in conjunction with other money such as federal program grants, and could the state collectively design a program for kids with 45 to 50 percent success rate.
PART 2	
00:00:50	Superintendent McCulloch asked Sen. Story about impact aid schools
00:01:47	IVAN SMALL talked about impact aid and the extra costs of his school

00:09:54 Dr. Miller said that it is time to begin writing a formula based on all the information that has been heard; begin drafting and taking a look at the framework early September: don't talk about the costing formula without characterizing it as revenue; recommended increasing revenue by 30% of the current revenue we have; and he doesn't believe we can develop revenue scenarios today unless we embrace tax reform. 00:15:42 Rep. Glaser would like to offer thoughts to the Committee to start next July 1 and put new classroom component of \$4,000 per accreditation standard teacher, put in another \$17M called CPI catchup; put \$10M into at-risk students; put \$5M into Indian Education for All; and an additional \$74 to \$80M next July 1. He wants to wait and see the health care proposal from the Governor. 00:25:40 Sen. Lewis wanted a discussion on risk analysis. 00:29:33 Superintendent McCulloch said there are starting points that she would like to discuss: salaries, health insurance, at risk students, and American Indian students. 00:36:23 Rep. Wagman ask Jim Standaert what kind of dollar value would a 30% increase come to and what is the state average of teacher wages. He also suggested allowing schools to consolidate into larger district, eliminating setting the calendar at 180 days and creating a formula that allows local community and school board to have a calendar they want and special education vouchers. 00:44:39 Sen. Tester thanks everyone for their thought process as they move forward on this. Don't want to get bogged down in dollars, that will come later this month. Need to focus on funding formula itself and make sure it works for everybody. Sen. Ryan said that we need to put something in front of Supreme Court 00:49:16 saying that we are addressing issues. Our job is to take SB 152 and build a funding formula. 01:01:52 Rep. Raser said we have two basic proposals: either we continue with the current formula and tweak it or go to a new formula. The method proposed by Rep. Glaser will not satisfy the court or the public. Suggests continuing forward with basic proposal. 01:06:17 Rep. Glaser explains his proposal, giving more background. 01:14:03 Rep. Raser asked Amy Carlson or Jim Standaert if it is possible to come up with preliminary figures based on these criteria that would work and we could look at in time frame available.

because they have to have three principals and one superintendent.

01:16:29	Rep. Lindeen asked if it is possible to have staff come up with options for discussion at next meeting.
01:39:30	Sen. Story said that we need to look at the isolation issue.
PUBLIC COMMENT	
01:47:35	LANCE MELTON, discussed (EXHIBIT 11) and (EXHIBIT 12) , which had been distributed to the Committee.
02:00:59	ERIC FEAVER, MEA/MFT, (EXHIBIT 13), commented on raising teacher salaries and providing health insurance, eliminating the 3-mile limit on busing students, and school consolidation that will raise teachers salaries.
02:14:47	GLEN OPAL, Montana Association of Realtors, discussed (EXHIBIT 14).
02:21:09	DAVE PUYEAR, thanked the Committee for their hard work and had comments regarding Dr. Farrier's discussion.
02:24:53	MARY WHITTINGHILL, Montana Taxpayers Association, thanked the Committee for all the work they have done, and that they believe education is important.
02:28:25	BRUCE MESSINGER, Superintendent of Helena schools, commented on salaries and the ability to attract and retain teachers.
02:30:51	DAVE GALLICK, thanked the Committee for the work that has been done. His observations are that this point in time, should the Plaintiffs decide to go to court, we would beat them. Second observation, don't let the special session slip.
02:35:03	DARRYL RUD, appreciates work that has been done.
02:38:24	CLAUDETTE MORTON, Executive Director of Small Schools Alliance, has seen lot of these issues come up before. Address some issues: funding for all day kindergarten; facilities and technology study; issue of consolidation.
02:47:59	ROD SVEE, Superintendent of Billings Schools, said that providing grants for at-risk issues will keep them from going forward. Would ask the Attorney General's Office to address issue of supplement and supplant.
02:54:29	Eddye McClure distributed Mike Burke's report to the members (EXHIBIT 15).

<u>Adjourn</u>

00:01:07 Cl0425 5298fhxa. Adjourned at 4:34 p.m.