

District Thought Leaders Group

Recommendations to 4J District Leadership

August 2010

The District Thought Leaders Group convened at the request of the Superintendent to provide advice on strategies and opportunities that the district should explore as it strives to provide an excellent education for every student while bringing future district expenses into balance with revenues. A similar group of community representatives, the Community Thought Leaders Group, was also convened for a similar conversation, however, each group started with a "blank slate" for their discussion.

Background:

Governor Kulongoski warns that the national recession will have a deep and long-lasting impact on the state-funded services, including Oregon schools. The Governor's recently released Reset Cabinet report predicts that "as a result of the Great Recession, state government will face persistent deficits over the next decade if we don't fundamentally change the way we do business as a state."

The Eugene School District is also on an unsustainable course. Over the last few years, the district has used reserves, federal stimulus funds and other one-time revenue to help pay for school and district operations. Reductions in staff, programs and school and work days have also been made. Still the district is forecasting an operating deficit in the range of \$27-\$38 million for 2011-12, which is 19-27% of the district's operating budget.

Charge to the group:

The District Thought Leaders (DTL) group was asked to review the problems associated with the Eugene School District's continuing financial deterioration and the challenges posed by declining student enrollment and to contribute their ideas about how the district might respond.

The charge from the Superintendent to the group was to:

- Help lay the foundation for a sustainable budget that balances our service system with our revenue stream.
- Think through the "big ticket" choices for the district, including the core functions and priority initiatives needed to improve or maintain educational outcomes while controlling costs and maximizing efficiencies.
- Provide input to 4J decision-makers that enables the district to align instructional priorities and investment strategies for maximum impact with available resources

Process:

The group convened for one day on Monday, August 9, to identify strategies that offer a promising path toward educational excellence, while recognizing that resources will be

much more constrained. The group had a wide-ranging discussion. While this report summarizes advice offered by the group as a whole, there was no attempt to reach consensus on each item. The group met again briefly on Friday, August 13, to review a draft report and suggest revisions.

The District Thought Leaders group cautions that the strategy ideas presented in this report require much deeper thought and exploration and recognizes that some ideas may prove not to be feasible. At the same time, the group sees opportunities to make changes that will increase efficiency and support our schools as we strive to provide effective and engaging student learning opportunities, while also bringing the district's budget into balance.

Participants:

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4J'S CURRENT ENVIRONMENT

The group identified the following observations as context for their conversation.

- Board policy is to carry a General Fund reserve of at least 5%.
- We are currently forecasting an operating shortfall of \$27-\$38 million for 2011-12.
- We are looking to have a three-year phased-in plan for balancing our budget.
- No school boundary changes are currently planned or proposed.
- School district consolidation is not currently an active discussion.
- Enrollment is projected to decline for the next few years, then to level out.
- Our student demographic trends will continue and we will serve an increasing number of students who need special education services, are English language learners, or need other more intensive services.

STRATEGIES TO CONSIDER

1. Guiding principles for a sustainable budget

- a. Make changes that are systemic and sustainable and that help school staff to focus on meeting the instructional needs of students while centralizing and streamlining operating processes, reducing costs and addressing workload.

Continue on the path we have already started, by establishing more district-wide processes, procedures and ways of working that reduce the time school staff need to spend on operating issues that are not related to instruction.

- b. Follow through on plans and decisions.
- c. Be mindful of equity and the impact on students.

2. School closure, consolidation, configuration and construction

- a. Follow through on previous recommendations to close small schools.
 - o Blended-grade classrooms should be for instructional reasons, not because a school is too small to do otherwise.
 - o Develop a plan that will result in fewer school buildings and make sense long term.
- b. Explore different grade configurations that will enhance student learning, not just manage enrollment. Keep in mind that too many school transitions can negatively impact student achievement. Changes to school/grade configurations should be systemic so that schools can take advantage of similar structures and experiences. Some examples of grade configurations to explore include, but are not limited to, the following:
 - o K-8
 - o K-3 (or pre-K-3) schools and grade 4-8 schools
 - o K-4 schools and grade 5-8 schools
- c. Continue moving toward larger schools and new buildings.
 - o Consider locating multiple alternative schools in one building.
 - o New buildings are less costly to operate.
- d. Support strong neighborhood schools while recognizing that we will continue to offer choice.
- e. Explore consolidation of school regions.

3. Surplus property assets

- a. Develop Civic Stadium to provide a revenue stream through a ground lease or other way that provides ongoing revenue to the district.
- b. Clarify Willard property status and decide whether to continue to hold this property in reserve.
- c. Explore partnerships for dual use of a building or site, for example with Lane Community College.

4. Instruction

- a. Develop strategies to retain students or attract students who are not attending our schools. Examples include high school students who enter a non-4J alternative school program, homeschool students, and students who are enrolled in other educational environments.
- b. Examine our testing requirements. In light of our new challenges, can we maintain the current level of testing? Should we maintain the current level of testing? Recognize that testing requires us to shift resources (time and computers) from classroom instruction. Work within our state to evaluate the use and frequency of state tests.
- c. Explore ways to deliver some instruction differently at the middle and high school levels, such as:
 - Distance learning (for staff development as well as student learning),
 - Lecture/seminar learning experiences for upper level courses, and
 - Smaller classes where more teacher-to-student interaction and time is needed.
- d. Work toward greater coherency of our curriculum and instruction.
 - Vertical articulation of our curriculum between grade levels helps our students be fully prepared to progress to the next level. This not only supports student learning it ensures we don't duplicate study and materials purchases.
 - Balance the need for coherency and alignment with flexibility for teachers and school staff to exercise their professional judgment and creativity in determining how to meet the learning needs of their students. Alignment does not mean uniformity.
 - Continue to have clarifying discussions about what schools need to do in common and when we need to allow staffs and schools to have flexibility.
 - Prioritize our educational goals as we condense work to match the reduced instructional time. Focus on standards and depth of content rather than breadth of content, recognizing that we cannot continue to do everything if there is less instructional time.
- e. Evaluate whether current and future grants align with our priorities.
 - Assess the full costs of grants. Many grants require support from school staff to provide data or administer the grant, but these costs often are not grant-supported and increase workload.
- f. Evaluate the effectiveness of current instructional programs. Develop a structured way to get input from teachers and provide feedback on how that input was considered or used.
- g. Continue to implement strategies identified in the recent special education service efficiency review.
- h. Identify strategies for optimizing delivery of English Language Learner services.

5. Compensation

- a. Reductions must be shared across the organization and be comparable among our employee groups.
- b. Explore ways to use attrition, study leaves, and/or retirement incentives to minimize layoffs while reducing our workforce for the long-term. Make any incentives available to all employees.

6. Staffing practices

- a. Review supervisory span of control in the central office and schools with intent of decreasing supervisor-to-worker ratio.
- b. Re-evaluate job responsibilities.
- c. Assess opportunities to consolidate part-time positions into full-time positions.
- d. Explore incentive programs which reduce costs, such as an attendance incentive to minimize substitutes.
- e. Reallocate school staffing after October 1 to reflect actual enrollment.

7. Centralize where it makes sense

- a. Centralize common functions such as purchasing of supplies and equipment, central warehouse/supply ordering system, and grant-writing.
- b. Consider consolidating or sharing some functions with other school districts or education service districts.

8. Pursue partnerships with other organizations

- a. Explore whether a partnership with Safe Routes to Schools could allow the district to reduce bus transportation costs. This would require a state waiver to increase the home-to-school distance at which the district provides bus transportation.
- b. Explore partnerships with other school districts to expand opportunities for students to access higher education. One example is the Lane Community College Regional Technical Education Consortium.
- c. Explore opportunities to expand public health and social service agency partnerships to avoid duplication of services and to increase services to students.

9. Financial policies

- a. Reduce General Fund reserves to less than 5%.
- b. Continue the practice of allowing schools and departments to set aside savings in the Fleet Fund.
- c. Establish a district-wide strategy for funding textbook adoptions, technology and equipment.

10. Fundraising

Consider the purpose of school-based fundraisers in light of the allocation assets and the impact on time.