



# CORBETT SCHOOL DISTRICT REPORT | February 2019

Saxton Education Consulting

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*Rob Saxton*

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# FORWARD

I want to thank the members of the Corbett School District community who care so deeply about their schools and the kind of education children receive here. This is a group of passionate, dedicated, opinionated, and caring people. You took time out of your busy schedules to attend meetings, listen to each other, and provide insights and opinions in an effort to help better understand before writing this report.

A special thank you to the members of IC3S for your work and the trust you have placed in this process. Also to the Corbett School Board for your efforts and the hard decisions you make on behalf of the students of Corbett schools. Both groups had the courage to allow an outside consultant take an objective look at the district, award a contract, and uphold their promise not to attempt to influence the findings.

In this report, you will find data that I have done my best to ensure are accurate. I take the responsibility of this work very seriously. Data takes time, effort, and some expertise to compile, but at the end of day, it is the easiest component of this work. How we understand and use the data to inform the way we educate students in this unique school community is the real challenge set before me.

I do have some expertise in the area of Oregon school finance, Oregon law, education systems, and student learning. I availed myself to other exceptional experts as well, specifically NWRESA Business Manager Tami Montague and Board Secretary Lauren O'Driscoll, as well as Michael Wilfong and Kate Pattison of the Oregon Department of Education. I have a reputation for speaking my mind when the education of students is at stake, but please know that the recommendations contained in this report, no matter how well informed, are simply my opinions. I stand by them, and they are based on a broad gathering of information, but they are not as important as those opinions held by the Corbett School District community.

I hope my work and recommendations will help inform the decisions the District and community face in the next few years. The way forward will not be easy or free of disagreement. Healthy engagement, collaboration, compromise, and inclusive decision making offer a pathway for the entire Corbett School District community. It will take time, trust, and determination to move ahead. Your children are watching, learning, and growing, and they will be the ultimate recipients of your hard work.



**Rob Saxton**

**Saxton Education Consulting**

# REPORT

## Governing Rule and Law

The laws, rules, and guidelines set by government and the organizations the Corbett School District belong to create an important foundation for the remainder of this report. Consequently, I have chosen to begin by first reviewing the findings outlined in section two of my scope of work: Governing Rule and Law.

## Calculating ADMw

First, I will go over the State School Fund Calculation for Corbett. It is important to know a couple of the terms the State uses to create the funding calculation for all districts.

**ADM<sub>r</sub>**: The number of actual physical students who are enrolled and meet the membership requirements.

**ADM<sub>w</sub>**: Means “Average Daily Membership Weighted”, and is the number of students the state funds the district to educate.

**Extended ADM<sub>w</sub>**: The greatest number of students calculated as attending the district in either the current year or the year prior.

The State funding Formula was created this way for several reasons. Weights are added to the formula to account for students who will likely need additional support, and therefore cost more to meet the education outcome goals of the state. English as a Second Language (ESL) students for example, will likely require additional teachers and education assistants to access learning. So, ESL students count in the formula as 1.25 students. The same is true for students in Special Education (IEP), with each student counted as 2.0 students. It is important to know, these are funding allocations to the District and not categorical dedications. The District can use the funds as they see fit to use them. They do not have to be spent on the specific students who generate the resources.

In looking at the ADM<sub>w</sub> calculations for Corbett School District, it is clear the District has very few additional weights. The number of students on an IEP is just over 11%, a low percent as compared to the state average of nearly 14% IEP students. The Corbett ESL population is around 2.5%, very low as compared to the majority of the state. Additionally, only approximately 50 students attending Corbett schools qualify for the additional weight of 0.25 for students experiencing poverty, a number once again well below the state average.

This means Corbett School District gets very little additional funding through the state funding formula. But it also means the typical student in Corbett is likely to need less support and be less expensive to educate.

Corbett also does not currently qualify for the Remote Elementary School Correction or the Small High School Correction, two other weighted categories. The rules are such that the District will likely never qualify as a Remote Elementary, but at one point did qualify for the Small High School Correction.

The need for the inclusion in the State Formula of “Extended ADM<sub>w</sub>” became apparent when the majority of the 199 districts in the state began experiencing declining enrollment. It was difficult for

districts to respond quickly to their funding level by changing program or reducing costs associated with the number of employees working for the district. It provided at least one year of funding to the district for students they did not need to serve, and helped take into account the two-year funding cycle schools in Oregon experience through biennial Legislative allocation.

Oregon puts out a State School Fund Grant worksheet for each district. It accounts for local property tax collections for each district, as well as money from the Common School Fund. The Common School Fund is a pool of assets the state has designated to generate revenue specifically for K-12 schools. Both of these funds are preserved as an offset to the total in school funds the State owes the District. In other words, if the District collects few property taxes, the state will be required to allocate more money to the District, and vice versa.

Also included in the calculation is an Educator Experience Adjustment. Teachers with more experience generally earn higher pay. The adjustment is set in a formula adding - or subtracting - per average year of teacher experience of teachers working for the District. In the case of Corbett, average experience is low with an average 8.57 years in 2018-19, compared to the state average of 12.07 years. The gap of 3.5 years was calculated into the formula for district funding per student and the overall funding amount for Corbett is reduced by about \$200,000 per year.

The Transportation Grant is included in the overall formula as well. All “education transportation costs,” not including athletics, incurred by the District receive a 70% reimbursement rate. In the case of Corbett, the District spent \$560,000 in 2018-19 and was reimbursed \$392,000 by the state.

Finally, the State takes all of this information into consideration to calculate the General Purpose Grant for each District. The calculation multiplies Extended ADMw with \$4,500 plus or minus teacher experience, and then multiplies a funding ratio determined by how much money is available for schools statewide. The Transportation Grant is added in, and that creates the Total Formula Revenue for the district. That amount divided by ADMw, will tell you how much money the district receives for each actual student.

## Amount Per Student - Corbett and Comps

Again, Corbett gets a fairly low amount per ADMw because the District has few students who qualify for additional funding weights. Nothing else about the District – teacher experience, transportation, small or remote schools, or Extended ADMw - favors the District. Year in and year out, Corbett’s per student funding is among a handful of the lowest funded districts in the state. In 2018-19, Corbett was the sixth lowest funded district in the state. Banks School District was second lowest funded, Astoria third, Bend LaPine fifth, Sherwood and West Linn-Wilsonville were seventh and eighth respectively. The demographics of those districts are all very similar to Corbett. Specifically, few IEP, ESL, or students experiencing poverty. The districts also do not qualify for any of the special funds the state allocates.

## Creating an Advantage - Manipulating the Formula

Any time a formula for funding exists, there are ways to manipulate the formula to your advantage. Each category considered in the funding formula is prone to manipulation. Examples of over identification of ESL students, identification of students with low cost disabilities, and considering preschoolers as kindergarteners, are all rumored to have been employed by Oregon districts. For the most part however, districts attempt to be ethical and appropriate when working with students.

When examining Corbett's data, there is not any clear and ethical way to manipulate the demographics of the student population in a way to advantage the District. The best opportunity in the formula exists in the form of Extended ADMw. This would require a reduction in year over year student enrollment. To access these funds, Corbett would have to choose to end or restrict enrollment of those students who live outside District boundaries.

The reduction could not legally occur in a single year. Students who have entered the District through Open Enrollment have the legal right to attend Corbett schools through the end of their K-12 program. If the District accepted a typical kindergartener through open enrollment in the fall of 2018, that student has a right to attend Corbett as a Corbett student until graduating with the class of 2031.

The important takeaway is it would take Corbett 13 years, through the graduating class of 2031, to serve only students living within its boundaries. However, as enrollment declined, the District would be eligible for Extended ADMw funding for each of those 13 years.

Let me attempt to quantify this possibility for Corbett. First, it is reasonable to assume the number of students living within District boundaries and attending Corbett schools will remain relatively flat at about 613 students. That means roughly half of the 614 students currently attend Corbett schools do so through open enrollment, an average of about 48 students per grade. Some students attending the District through open enrollment may decide to return to their home District. I will use the 4% per year, the estimate the District has quoted publicly. Using these assumptions and the actual enrollment per grade for 2018-19, if the District did not accept kindergarteners from outside the District in the fall of 2019, District enrollment would contract by 33 students (based on 18-19 enrollment). If 4% of the remaining out of District students did not return to Corbett schools in 2019, we calculate for an even percentage of weights (IEP, ELL, Poverty), and account for enrollment by class (i.e. class of 2019) there would be an additional enrollment drop. My calculations indicate enrollment would contract by roughly 70 students for the fall of 2019. At \$7,679 per ADMw, the District would receive \$537,887 in "Extended ADMw" funding for the 2019-2020 school year for students who do not exist in the District. By continuing this practice over time, additional funds would be available for each of the next 13 years in slowly diminishing amounts as enrollment dropped. In year thirteen, the amount would be approximately \$151,342 in current dollars.

Of course, the reality of actual enrollment numbers by grade is not even. The exact funds generated in each of the next thirteen years would require an easy yearly calculation. But, the end result, funding over time for 614 students who the district would not need to serve is a reality that would generate well over \$4.2 million in that timeframe. In order to facilitate these calculations, I generated and am providing an interactive spreadsheet that will provide calculations based on a variety of assumptions.

The District should also realize some cost savings each year. Fewer students require fewer staff. The 2018 teacher to student ratio in Corbett was 22.93 students per teacher. If the District served 70 fewer students in any one year, it would make sense to have approximately three fewer teachers employed by the District. Each teacher costs the District nearly \$111,000 per year when salary, insurance, PERS, and other associated payroll costs are tallied. These kinds of reductions can be very painful and can take time. Hopefully, most staff reduction could be accomplished through attrition, either in retirement or other voluntary moves. It would not be easy, but is necessary if the District chooses this path. Over the thirteen year glide path to lower enrollment Extended ADMw would average about \$325,000 per year, and a reduction of 2.1 teachers, another \$225,000, for a net of about \$550,000 per year in combined revenue and reduced cost.

The other source of funds available should the district contract to 625 students is contained within the Small High School Formula. That formula adds ADMw once the High School enrolment is below 350 ADMr. The formula is  $(350 - \text{ADMr}) \cdot (.0029 \times \text{ADMr})$  (per student funding). If the District stopped accepting new students, it would likely take until 2025-26 (7 years) for the High School enrollment to dip below 350 students. This also assumes a 4% attrition among out of District students. If the district decided to enroll only in district students, HS enrollment would reach approximately 192 students in 2031, generating 88 ADMw in funding. At \$7679 per student in today's dollars it would add a \$675,555 each year to district revenue.

The combination of Extended ADMw funding and the Small High School Formula funding would create a revenue stream for the district over the thirteen years of declining enrollment. In the first seven years of declining enrollment only Extended ADMw funds would be available to the District. Then, fewer of these funds would be available, and the dollars available through the Small High School Formula would start and begin to grow. The combination of the two over the thirteen years of declining enrollment would generate \$7.65 million in revenue, an average of \$588,351 per year. Staff reduction would average approximately 2.1 FTE (Full Time Equivalent) per year in that timeframe as well, reducing expenditures by approximately \$225,000 per year. The resulting reduction of 26.3 FTE over time would accumulate to an expenditure reduction of \$2.9 million in cost over time, and require \$2.9 million per year less thereafter than what is currently needed. The net total of these three areas (Extended ADMw, Small High School, FTE Reduction) over 13 years results in a change of nearly 10.5 million, or \$811,000 per year.

At the end of this transition, Extended ADMw would end and the Small High School Formula would generate \$675,555 per year in today's dollars. Staffing would be reduced by half, reducing expenditures by nearly \$3 million a year. The combination of the two is \$3,571,000 per year.

## Changes in Oregon Open Enrollment – Sunset 2018

The Oregon Open Enrollment law sunsets July 1, of 2019. This means the kindergarten class who began school in the fall of 2018 is the last class eligible to enroll under the law. All students who attend Corbett through Open Enrollment are entitled to attend the District throughout their school career just as if they lived within District boundaries.

Oregon has reverted to the old Inter-District Transfer Rule that existed prior to Open Enrollment. This Rule allows students to transfer out of district only if their “home district” “grants” the transfer. Most district School Boards adopt a policy to govern and direct these transfers. Typically, transfers are only granted if a significant hardship exists should the student continue to attend in their home district. These transfers are often difficult for families or students to obtain from their home district. Districts do not like to give up the funding the student brings, and experience a sense of failure if they are unable to serve their student effectively. Often, if a student in a larger district is not having success at one school, the district will grant a transfer to another school within their system and not to another district.

True hardships are difficult to define. If something has happened making it difficult for the student to succeed; they are being bullied, have been abused by another student, are suicidal, or the district program is at complete odds with their wishes, they might be granted a transfer. In truth, it usually takes great determination and political savvy for a parent to gain transfer from one district to another for their child.



Once a transfer is granted, the receiving district must be willing to accept the transferring student into the district. The hardship the student has presented to their home district, may not be considered by the receiving, acceptance must be “blind”. And finally, if a transfer occurs as a result of this process, it is granted for only one year. The whole process must be repeated each year. The tighter funding becomes in any year, the less likely home districts are to grant transfers.

Students may transfer to a receiving school district without being granted a transfer by their home district if they are willing to pay tuition to the receiving district at a rate set by the receiving School Board. This does occur in several Oregon districts, but is fairly unusual.

Because laws can change with each new legislative session, I checked with the Oregon education legislative experts regarding the upcoming session. Morgan Allen of the Confederation of Oregon School Administrators told me he thought there was very little chance Open Enrollment would be re-instituted. Jim Green, Executive Director of the Oregon School Boards Association indicated it was unlikely. Both are experienced education lobbyist in Salem and have their finger on the pulse of the legislature concerning education. They indicate a bill allowing open enrollment has already been submitted by a Republican legislator, but it almost certainly will not pass.

## Surrounding District Inter-District Transfer Intent

I checked in with the superintendents of surrounding districts to determine how they intend to deal with inter-district transfer requests in the upcoming year. Each indicated they will follow their district policy. Those policies are nearly all identical to the process of hardship described above. Hood River, Gresham-Barlow, North Clackamas, Reynolds, David Douglas, Parkrose and Centennial superintendents all indicated a hardship would need to be evident for transfer to be granted. They think very few students per year would meet their criteria.

## Enrollment will Decrease with no Change - Charter School Exception

With the end of Open Enrollment and surrounding districts allowing very few inter-district transfers, the Corbett School District enrollment will begin to decline in the fall of 2019.

The only way a student in Oregon can transfer from one school district to another without both districts agreeing to grant the transfer, is if the receiving school is a Charter School. Oregon Charter School law allows transfer to occur in much the same way as through the Open Enrollment law. Once the student enrolls in the charter, they become the responsibility of the Charter School for the rest of their school career, unless the student transfers back to their home district. The exact mechanism for transfer is set forth in the charter by the Charter School.

In fact, if the Corbett School District decides to maintain enrollment of over about 700 (assumes approximately 75 transfers in per year) at any time in the future, the only feasible way to achieve the higher enrollment appears to be through the creation of a charter school.

I spoke with Kate Pattison from the Oregon Department of Education (ODE) regarding Oregon Charter Law. Kate is the charter school expert at ODE. She let me know that when a local School Board decides to grant a school Charter status, it is given the authority to operate under a contract or "charter" between the members of the charter school community and the local board of education (sponsor). Under Oregon law, a charter school is a separate legal entity operating under a binding agreement with

a sponsor. A public charter school is subject to certain laws pertaining to school district public schools, is released from others, and must operate consistent with the charter agreement.

The details of this agreement determine how the Charter School operates. For example, a local School Board can grant Charter status, and then set into the Charter to act as the Charter Board, effectively making the local Board and the Charter Board one in the same. This allows the community to continue elections of board members from within the district boundaries. The Charter can set out a number of other requirements as well, including the number of students the charter will serve. The process of setting up, and details set forth in the Charter, are central to how the school will operate.

Oregon Charter law dictates that all students who reside in the school district in which the public charter school is located are eligible for enrollment in the public charter school if space is available. Students who do not reside in the school district in which the public charter school is located are eligible for enrollment in the public charter school if space is available. The Charter can determine how much “space is available” and set a hard cap on enrollment at each grade level, or school wide. If more students seek transfer than the Charter School can serve, “the charter shall select students through an equitable lottery selection process”. It is important to note, students the district accepted through Open Enrollment are forever Corbett’s regardless of charter status.

Because the school buildings in Corbett are relatively close to one another, CAPS, the elementary, middle, and high school can all operate as a single school. It is my understanding Corbett schools currently operate under a “single school number”, meaning the state currently considers them all one school. This would allow all schools in the district to operate as one charter. With the Corbett Board as the Charter Board, the charter school could and would receive full funding from the state on a per ADMw basis. Technically, I should note there are sometimes tiny variances between the General Purpose Grant per ADMw and the Charter School Rate set by the state, but they are typically inconsequential.

A sponsoring district may offer a combination of a typical “brick and mortar” charter school, and can offer an on-line charter as well. The number of transfers to the on-line charter can be set in the charter, or can be open and without enrollment limits. The only limiting factor comes from the percent of enrollment a single district loses to an on-line charter school. If a single district loses 3% or more of total enrollment to on-line charters, it may begin to deny transfer requests to on-line charters.

There are officially no “Charter School Districts” in the state. There are however, districts comprised of all Charter Schools. Moving to this model would take time, diligence, and close attention to the details. This is not inventing something new. Other districts in Oregon have blazed this trail and any district thinking about following their lead would do well to learn from their efforts. Kate Pattison of ODE is the best expert I know in regard to Oregon charter schools. OSBA also employs several staff knowledgeable on the topic. The ODE website also contains a wealth of information.

## OSAA Size Classifications

The OSAA currently has six classifications based on School enrollment. 6A is 1260 students or more, 5A is 665 – 1259 students, 4A 350 - 664, 3A 206 - 349, 2A 90 – 205, and 1A 10 – 89 students. Like everything else in schools, there is a bit of a formula to actually count the students. The OSAA employs a calculation that subtracts the actual number of students based on the number of Free and Reduced lunch students who attend the High School. They subtract 25% of the Free and Reduced lunch students from the actual student enrollment number.

This year Corbett has about 375 students attending the High School. The Free and Reduced Lunch rate for 2017-18 was approximately 24%. Subtracting 25% of the Free and Reduced Lunch students generates a count of 353 students for purposes of the OSAA formula. This puts Corbett just three students above the minimum 350 student number used for the 4A classification.

The OSAA considers school enrollment numbers for classification placement every two years. With the end of Open Enrollment and few transfers into the District, Corbett would likely be eligible to drop to the lower 3A classification as soon as the 2019-20 school year. Another classification change to 2A would likely not take place until around 2030.

# DISTRICT BUDGET

## Methodology

As I write this report, I am making every effort to keep it both simple and accurate. Sometimes these two things do not go together as well as I would like, and a decision needs to be made to be precisely accurate or substantially accurate. I will do my best to make the report practical. A number as simple as ADMr per student funding can appear to vary based on whether the number was pulled from an estimate in March for the upcoming year, an estimate in May once the year is nearly complete, or the actual per student funding when the state closes budgets in May one year later. I should be able to pair information I use to actual documents created by the state, other consultants, or databases maintained by the Oregon Department of Education.

## Oregon School Account Code Strings

Nearly all of the Corbett School District budget numbers I use will come from the District Audit, Budget Documents, or the Oregon Department of Education. In Oregon, all districts are required to use the same account codes for the same items in their budget. For example; the account code string indicating salary for an elementary teacher is 100.1111.0111.xxx.xxx.xxx (x defines district specific data) in all Oregon Districts. Districts all use the same account codes for each budget component; ESL teachers, administrators, material and supply budgets, transportation, and every manner of expenditure. These account codes and spending are reported to the Oregon Department of Education. The purpose of the standard account codes is make them useful for comparison between Districts and ensuing years.

Here are how these strings of numbers work:

FUND - The first set of numbers define the source or type of fund

FUNCTION - The second set of numbers defines which program spent the money

OBJECT - The third set the type of expenditure

CENTER - The fourth set represents the building or physical location of where funds were spent

AREA - The fifth set is what the funds were spent on, i.e. math, language arts, CTE, etc.

SUB AREA - The sixth set defines expenditures for district level expenditure tracking

## Forecast5 Data Analytics

To generate many of the reports you will see, I will rely heavily on a data analytics program called Forecast5 and or 5Cast. This is a program developed in partnership with Oregon districts, ODE, and others. The Oregon School Board Association (OSBA) has been an advocate of Forecast5. In fact, OSBA helped reduce the purchase price for all districts by buying down the cost with \$1.5 million of OSBA funds. Forecast5 relies on the Oregon budget codes and the mandatory budget reports ODE pulls in from all Oregon districts. Forecast5 is new to Oregon and has just become available this winter to most districts. Its use allows for increased transparency for each district and all of their patrons.

## Budget Over Time

I indicated in my scope of work I would review the 2016-17, 2017-18, and 2018-19 Corbett School District budgets. With the help of Forecast5, I was able to include the previous four years, all the way back to 2012-13 in much of my review.

I began my work by looking at the budget trends for the district in the significant components of the budget. Salaries, Associated Payroll Costs, Purchased Services, Supplies and Material budgeting, Capital Outlay, Other Objects, and Transfers are the main areas in any school district budget, and therefore those I reviewed.

If I had only gone back to 2016-17, the budget would have looked very typical to most district budgets. Because I went back to 2012-13, the budgets in Salary, Associated Payroll Costs, Purchased Services and Other Objects all show odd trends, which can reasonably be attributed to the Corbett Charter School in operation at the time. It does make the district budgets from those years less useful for comparison to other districts and the more recent Corbett budgets.

Salary and Associated Payroll costs for Corbett are artificially low between 2012 and 2014 because the District paid money to the Charter School through the purchased services and Other Objects budget. The Charter School then used those resources to pay their staff salaries and to make other purchases.

In the four years from 2014-15 to 2017-18, no unusual trends are evident. An overall slow climb in expenses takes place, salaries increase by approximately \$140,147 and Associated Payroll Costs (i.e. Social Security, Insurance, PERS costs) by \$121,173. Supplies and Materials, Capital Outlay, Other Objects, and Transfers look have some variability from year to year, but appear very normal for district budgets.

## Comprehensive Annual Financial Report (CAFR) and Audit

The review of the most recent District CAFR includes the District audit and any findings. The most recent completed audit is from the 2016-17 school year. In addition to the 2016-17 CAFR/audit, I also looked at the 2015-16 document.

Oregon law requires school districts to contract for yearly audits. The auditors review the budget as set forth by the Government Finance Officers Association (GFOA) and Generally Accepted Accounting Principles (GAAP). The auditors visit the client District several times over the course of the year and check significant numbers of the financial transactions to ensure appropriate use of funds, and the procedures use to process them. They ensure the District has the appropriate safeguards in place to minimize the risk of resource loss. They review internal controls to make sure no one person can access significant funds. With these processes in place, it would be very rare for fraud or a loss of funds to occur in a school district budget in Oregon beyond small cash amounts. At times, smaller cash transactions, like event receipts or student body funds in other Oregon districts, have been compromised. Typically, these are very small amounts compared to district all funds accounts. I see no indication of compromise in Corbett.

In each of the documents I reviewed, the auditor found the District has been in substantial compliance. There were no indications of fraud or theft. The auditor did document however, an anomaly in each of the audits. Both had to do with an over expenditure in accounts. There was one small appropriation over expenditures in the 2015-16 budget in one account totaling \$4,367. In the 2016-17 budget, three

account appropriations were over expended by a combined amount of \$542,675. These are not unusual errors in district budgets, but care should be taken to ensure they do not continue. In addition, the auditors found errors in the District's calculation of Teachers Years of Experience in 2015-16, and errors in Attendance reported incorrectly in both the 2015-16 and 2016-17 audits. Again, these kinds of errors are not unusual, but need correcting.

It is important to be clear, this does not mean any resources are unaccounted for. In the case of over expenditure in account appropriation, it simply means more money was spent in a different account than was budgeted, however the District used the funds for proper expenditures and had the resources to cover the spending. The District needed to budget more money in the account when the budget was adopted, or conduct a transfer of funds through a resolution of the School Board, so the appropriate transfer could be made to cover the spending out of the correct budget line item.

The calculation errors in Teachers Years of Experience and Attendance likely caused a small change in the funding the District received from the state. The actual amount, however, is small enough to be inconsequential.

## Budget by Percent

It was important for me to review the budget on a percentage basis to determine if the budget is generally spent in a way similar to other districts. In short, I did not find any concerning variance in how Corbett spends money when compared to other Oregon districts. About the only noticeable difference falls in the area of Dues and Fees.

When looking at the Corbett account codes, for every \$100 the district spends, \$53.14 is spent on Salary and \$28.57 is spent on Associated Payroll Costs. These two areas make up what the districts spends on people. It represents the majority of spending at 81.71% of the budget. After that, Services accounts for \$7.98 out of every \$100, Supplies \$4.19, Capital Expenses \$0.78, Dues and Fees \$4.82, and Budget Transfers \$0.52.

Another review by percent of Function creates a slightly different perspective. It reveals \$63.71 of every \$100 spent goes to Direct Instruction, \$15.32 to Support, \$7.01 to Operations, \$4.73 to Transportation, \$3.56 Debt Service, and \$5.67 on all Other combined.

Again, almost all of these expenditures as a percent by both Object and Function are right in line with how other Oregon districts spend their money. The few variances are small and can be accounted for in District information.

For example, I noticed the percent by account code for Dues and Fees (\$4.82) seemed a little high. At first, I thought this was likely attributable to the cost of the district purchasing AP Tests for all high school students. When I then looked at the percent by Function Code for Debt Service, I realized the main difference was actually likely in that area, Debt Service. This is why looking at the budget from both perspectives is so important.

When I researched the District Debt Service I was a little surprised to find the District has a series of debts it is paying for. Overall, the District currently owes about \$1.83 million in outstanding loans, the majority of which can be attributed (\$1.15 million) to the remodel of the Springdale School. The other loans are for energy improvements, school buses, and a land purchase. The total yearly cost to the District is approximately \$300,000, paid out of the General Fund. All loans will be paid in full by 2033.

I will detail the Debts here:

- Certificates Of Participation (COP) from 2001 originally issued for \$250,000
- On February 7, 2012, the District entered into a financing agreement to accept \$1 million of Qualified School Construction Bond (QSCB) proceeds from the Oregon Department of Education for the remodel of the Springdale School.
- On October 30, 2012, the District entered into a financing agreement to accept \$650,000 of Certificate of Participation (COP) notes from the Oregon School Boards Association to remodel Springdale School.
- On November 4, 2011, the District received a loan in the amount to \$581,136 from the State of Oregon Department of Energy through their Small Scale Loan Program (SELP) to make energy efficiency updates throughout the District.
- On November 20, 2015, the District received two loans from the Santander Bank in the amounts of \$106,944 and \$105,233 to purchase two 2016 Blue Bird School Busses.
- On September 15, 2017, the District received a loan from De Lage Landen Public Financing in the amount of \$109,037 to purchase a 2018 Blue Bird School Bus.
- On December 1, 2016, the District received a loan from Jeferey Mershon in the amount of \$100,000 to purchase land.

## Budget Comparisons

There are any number of Budget Comparisons we could make in reference to the Corbett School District. All of Oregon districts of similar size, districts within geographic proximity, and districts with similar demographics and funding could be compared. Each may be a better comparison, depending on what question we are attempting to answer. It has been important to me to consider a variety of factors when making comparisons.

The best overall scrutiny on spending is the one I have already presented, through the examination of the percentage of the budget spent by fund and function. District budgeting and spending are in line with other Oregon districts.

## Salary and Class Size Comparisons

The effort and thought that goes into determining compensation for school employees in Oregon is significant. Each community and district has to take a large volume of information into consideration in order to determine what is appropriate. District location, size, funding levels, competitor districts, educator quality, regional cost of living, and the cost of local real estate are just some of the factors that come into play. So is the regional competition to attract and retain quality educators. A need that has become even more important in light of our current teacher shortage.

In considering this data I will make three different comparisons; Corbett compensation compared to the whole state (except Portland), compared to surrounding districts, and compared to districts of similar size and demographics. There are some confounding issues when making these comparisons. For example, some districts pay 6% employee contribution to PERS, while others, like Corbett, do not. I will be clear when I have adjusted for the PERS contribution. In addition, district size and location – urban or rural – seem to play a role in compensation by category (teacher, principal, superintendent). Generally, the larger and more urban the district, the higher the compensation. This is particularly true for administrators and superintendents, and while still true for teachers is less profound.

When comparing Corbett to the state, it is important to know there are 197 school districts in Oregon. The majority of Oregon districts pick up the 6% “employee contribution” for PERS, and Corbett does not. The simplest apples to apples salary comparison would increase salary compensation by 6% for those districts who pick up the 6% PERS in addition to salary.

As a small district on the edge of the most urban area of Oregon and just across the river from Washington, Corbett is unique as compared to most districts in both geography and size. Should compensation be similar to that of small rural districts, large urban districts, Washington compensation, or some compromise of each? Undeniably, Corbett is low-funded. How should that reality factor into compensation?

When comparing average salary on a district-by-district basis in all 197 districts, Corbett educators receive higher salary in almost every category. Principals receive approximately \$97,000 vs. \$104,000, Superintendent \$122,000 vs. \$150,000, and Classroom Teachers \$53,500 vs. \$65,183. If we make a more than fair adjustment to assume all other districts pick up the 6% PERS “employee contribution,” the actual comparisons come in with Principals at approximately \$102,820 vs. \$104,000, Superintendent \$129,320 vs. \$150,000, and Teachers \$56,710 vs. \$65,183. Corbett is still higher in each instance.

Most districts in the state have enrollment of less than 950 students and are typically small and rural. This seems to drive down salary and can account in part for the lower salary provided by other districts. Corbett sits on the edge of urban Multnomah County, which may make the comparison to surrounding districts more reasonable.

For the surrounding district comparison, I will be using Hood River, Parkrose, Centennial, Gresham-Barlow, Reynolds, and David Douglas. It is important to note each of these districts is significantly larger than Corbett. Four of the seven districts in the comparison pick up the 6% PERS employee compensation and I have adjusted my calculations to account this. In each case, the surrounding districts provide a higher salary: Principal \$115,808 vs. \$104,000, Superintendent \$157,685 vs. \$150,000, and Teacher \$67,399 vs. \$65,183.

Finally, the third, and certainly the best, comparison for Corbett are districts of similar size and more similar circumstance such as location and student demographics. Banks, Fern Ridge, Pleasant Hill, Yamhill-Carleton, and Sisters are about as similar to Corbett as I could find. Below are some details about each district:

- Banks is the most similar to Corbett with 1,150 students and a 25% free and reduced (F&R) lunch rate. It sits on the edge of Washington County near the more urban Hillsboro and Beaverton school districts.
- Fern Ridge has an enrollment of 1,459 students and an F&R rate of 47%. It sits in Lane County on the edge of more urban Eugene.
- Pleasant Hill has an enrollment of 1,006 students and an F&R rate of 35.4%. It sits on the edge of more urban Eugene.
- Sisters School District has an enrollment of 1,057 with an F&R rate of 32.5%. It sits on the edge of more urban Bend and Redmond.
- Yamhill-Carleton School District has an enrollment of 1,042 students and an F&R rate of 29.6%. It is near McMinnville, which is not really urban, but still provides a good overall comparison.

Four of the six districts in this comparison group pick up the 6% PERS employee contribution. I have adjusted my calculations to account for this. In each case, Corbett educators receive a higher salary:



Principals \$104,000 vs \$96,200, Superintendent \$150,000 vs \$131,040, and Teachers \$65,183 vs \$59,337.

While the largest difference by both amount and percent (\$18,960, 14.5% respectively) are represented in the Superintendent salary, it is not the most costly to the District. That actually exists in the Average Teacher Salary. In 2018, the District employed 53.87 teachers who each averaged \$5,846 more than the comparison group. Including Associated Payroll Costs of 39%, the actual cost differential is \$8,126 per teacher. When multiplied by the number of teachers, the yearly difference to the district is \$437,744. This is a significant annual amount, particularly with the low funding level Corbett receives from the state.

The average class size or workload in the district is 22.93 students per teacher. This is just the number of students divided by the number of teachers, however, so actual class sizes are likely much larger. More important is how this class size calculation compares to similar districts. Those similar districts have an average calculation of 20.37 students per teacher, 2.56 fewer students than Corbett. This should not come as a surprise after comparing teacher compensation. The higher cost per Corbett teacher likely drives down the total number of teachers Corbett can employ. If the costs to Corbett were similar to comparator districts, Corbett could afford to employ 3.91 more teachers and reach a teacher to student ratio of 21.2:1, within .86 students per class of the comparison districts.

It is important to emphasize the information provided is simply factual. The District has to navigate its existence as a small district in a competitive market for educators. As stated previously, Oregon is facing a severe educator workforce shortage that looks to be protracted. Hiring and retaining high quality educators is a challenge for all districts, certainly for teachers, even more so for principals, and especially superintendents.

## Other Budget Comparisons

In order to ensure due diligence, I ran a number of other budget comparisons using the data analytics of Forecast5. I will include a few of these as additional resources for those interested in the data. Some offer interesting information, such as pie charts showing District revenue sources by percent, or District expenses, but they do not tell us anything particularly helpful for this analysis. The vast majority of the information only confirms the conclusions drawn through other examinations of the district budget.

## Budget Normalcy

The Corbett School District budget has undergone a series of significant adjustments over the past dozen years. The changes are significant enough and occur often enough that it is difficult to determine what a “normal” yearly budget should be for Corbett. The Multnomah I-Tax, loss of funding during the great recession of 2008, Small High School Funding, the creation of the charter school, increased enrollment, loss of the charter school, the one-time infusion of money from the charter school, and current slightly declining enrollment are all part of the Corbett budget history. Enough time has elapsed for most of these changes that they become largely irrelevant to the current budget or a budget for 2019-2020.

Moving forward, one of the biggest challenges will be curtailing the use of one-time-only funding sources to pay for district programs. Perhaps the most relevant example is the funding Corbett received through a one-time-only charter school anomaly created by the Oregon Legislature. Largely by

chance, the District received a lump sum of about \$2.5 million from the state after the charter school closed. The District has been using those funds to pay for District program since.

Using these funds, the District spent more than they received for yearly revenue in 2015-16 and 2016-17. The Ending Fund Balance (EFB) spend down in those years was \$1,179,671 and \$130,938 respectively. The district appears to have increased the EFB in 2017-18, but this is deceptive. The state of Oregon released 50% of biennial funds in 2017-18, a decision that has not happened previously. Because the district experienced roll up costs in 2018-19, it is likely the EFB should have been \$230,000 higher than it was for 2017-18 if the District expected to deliver consistent service levels for this year.

If the District intends to retain the recommended minimum ending fund balance of approximately 5% of budget, the spend down of the EFB needs to stop. This likely will mean at least some cuts in program. At the current rate, the program cuts would be equal to about two teacher salaries.

Close review of the 2018-19 EFB will reveal if the District has spent the balance down again. Early information from calculations in October indicated a possible spend down of between \$500,000 and \$900,000. The District had anticipated enrollment of nearly 1,300 but actual enrollment is at about 1,227. If this is true and the District has not curtailed spending over the year, the EFB at the end of 2019 will be between 4% and 1%, below the recommendation of Oregon districts and finance experts.

The District likely has begun work to put together a budget for the 2019-2020 school year. Exact funding levels from the state will not be certain for some time. Early thinking indicates a "Current Service Level" budget is likely, meaning districts should be able to deliver next year what they have delivered this year. However, this is probably not the case for Corbett since the EFB will be too low and require at least some program reduction.

There is some possibility the state might actually increase K-12 funding for the next biennium. The legislature has discussed a willingness to generate additional revenue through new business taxes. Even if these new taxes are passed, it is almost certain the tax increase would be referred to voters in the November 2019 election. Until after that election, any planned expenditure of funds attributable to these new taxes is irresponsible.

# STUDENT PROGRAMS, OPPORTUNITIES, AND OUTCOMES

## Schedules

Perhaps the first visible difference in the Corbett School District schedule is the four-day week. Almost all of the districts in the Metro region have a five-day school week. The four-day week is much more common in smaller and rural districts of Oregon.

The four-day week creates a lower cost schedule for the District by reducing a variety of costs incurred through a fifth day of operation, including an additional day of transportation, heating and cooling, electricity use, and food costs. Input I received from the community indicated a very favorable opinion of the four-day schedule among all groups.

## Multi-Age/Blended Classroom Programs

The Corbett elementary classrooms are all multi-age as are the classes at the middle school. Multi-age classrooms are not the norm in Oregon, and while fairly common at the elementary level, they are uncommon at the middle level.

Most schools implement multi-age classrooms as a budgetary measure. Usually, a class is blended if the number of students in one grade would create an inefficient class size for staffing purposes. A few schools use multi-age classrooms as a programmatic choice, believing mixed-age classrooms create improved learning opportunities for students. Teachers with the proper training and implementation of instruction methods can be very effective in these programs. In smaller settings, this model can also give teachers a partner who is teaching a similar class. Instead of one teacher teaching kindergarten and another teaching first grade, for instance, two peer teachers can both teach a multi-age K-1 class.

Use of the multi-age classes no doubt improves District efficiency. The ages contained in any one class can vary to improve class size efficiency. In Corbett, this is evident in the K-1-2 classes at CAPS as compared to the K-1 classes at the elementary school. The multi-age 6-7-8 classrooms at the middle school are a very efficient way to deliver a middle school program.

Corbett also uses a place-based curriculum as a foundation for learning in these multi-age classrooms. The relevancy and tangible experiences available to students through well-designed and delivered place-based instruction is touted to improve student learning. Again, the feedback I received from the community indicated a very favorable opinion of both the multi-age and place-based programs delivered in Corbett schools.

## High School

The Corbett High School schedule is based on a seven period day model. Two semesters are offered each year, and students can earn seven semester credits each term for a total of 14 over the course of the year. Most teachers teach six periods a day, cover advisory, and have one prep period each day. Each period typically lasts 57 minutes, as does the prep period for the teacher. Some teachers are

actually are paid an additional 16.67% of salary to teach all seven periods and do not have a Prep period.

The seven period day is a very financially efficient high school schedule as compared to many other models. Roughly 86% of teachers are teaching students at any given time. In an eight period block or five period trimester, typically only 75% or 83% of the teachers are teaching at any given time respectively. The stipends paid to individual teachers who teach rather than take a prep period is also very efficient. No additional teachers who would need health insurance or other associated costs are added to district payroll expenses.

There has been significant research on high school schedules completed over time. Most of that research would indicate the schedule does not have any significant impact on student learning. One schedule is pretty much as good as the next regarding student outcomes.

## High School Program

Corbett High School runs a program very focused on higher-level academics, with a particularly intense emphasis on Advanced Placement (AP) courses. These courses hone in on a specific set of content knowledge intended to impart learning to students comparable to the college level. Corbett truly has an “AP for All” philosophy. In order to graduate from Corbett High School, all students must take at least seven AP courses and pass them at a Corbett High School standard. District administration believes many students who did not think themselves capable of AP success actually find they are able to learn at the AP level once they begin taking the classes. All students who take the AP classes must attempt the AP course exam offered near the end of the year. When students earn a score of 3, 4, or 5 on the AP exam, they can submit their scores to the college they want to attend for possible credit at the college. Colleges and different programs at each college vary in their acceptance of AP credits.

Some courses in each subject area are available at a level below AP. In math, Algebra 1 is offered, or Spanish 1 is available as a second language. It is, however, the philosophy of District leadership to focus on only a few things and do them well. “AP for All” is one of those few areas of focus and the District offers fewer options for students intentionally.

There are music courses including strings, band, and choir. Several art classes are available, as is leadership, and health and wellness. A couple of Science, Technology, Engineering, and Math (STEM) courses are available on campus, including AP Computer Science, Robotics, and Engineering. Students can also avail themselves of the Career Technical Education (CTE) courses offered at Mt. Hood Community College as a Junior or Senior. The student must arrange for their own transportation and typically will be away from the Corbett campus for at least half of the day. The District picks up the tuition cost of the classes the student takes. To be thorough, I have included a copy of the schedule and list of classes offered at the High School in the additional resources.

Students in Corbett rarely fail to earn credit in the classes they take. The District has adopted a grading policy where students can earn only an A, B, C or Incomplete. No Ds or Fs are awarded. If a student has an Incomplete, the student is able to turn in work or take an assessment in order to demonstrate they have gained the intended learning. Many educators would call this policy a Proficiency Grading model. The concept has become popular in school systems, and has led many students to learn content they might otherwise have given up.

## Comparator Districts

The three Oregon districts closest in size and demographics to Corbett are Banks, Sisters, and Yamhill-Carleton. The Sisters School District has a Local Option tax that goes directly into the district general fund making program offerings difficult to compare. They simply have more funds than the other districts. Corbett, Banks, and Yamhill-Carleton are all reasonably close in size, demographics, and funding, which makes these comparisons practical.

I have copies of all three districts schedules available in the additional resources for anyone who wants to look deeply at what classes each offers. Each schedule looks a little different, and there may be some small nuance not evident upon review, but here is what I found:

- Corbett has approximately 16 full time teachers at the high school and offers 90 class sections per semester
- Yamhill-Carleton has approximately 15 full time teachers and offers 90 class sections per semester
- Banks has approximately 18 full time teachers and offers 118 class sections per semester

In the core subject areas of English, Math, Science, and Social Studies, a difference in the type and variety of classes is quickly evident. Corbett offers nearly the same number of sections in each subject, but fewer options. For example, in English, Corbett offers six sections/periods of AP Languages and Comp, but only four different courses. Yamhill-Carleton offers two sections/periods of English 12, but eight different courses, twice the variety of Corbett. Banks offers one section/class of Honors English 12, but eight different courses, again twice the variety of Corbett.

The same pattern repeats itself in all of the core subject areas. Corbett offers a smaller variety of courses with more AP. Yamhill-Carleton offers a wider variety of courses with fewer courses identified as advanced, and Banks offers a variety with both “regular” and honors level courses.

In Second Languages (Spanish), Music, Art, and a category I refer to as “Other” courses (i.e. Leadership), the number and variety of courses is nearly identical in each district. Both Yamhill-Carleton and Banks offer more sections and a broader variety of classes in Health and PE. However, the most glaring difference occurs in the areas of CTE/STEM courses. In these areas, Corbett offers three different courses, while Yamhill-Carleton offers 14 and Banks offers 13 different courses.

The variety of CTE/STEM courses these two districts offer is fairly broad and impressive. Welding I and II, Animal Science, Fire Science I and II, Graphic Design I and II, Viniculture I, II, and III, Tiny House Building, and Large Animal Science, to name a few. I found High Powered Rocketry offered by Yamhill-Carleton particularly interesting. The Superintendent told me the goal of the class is to launch a one-pound payload one mile high.

It should be apparent that a philosophical difference exists in the approaches these districts are implementing. Corbett works to do a few things well, while the other districts are working to do many things well.

## Smaller Districts

Because Corbett could decrease in size to a district as small as approximately 650 students, it also seems important to at least look at the offerings in two districts nearer to that size, with as similar demographics as I could find. The community should know what kinds of opportunities are available with a smaller population of students.

One decent comparator I found was the Glide School District. It is a district of 735 students, 207 at the high school, a four-day a week, and seven period day schedule. The biggest difference between Glide and a smaller version of Corbett is the percentage of Free and Reduced Lunch students. Corbett is about 24% free and reduced while Glide is 51%.

Glide has approximately 11.5 teachers at their high school. They teach eight different English courses, six Math courses, six Science courses, and three Social Studies courses. Band and Choir are available, as is Spanish 1 and 2, and four different Health/PE courses. The number of CTE courses is a surprising 13, including courses like Agriculture 1,2,3,4, Animal Science, Ag Mechanics, Technology, Engineering, Fire Science, and Health Occupations.

As before, Glide offers more ways for students to earn core subject area credits than does Corbett. There are not as many AP courses in Glide, but Music, PE and second language offerings are similar to Corbett. The number of different offerings Glide puts forth in CTE are robust and varied compared to Corbett. I will include a copy of the Glide course schedule in the additional resources.

The second comparator I researched is Clatskanie School District. Clatskanie is similar in size to a smaller version of Corbett at 702 students, but has different demographics with 64% of students qualifying for Free and Reduced Lunch. Clatskanie offers a different schedule, too, with a 5-day week and 90 minute 4 period day, where students are enrolled in 8 classes offered every other day. 4 classes one day for 90 minutes each, and 4 different classes the next day for 90 minutes each, alternating every two days. I will include a copy of their course schedule in the additional resources.

Clatskanie has approximately 11.3 teachers at their high school. They teach five different English courses with seven total sections. Math has six courses with 11 sections, Science offers five courses with eight sections, and Social Studies has only three courses with six sections. They also offer 10 CTE courses with 11 sections including Health Occupations 1 and 2, Sports Medicine, Engineering, Woods, Metals, Forestry 1 and 2, and Robotics. There is Band and Choir, as well as six sections of Health and PE courses.

Clatskanie does not offer any AP courses, although a few dual credit college level classes are on the schedule. They have some variety in how students can earn their core credits, but not quite as many as Glide School District. In CTE, they offer a number of options, but the areas of focus seem diffuse.

## Athletics

Corbett currently has 375 students in the high school. The OSAA formula would declare enrollment at 353 students. This puts the school in the lower end of the 4A classification, which spans 350 students to 664 students.

On average, it is more difficult for a school with enrollment at the low end of the OSAA classification to have as much competitive success as schools at the high end of the classification range. It simply is a numbers game, more students should mean more students in sports, creating depth and an increased likelihood for talented participants. This is particularly true in a large team sport like football where multiple position specific attributes create a competitive edge.

The supporters of Corbett athletics with whom I spoke believe a student attending Corbett schools from outside district boundaries is less likely to participate in athletics and activities than students living within district boundaries. They believe the draw to Corbett is academic, not athletics and

activities. They also shared their belief that transportation after practice and competition is a barrier. I did not collect data to confirm these opinions, but they were expressed often.

Corbett offers a rich and varied athletics and activities program. Middle school and high school athletics are available in all of the traditional choices, with Football, Cross Country, Volleyball, and Soccer in the fall, Basketball, Wrestling, and Swimming in the winter, and Track, Baseball, Softball, Golf and Tennis in the spring. Several of these sports (wrestling, swimming, tennis, golf) have recently become club sports. Activities include Band, Choir, Cheer, Student Council, Spanish Club, TAG, and Honor Society.

## Student Outcome Comparisons

In my mind, there are few better measures of how a school or district is performing than actual student outcomes. We collect quite a bit of outcome data in schools, but the best data would probably be a longitudinal study of alumni at age 35 to determine how their education affected their lives. Unfortunately, we do not have that kind of information available to us in this instance. To compare, we need information produced from outcomes all students generate, students who share similar demographics, such as Free and Reduced Lunch, race, school size, and students with similar circumstance.

This is a lot to ask. Once again, the two best districts I can find for comparison are Banks and Yamhill-Carleton. Because this is a very important comparison, in my analysis I will include Fern Ridge (1,459 and 47% F&R), Pleasant Hill (1,006 and 35% F&R), and Sisters (1,057 and 32.5% F&R) as they are somewhat similar as well.

There is only one assessment students in all of these districts take: the Oregon State Assessment Test. It is a test used by Oregon and produced by the Smarter Balanced Assessment Consortium. The test is intended to be an assessment measuring “College and Career Readiness.” It is far and away the best singular measure of student learning outcome I can produce for this comparison. Therefore, I will use it here.

Beyond that, the best comparable student outcome measure is the 4-year cohort graduation rate. It reports how many students graduate with their class four years after enrolling as a ninth grader. Other interesting considerations are regular attenders – students who attend school at least 90% of the time – and the ninth grade on-track rate which records students on-track to graduate at the end of ninth grade. I will use each of these in my comparison.

## Oregon State Assessment Test

Students take the OSAT yearly in English/Language Arts, Math in grades 3 through 8 and 11, and Science in grades 5, 8, and 11. In each of the district comparators, students take the test at a high rate, roughly 95% or higher, with the exception of Sisters where only 80 of 11<sup>th</sup> graders took the test.

With the comparison graphs I am providing, you will see results from each of the six comparator districts in English Language Arts, Mathematics, and Science. The single graph is a compilation of all grades and the overall district percentage of all students meeting the benchmark. In English/Language Arts, Corbett outcomes are third out of the six districts, while in Math, Corbett outcomes are fourth out of six, and in Science, fifth out of six.

The best overall comparison is likely the 11<sup>th</sup> grade results, rather than the compilation of results just reviewed. 11<sup>th</sup> grade is the last time students are tested, and those results represent the culmination of the school experience for each district. In addition, Corbett students will have had exposure to a significant amount of the high-level content of AP course work by spring of their junior year when the test is typically taken.

The following results are from the 2018 test taken last spring. Here the results are from 11<sup>th</sup> grade in each of the six comparison districts in English Language Arts, Mathematics, and Science of students meeting the benchmark (passing). In English Language Arts, Corbett outcomes are tied with Yamhill-Carleton for third of the six districts. In Math, Corbett outcomes are fifth out of six, and in Science Corbett comes in last out of the six districts. Banks had a greater percentage of students meet the benchmarks than Corbett on each assessment. Yamhill-Carleton tied Corbett on the English Language Arts assessment, and had more students meet the benchmark in both the Math and Science.

It seemed important to add in the average statewide scores to give some context, as well as the smaller district of Glide. The following results were perhaps my biggest surprise. You may remember Glide was the smaller district I used to compare course offerings should Corbett become a smaller district. 51% of Glide students qualify for Free and Reduced Lunch while only 24% of students qualify in Corbett. Yet the 11<sup>th</sup> grade Oregon State Assessment results in 2017-18 appear as follows:

• Glide	English Language Arts 84.6%	Math 45.5%	Science 79.5%
• Corbett	English Language Arts 78.7%	Math 36.6%	Science 52.2%
• Statewide	English Language Arts 70.3%	Math 33.2%	Science 53.9 %

## 4 Year Cohort Graduation Rate

This data point includes students who graduated from high school within four years of enrollment. The high performance level for Corbett should be a source of pride. In 2018, 93% of Corbett students earned a diploma within four years. This is the highest of our comparator group. Banks stood at 91%, Pleasant Hill 89%, Sisters 87%, Fern Ridge 89% and Yamhill-Carleton 81%. For a more broad comparison, the state average was 78.7%.

## 9th Grade On-Track Rate

When 9<sup>th</sup> graders are on-track to graduate at the end of 9<sup>th</sup> grade, they are highly likely to graduate from high school with their class. It is the best predictor of future success on the graduation rate. Among our comparator districts, Banks lead the group with 95% on track, Corbett was second with 92%, Sisters at 89%, Fern Ridge 86%, Yamhill-Carleton 82%, and Pleasant Hill at 79%.

## Regular Attendance Rate

Students who miss 10% of school each year are considered to have chronic attendance issues. These students are less likely to graduate, have challenges accessing learning content, and often indicate they dislike school. In the comparator group, Yamhill-Carleton led the group with 84% of students attending regularly, at least 90% of the time, while Fern Ridge was second at 82%, Corbett third at 81%, Banks at 79%, and Sisters tied with Pleasant Hill at 78%.



## Lack of In vs. Out of District Performance Comparison

In my scope of work for this project, I indicated I would compare Corbett student outcomes based on where they lived, in or out of the district boundaries. Unfortunately, I was not given access to which students live where so that I could perform the analysis. It is an important consideration for the community and I apologize for not being able to produce the information.

## AP Credit Earned

Students in Corbett clearly earn significant numbers of AP credits. None of the comparator districts require or emphasize AP or offers nearly as many AP courses as Corbett. When students earn a 3, 4, or 5 on the AP exam they can submit the scores earned to colleges they hope to attend. Many of the colleges will then grant college credit to the student, but unfortunately, not all colleges or college programs accept AP for credit.

Several of the comparator districts do offer AP, but not at nearly the same level as Corbett. Yamhill-Carleton does not offer any AP courses. They do offer “Dual Credit” where the high school teacher is approved to award College Credit, and “Promise Credit” where the high school teacher and college instructor agree on what leaning the student would need to demonstrate to earn college credit, and then allows the high school teacher to award the credit. Again, many, but not all colleges accept these credits.

## Belief in Student Capacity for Learning

One of the great byproducts I see in Corbett from the “AP for All” model is the belief teachers at the schools seem to have in the capacity for students to learn and at high levels. This is a very important result and deserves proper appreciation here. It appears teachers enter into their work believing each student has the capacity to perform at the AP level and make every effort to ensure success in the class and on the exam. In addition, all students have access to high level content. We cannot expect students to learn what they do not have access to.

I should also point out that a similar belief fortunately exists in some other districts as well. In speaking with the superintendents of Banks and Yamhill-Carleton it is clear they and the larger school community have lofty expectations for students and believe they can achieve at high levels.

## Conclusions

The comparison of school schedules and class offerings clearly indicate different approaches between Corbett, Banks, and Yamhill-Carleton. The other comparator districts are all unique as well, and a close review of their program would reveal something closer to Banks or Yamhill-Carleton than to Corbett. The model Corbett employs is unique in Oregon.

The high school student learning outcomes in each of the districts however are fairly similar to one another. Several of the districts outperform Corbett on the only common learning assessment all students take, the Oregon State Assessment Test. Corbett leads or is near the top in other student outcome indicators like graduation rate, regular attendance, and 9<sup>th</sup> grade on-track.

It is important at some point to recognize the effort families who bring students from out of district make each day to deliver them to Corbett schools. This is a real commitment and indicates a strong interest in education. This is unique to Corbett within the comparator group and may contribute to strong Corbett outcomes.

Banks, Yamhill-Carleton, and Corbett all offer a fairly similar number of high school courses in each district. The real difference is in the variety of core academic courses, elective courses, and the number and variety of CTE/STEM courses offered at the other districts as compared to Corbett. Students in Banks and Yamhill-Carleton have a large number of options to choose from for English, Math, Science, PE, Agriculture, Industrial Arts, and STEM. Corbett students have few options and, in some instances, no options.

Philosophically, it is clear Banks and Yamhill-Carleton believe high school students can make informed choices and steer their education experience based on interests, learning styles, current skill level, and desired future. Corbett indicates an intent, and delivers a reality of little student choice in a stated effort to provide that choice as students enter early adulthood. The offerings appear directed toward the single objective of a future four-year college academic experience. It does not allow much room for the variety of ways students show up at school, their varying interests, learning styles, current skill level, or other hoped for futures.

I have to wonder what the school experience is like for a student who does not fit within the singular direction and future pathway set by the district. Significant capacity for learning exists within all students. Those who best learn through different modalities or have a current skill level needing specific support do not appear to have their needed option in Corbett.

Corbett performs very well, as do the other districts. It appears multiple models and approaches can deliver quality overall results. The needs and desires of individual high school students however, receive much more consideration in Banks and Yamhill-Carleton.

# INTERVIEWS AND INPUT – COMMUNITY, STAFF, STUDENTS

In order to gain perspective and understanding of the Corbett School District it has been important for me to gather input from a variety of sources. I conducted interviews with a number of individuals, including the superintendent, several board members, community members, and the members of IC3S. Most of these interviews lasted an hour or more, but some with community members were brief, or even took place in passing.

One story came up multiple times over the course of my extended interviews. It provided a longer history and some insight into the current direction of the district. Individuals shared that fifteen to twenty years ago the district did not perform at a high level. In fact, they described the programming and outcomes as mediocre to lack luster. Then, the school board hired a new superintendent and gave him direction to change the trajectory of the district. They wanted the programming and student performance levels to be among the best anywhere. District leadership began that work and it continued even through a leadership change. Now, the district performs at the level the board had envisioned, but controversy surrounding the methods to achieve excellence have created the issues currently evidenced. They pondered the current situation and have a difficult time understanding how the district could arrive at the described destination, but with so much distress evidenced by significant portions of the school community.

In order to better understand, I conducted several sessions with a variety of audiences in order to garner feedback to a series of specific questions. Community members attended a meeting and filled out a questionnaire. I received some of the forms at the end of the meeting, while others were delivered later by hand, through the mail, or electronically. I also participated in a meeting with district staff, and their questionnaires came back to me through the same conduits as those from the community. Finally, I met with two classes comprised mostly of Juniors and Seniors at the high school, and they handed their questionnaire responses back to me at the end of class.

The broad school community of school staff, parents, students, and community members all seem to have specific and passionate cares and opinions in regard to Corbett School District. In nearly every group, the specifics vary. Most groups seem to believe their opinion is in the majority and that just a few vocal others think differently.

The results from my interactions found something closer to a division by thirds. Depending on the topic, the results often showed one third in favor, one third opposed, and one third appreciating the point of view of the other two groups, while occasionally impassioned themselves in regard to some of the more specific points in an argument.

The one exception to these group dynamics was school staff, who appear to share more similar thought and perspective. The information I collected indicated similar opinion among staff 75% to 80% of the time. Disagreement occurred less than with the other groups, but was also very specific and deeply held when evident.

Corbett schools seem to serve as the key unifying entity of the Corbett community. People care deeply about these schools and the students who attend them. It is surprising to see the level of conflict, disagreement, and actual anger that exists regarding district programs, decisions, and direction. The

overall performance of the schools is strong, and it stands to reason this would be a source of unity and pride for the community. But this clearly is not the case.

I took the time to conduct these interviews and meetings because I think the opinions of the entire school community are important to consider. The schools in Corbett truly belong to and are “of” the community. A community pulling together in support of their schools will be powerful and improve the performance outcomes over time. The input I gathered definitely influenced my recommendations.

## Superintendent

I very much appreciated the time the superintendent provided me over the course of this process. It cannot be easy to have an outside consultant review and offer opinion regarding the program you have played a key role in creating. I interviewed the superintendent several times as I gathered information to compile this report. He also sent me multiple documents and quickly responded via e-mail whenever I needed something.

The superintendent clearly articulates a philosophy about educating students in the district. He has written several books about district size and believes districts approximately the size of current Corbett offer educational advantages over both larger and smaller districts. Communication to the board and the community make it evident he believes an economy of scale is created in a district of 1,200 to 1,400 students.

His belief in current program of “AP for All” is rooted in several statements he regularly makes. First, that a district can only do a few things well, and he therefore chooses to do AP well, while forgoing other programs. Second, that he is very comfortable in taking options away from 15, 16, and 17 year olds, so that 22, 23, and 24 year olds have options. These statements lead me to believe the current program in Corbett is very intentional, including district size, “AP for All,” and the narrow scope of offerings and options for students.

It is quickly clear the superintendent has deep knowledge of the district and all of its intricacies and details. He is intimately involved in all decision making in regard to program design, hiring, facilities, maintenance, etc. All districts are unique and result from thousands of decisions, both large and small, over time. I am sure there will be details I miss as a part of this report the superintendent can easily supply, simply because there are so many to know.

It was difficult for me to ascertain the superintendent’s opinion concerning the community discord in relationship to the schools. He, like many in the community, appeared to express their opinion as the majority, while those with a different opinion are few but vocal. In addition, there is a sense educators in the schools see themselves as the education experts, hoping community members with input and opinion will be satisfied to rely on that expertise.

The only data I could not get from the district probably included personal information on specific students, such as the performance or outcome data (AP success, Oregon State Assessment results, Graduation Rates) on Corbett resident students as compared to out of district students. Additionally, I could never get specific data on the number of students who live within Corbett School District boundaries who have chosen to transfer out of Corbett and attend other districts. These would both be interesting and instructive to review.

## Community

I held the community meeting at the Grange on the evening of November 15, 2018. It was difficult to predict what the turnout would be, but in the end, every seat was full, including those around the perimeter of the room with many attendees standing in the back. The presentation, conversation and questions seemed to go quite well.

Approximately 40% of those in attendance handed back the questionnaires I distributed seeking feedback on the district that night. Others mailed their responses to my home or created electronic versions to send to my email. In the end, I received 104 completed questionnaires from community members. Of those, the general tone I could discern in regard to the district included 38 that seemed mostly positive, 31 that seemed mostly negative, and 35 that were more neutral, but sometimes expressed strong positive or negative opinions depending on the topic.

I will supply a full list of the responses I received from all of the groups I met with in the additional resources. I asked for a series of seven responses in the questionnaire. The first had to do with information about the respondent asking if the respondent lives within district boundaries, do they have children attending Corbett Schools, and so on. Below I supply a list of the most frequent responses and attempt to draw some conclusions based on the compilation of responses. The most frequent responses collected through the community input component of this process follow:

### **2. What are the top 3 things you want me to know about the Corbett School District?**

The top 10 responses in order from one to ten:

1. The district has great teachers who support students and are passionate about their work.
2. The administration has lost credibility and/or is corrupt.
3. I like that the district is small.
4. The Middle School must be replaced. It is dangerous and diminishes learning.
5. I like the district program, especially CAPS, thematic place-based instruction and high learning expectations.
6. Our community is polarized and passionate.
7. We have an us vs. them mentality.
8. I am pleased and proud of the outcomes we get for students.
9. The administration needs to be replaced.
10. Our out-of-district students are important to our schools and their success.

### **3. What are your top three concerns regarding the Corbett School District?**

The top 10 responses in order from one to ten:

1. The middle school is not safe and needs to be replaced.
2. Inadequate funding is a big problem for us.
3. "AP for All" is a problem.
4. District leadership cannot be trusted.
5. We need CTE and STEM classes.
6. We lack sufficient mental health and counselor support.
7. We suffer from poor communication from the district.
8. We have a fear of downsizing student numbers (reducing student count).
9. We have an us vs. them mentality.
10. Our athletic programs suffer in our current configuration.

**4. What would the ideal program for the Corbett School District contain?**

The top 10 responses in order from one to ten:

1. The addition of CTE and STEM classes.
2. More electives.
3. Science labs and or facilities.
4. A continuation of the “AP for All” program.
5. More robust partnerships with Mt. Hood Community College.
6. CAPS
7. Other options and ways to earn college credits than just AP.
8. Reduced class sizes.
9. Mental health supports and counselors.
10. Keep our program just the way it is.

**5. What would be important to you about how I conduct my work in order to improve the validity of the report and recommendation I produce?**

The top 10 responses in order from one to ten:

1. Stay independent
2. Listen to all sides
3. Be transparent
4. Be objective
5. Make sure all data are accurate
6. Know students from outside the district add to our diversity
7. Pay the most attention to out of district opinion
8. Pay the most attention to in district opinion
9. Talk to multiple different groups, and really listen
10. Keep kids at the center of your decisions and recommendations

**6. What do you think it would take for Corbett School District to successfully pass a bond?**

The top 10 responses in order from one to ten:

1. District leadership would need to be replaced
2. People would need to be educated about the needs
3. Become smaller, from 625 – 1,000 students
4. Try again, new people have moved in and we have been close
5. Transparent communication
6. Trust the money would be used well
7. The community would need to feel listened to
8. Civility between factions
9. A deep understanding of the numbers
10. Options to “AP for All”

**7. What else would you want me to consider as I do my work?**

The top 10 responses in order from one to ten:

1. Thank you for your efforts
2. District leadership is not respected and/or is immoral
3. The great and unfair disdain for out of town families
4. The us vs. them sentiment is strong
5. The town takes great pride in our schools
6. Have integrity as you conduct the process
7. Consider all voices as you do your work
8. Keep the best interest of students in mind

9. Our demographics are changing
10. Don't go down rabbit holes

## Staff

I held the staff meeting on November 14, 2018 at the middle school. The meeting included all district staff including administrators, teachers, and classified employees. Staff were attentive, asked lots of good questions, and offered comment they thought I should consider.

I handed out a questionnaire with seven nearly identical questions to those I asked the community. Approximately 25 individuals handed in their completed questionnaires at the end of the meeting, and I received the other 16 in person. I collected 41 total.

The first question helped me gather information regarding the respondents. For example, were they a licensed or classified employee and how long had they worked for the district?

Below are the six questions asked and the most frequent responses collected through this process:

### **2. What are the top 3 things you want me to know about the Corbett School District?**

1. All staff members deeply care about our students
2. We work extremely hard
3. The administration is supportive of our work and us
4. The Corbett School District is an exceptional district
5. Our district is very underfunded
6. We have a passionate, great staff
7. The district has a culture of learning
8. We are invested in our multi-age, place-based learning
9. Out of district parents are supportive of our schools and volunteer/help a lot
10. We have undergone a lot of change over the past 10 years
11. All students are capable of learning at very high levels
12. Our classes are overcrowded and we are overworked

### **3. What are your top 3 concerns regarding the Corbett School District?**

1. Funding is a problem and we are worried now that we have lost open enrollment
2. Lack of money/funding impacts how we serve students and is a problem
3. Middle school safety – structurally – is a big problem
4. We need to pass a bond because we need safe buildings
5. The community does not understand the set of issues we face
6. There is a lack of transparency and trust between the community and administration
7. Special education teachers are overloaded and lack resources
8. We worry about district consolidation
9. A mythology of facts exists within the community
10. Social media shared by a few community members is a negative problem for us

### **4. What would the ideal program for the Corbett School District contain?**

1. We need other courses at high school beyond required AP for students, like shop
2. Keep the program just the way it is
3. We need more staff to get the work done and to reduce class sizes
4. More/better staffing for Special Education and an improved program
5. More money or more money per student

6. The multi-age classrooms
7. Would have safe buildings
8. “AP for All”
9. New curriculum
10. More behavior support
11. Money more balanced between academics and electives

**5. What would be important to you about how I conduct my work in order to improve the validity of the report and recommendation I produce?**

1. Follow the data
2. Stay unbiased
3. Seek balanced people from across the opinion spectrum
4. Listen to what staff have to say
5. Be careful what you communicate to the community – worry about that
6. Show comparisons with other districts – contextualize
7. Honesty

**6. What do you think it would take for Corbett School District to successfully pass a bond?**

1. Listen to what staff have to say
2. Listen to what different community demographics have to say
3. Create community buy-in
4. Help the community to understand the budget and or budget process
5. We need a district leadership change
6. Go out again, we are close
7. There are just a few negative vocal people in the community

**7. What else would you want me to consider as I do my work?**

1. Some people do not welcome our out-of-district students
2. The high school needs more learning options
3. Consider all opinions
4. What happened in the past when the school was smaller
5. Explain funding to the community
6. What is the ideal school size
7. Small towns are all tightly connected
8. Know the benefit of out-of-district students
9. Compare our pay to the county
10. Your work will impact many lives – be careful

## Students

I met with a Spanish class and Science class of approximately 28 students each on December 10, 2018. I explained my directive and they asked thoughtful questions. I handed out a questionnaire with four questions for them to answer. All students participated and handed in a total of 57 responses.

Below are the four questions and the most frequent responses collected through this process:

**1. What are the top three things you like about your school experience in Corbett?**

1. I like the school is small – seems personal
2. I like the 4 day school week – three-day weekend
3. AP Classes and all of them we get to take



4. I like my teachers
5. Good teachers I can get to know
6. Teachers care about you
7. I like the grading system – lots of chances - can't really fail
8. Friendships between students and students and teachers are strong and long lasting
9. Like AP, but should not be forced – need choice
10. I like the small class sizes
11. We get close to each other – friendships
12. It feels relaxed here

**2. What are the top three things about your school experience in Corbett that you wish were different?**

1. Required/forced AP courses
2. Wish there were more elective and class options
3. Want more class options/not study hall
4. Facilities are poor
5. Schools are not safe and we all worry about it constantly
6. AP classes put a lot of stress on students
7. Bathrooms are awful and need to be fixed
8. Want CTE class options
9. Want student voices heard in decision-making
10. Push to pass AP classes as opposed to learning
11. Need counselors and mental health support
12. We have way too much homework

**3. How do you think the Corbett practice of requiring AP courses has influenced your school experience?**

1. Adds a lot of stress to the school experience
2. Not all AP classes should be required/forced – make optional
3. I like that AP has pushed me to do better – learn more
4. Well prepared for college as compared to typical HS
5. I think it has given me an advantage
6. It is hard on students who cannot perform to that level
7. I am required to take AP but have never passed an AP test
8. “AP for All” is good
9. I have learned a lot and feel ready for college
10. I cannot pass the AP tests
11. Will save me money when I go to college
12. Worry we work too hard to pass the test as opposed to learning

**4. What would you want me to consider about Corbett schools as I prepare to make recommendations to the school board?**

1. Need a new middle school building, unsafe
2. We need a bond
3. Budget is too low
4. Facilities are terrible
5. Some students do not like forced AP – not good for them
6. Lack of electives
7. Wish leaders would seek student input
8. Amazing teachers

9. Many students have a negative view of the school – transfer out
10. We need bathrooms fixed up
11. We are terrible athletically
12. Leadership worries about our image with “AP for All,” not our learning
13. More class options

## Synthesis

A perfect synthesis of this kind of anecdotal data collection is difficult to compile. Still, there were regularly repeated messages and themes evident. These thoughts and opinions held by the school community should be very important to the future direction of the District.

My intent here is to identify the items occurring most frequently. The exact order chosen in my report can be and likely will be debated. I included the more detailed lists above to improve transparency, but I am going to do my best to organize the top 15 responses as they were communicated to me from the most frequent to least frequent:

1. Teachers are held in high regard in nearly every response returned. They are described as capable, caring, dedicated, hardworking, and talented. Students indicated they like their teachers and believe the feeling is mutual.
2. District administration has lost credibility and is seen as lacking in honesty and/or integrity. Many indicated leadership is intelligent, and hardworking, but is the flashpoint either causing or taking the blame for the controversy surrounding the district. Supporters and detractors alike indicated a change in District leadership is likely necessary to pass a bond.
3. People like that the District is comparatively small and therefore seems personal.
4. There is a need for more opportunities for students to take CTE/STEM courses, electives, and other ways to earn core credits.
5. The middle school is widely agreed to be dangerous should a seismic event take place. Additionally, the physical layout is not conducive as a learning space.
6. The District has a reputation of excellence and performing at a high level, particularly in AP outcomes. Corbett is a very attractive choice when compared to surrounding districts. People freely state their passion for the schools and take pride in them.
7. CAPS, the multi-age, place-based elementary program, and middle school enjoy very positive support.
8. Funding is inadequate and consequently a very significant problem for the District.
9. People believe out-of-district students are a positive influence on the district, adding diversity, expanded thinking, academic intensity, and an engaged parent base.
10. There is a real “us vs. them” mentality between multiple factions.
11. The District needs better and more transparent communication with the community.

12. The District lacks badly needed mental health and counselor support for students.
13. The District lacks the science labs and facilities needed for improved science learning.
14. Out-of-district students provide an important and needed funding source for the district.
15. At 625 students, Corbett could not survive or exist as a district.

# PREVIOUS REPORTS

It has been important for me to gain as much information as I could about the district as quickly and easily as possible. One way for me to do that was to examine previous reports produced by other educators or experts in relation to the District. I asked for copies of any previous education program review, architectural or structural reports, bond surveys, bond analysis, budget documents, and audit reports. I received or found documents of each type with the exception of a previous education program review.

Each of the documents provided me with important data and detail to consider in this report. Of course, each report contains significant detail and information specific to the original intended purpose, so it does not make sense for me to report all of those details here. Instead, I will attempt to provide just the specifics most pertinent to my work.

## Bond Analysis

In 2001, the Corbett School District had an actual bond rate of \$2.50 per thousand of assessed value. Over the ensuing years, that bond rate varied between a high of about \$3.30 per thousand in 2006, and \$2.00 per thousand in 2009. These general obligation bonds were paid off in 2014, and the bond rate for Corbett has been \$0 per thousand since 2015.

Other districts in the surrounding area carry a variety of bond rates. The highest is the Gladstone District at \$4.50 per thousand. Gresham-Barlow is at \$2.61 per thousand, and Reynolds is at \$1.83 per thousand.

Of course, just the bond rate does not tell the whole story on local property tax obligations. A combination of three factors create the total for the property tax rate of each district. The first is the “permanent rate” created by Ballot Measure 5. Corbett has the lowest permanent rate of the comparator districts at \$4.59 per thousand. These funds become the local funding added to the State School Fund making up the total of Corbett school funding. The second component of the property tax rate is the Local Option. Some districts carry this tax creating local revenue for a district that is in addition to state school fund dollars. Corbett does not have a Local Option and therefore the rate is \$0 per thousand. The highest Local Option rate in the area is Portland Public at a rate of \$1.99 per thousand. The last factor is the bond rate. Corbett has the lowest total rate of any of these comparison districts at \$0.

Current calculations for Corbett indicate a 20-year obligation bond at a rate of \$2.40 per thousand would generate approximately a \$16 million bond issue. A rate of \$2.65 per thousand would generate approximately a \$17.7 million bond issue. These rates would put Corbett somewhere in the middle of the rates for the comparison districts.

The 2019 Legislature is once again likely to pass a bond program that would provide state matching grants to some districts who pass bonds over the 2019-2021 biennium. The amount provided by the state is about \$4 million. If passed by the Legislature, Corbett would likely be in a reasonable position to access these funds. In other words, passage of a \$16 million bond may produce \$20 million for the district, or a \$12 million bond may produce \$16 million for Corbett. The district and community would want to know if they would qualify for this state match before actually determining a bond request.

## Bond Survey

The Corbett school community knows well the District has gone out for a bond on four separate occasions in the last dozen years, and each time the bond has failed. With each effort, the result has narrowed and it has come closer to passing. In fact, many believe another attempt will end in passage of a bond.

Districts across the state naturally go out for bonds to create new capacity when districts are growing in enrollment. They also regularly seek bond funds for a variety of other purposes:

- Improvement of systems, creating cost efficiencies in electrical, heating, insulation, and transportation costs
- Protection of investments from water intrusion, old piping, and weatherproofing
- Improved protection through seismic upgrades
- Improvements to facilities through things like turf fields, tracks, and performance spaces
- Addressing deferred maintenance
- Improving building security and student safety

Before seeking a bond, it is both wise and prudent for a district to poll their community to determine the likelihood the bond will pass. A poll can provide the district with feedback on opinion concerning their performance as a district, and allow them to determine what facility issues are of most concern to voters.

Accurate polling is very difficult to produce for a variety of reasons. Contracting with a company who does polling at the professional level is likely the only way to get back accurate and actionable information. I received the results from this kind of poll conducted by the Nelson Report who completed their surveying on July 1, 2013. Because this was a professional poll, I will rely on the results to make my observations.

The polling indicated 85% of district patrons believed the performance of the District was fair to excellent, with 42% indicating “excellent”, 29% responding “good”, and 14% indicating “fair.” This is a very positive result compared to most other districts. However, when the District asked voters if they would favor or oppose an \$18 million dollar bond costing taxpayers \$2.65 per thousand of assessed value, only 35% responded in “favor”, while 52% indicated they were “opposed.”

Most Oregon districts contracting for this kind of poll believe it requires between 60% to 65% “in favor” for the bond to have a chance at passing. It is true that several of the push point questions in the survey greatly improved the support rate (i.e. If you knew the bond would replace heating, electrical systems which would save thousands of dollars per year, would you support the bond?) had a “favor” response of 64%, this does not suggest the outcome of the vote would change.

The same Nelson Report also asked voters about a \$15 million dollar bond with a tax rate of \$2.20 per thousand that appeared to garner additional support. The exact “favor” rate was not provided, but it indicated significantly more support.

Additional polling to refine what the community might support has been conducted by the District. In 2016, the district held community meetings and presented information and options concerning a potential bond. At the end of those meetings, they polled attendees to determine the options, both bond amounts, and the use of the funds the attendees would support. These are important efforts to determining what bond package might pass at the polls.

In the 2013 Nelson Report, the highest levels of support for the bond came in the following “If You Knew” responses:

- The middle school has serious safety and structural issues 60% favor
- Protect the communities investments in buildings 62% favor
- Replace outdated systems and produce savings 64% favor
- Improved safety through seismic, alarm/security upgrades 61% favor

It is clear the District has a number of facility needs and does not have the general operating funds needed to address them. It is typical for Oregon school districts to amass deferred maintenance. District operating funds rarely provide the level of resources needed to do more than general maintenance and upkeep. School roof, plumbing, and HVAC replacements often cost more than a million dollars each. Districts choose to spend on programs educating students as opposed to these high dollar maintenance items and hope to perform that level of facility upkeep through bond measures. Corbett is not unusual in this regard. The District has a typical level of deferred maintenance that will cost anywhere from hundreds of thousands of dollars to more than a million to correct. The District does not currently have resources to address these issues and at some point the integrity of the buildings will begin to fail.

## Local Option

There is another local tax allowed by Oregon Law called a Local Option tax. It is the only tax providing a community the opportunity to tax themselves and retain the funds for their local school district.

A Local Option can be a serial levy generating operating revenue for up to five years. The amount of tax a local community can generate is calculated by measuring the “gap” of the Real Market Value (RMV) tax cap created by Ballot Measure 5 against the lower Assessed Value (AV) cap created by Ballot Measure 50. This “gap” must be determined on a property-by-property basis as the RMV and AV gap is unique to each property.

The actual determination for Corbett is a significant undertaking and is not part of my report. I did however contact Piper Jaffray, a financial services company providing service in debt capital markets as part of its business portfolio. They had recently performed a Local Option limit analysis for Corbett. While they had not seen a property-by-property gap analysis, their initial investigations indicated Corbett likely would not produce significant tax revenue from a Local Option.

Piper Jaffray did remind me however, of the Local Option Equalization Grant. This grant offers district like Corbett with relatively low Local Option Limits a matching grant of up to 99% of revenue generated by the Local Option. Nearly twice as much as the community would otherwise generate through the tax.

## Architectural Report

Over time, Corbett has worked with Architects to do some long range facility planning, bond preparation, and seismic evaluation. The District has needed the seismic evaluation work completed in order to apply for Oregon state grants which can help pay for seismic upgrades. The district has recently been upgrading the seismic capacity of the high school gymnasium with funds provided by these very grants.

For my purposes, the most important component of these reports has been in relation to the seismic reports on the middle school. This is certainly not my area of expertise, but the reports seem quite clear that the middle school suffers from a variety of seismic issues. These include:

- Unreinforced Hollow Clay masonry tiles in construction of the school walls
- Under structured Roof Framing, attic floors, and Floor Framing (likely)
- Poor anchorage between wall and floor and likely between wall and roof
- Unreinforced foundation wall
- Likely no footings for the building
- No lateral diaphragm in the roof framing or attic floors

# RECOMMENDATIONS

I have attempted to provide information up to this point in my report. Now I will begin to offer some of my thoughts and opinions based on the information collected, as well as my experiences as an educator and school leader in Oregon. Please understand these are only *my* opinions and while they are well informed and certainly well intended, only the Corbett community can really decide for themselves what to do with these recommendations and determine the path forward.

## Create a Covenant with the Community

There is no doubt the Corbett community cares deeply about their schools, how they operate, and the taxes that they pay. Corbett citizens have proven to be opinionated, outspoken, and for the most part continue to care about one another. They profess to want what is best for children who attend their schools, especially for those students who live in the community.

Corbett schools are broadly agreed to be high performing schools. The best community survey available indicated 85% of respondents hold this to be true. Certainly, results on the Oregon State Assessment Test, AP Tests, Graduation Rates, and Attendance Rates all are evidence of robust student learning and outcomes.

In a place like Corbett, the schools are typically a central focus for the community. They serve as a source of identity, cohesiveness, and pride. While these are all in evident in Corbett, a great unrest and divisiveness surrounding the schools is also apparent. This unrest appears to arise from fundamental disagreements between the schools and a large enough portion of the community to diminish civil discourse and create a stalemate when it comes to passing a bond for the District.

The actual list of fundamental differences is long and difficult to fully articulate. At the heart is a serious disagreement about how many students should attend the District who do not live within District boundaries. Some would like the District to be only the 625 students who live within District boundaries. Others want the District to be perhaps as large as 1,350 students, with more than half coming from out of District. They believe the revenue students bring to the District is necessary to fund the programs currently in place.

The “AP for All” program is another point of contention. Some like the program and believe it challenges all students, exposes them to high-level content, and all students rise to the level of expectation. They like the recognition the program brings the District and point to it as a key reason so many parents from outside the District choose to enroll their children in Corbett schools, driving them to the District every day. Those opposing this point of view believe “AP for All” is a gimmick designed to bring notoriety and transfer students to the District. They advocate for students who do not enjoy the AP classes and have never passed an AP exam during their school career. They wish for more core class options, electives, and CTE or STEM options on campus.

The need or desire to pass a sizeable bond is another source of divergence for Corbett citizens. Some do not see the need for a bond at all and do not want to pay additional property taxes. At the very least, they see the need for a limited bond that would serve only students whose parents pay taxes to the Corbett School District. On the “pro bond” side, people worry about the safety of the middle school building and the lack of adequate facilities. They desire improved athletic fields, a new high school at least large enough for current enrollment numbers, and real science labs for student use. They think a sizable bond should be passed now to support each of these wants.



District leadership, class and program offerings, as well as differences over the integrity of communication round out the major areas of disagreement. Each has supporters and detractors.

It appears each side is convinced their opinion is precisely correct. Perhaps herein lies the true crux of the problem: a serious lack of trust and willingness to compromise. Until this stalemate is broken, real and lasting progress will be impossible to achieve. Currently, the disagreements are so strong neither side is ever going to completely prevail, and frankly, neither side is completely right.

To move forward it will be necessary for everyone to take a step back to honor the strengths and ownership all sides bring to the District. The schools belong to the entire community and the desires of the community must be integrated into District design. At the same time, District leadership and educators possess expertise that needs to be considered and integrated as well. I believe compromise will provide the only answer. Finding the right compromise and trusting the compromise will be implemented is paramount. Working to find that compromise, making promises, and keeping those promises will be a requirement in order to move forward.

A covenant between all parties must be reached. Realizing this covenant will require designing a process that ensures meaningful, multi-faceted communication, transparency, compromise, and eventual agreement. Finally, those agreements must guarantee delivery of each promise to ensure progress.

## **Vision and Values for 2025**

To begin the work of a full school community commitment to Corbett schools, it will take a common vision and agreement on District values. This will be the foundational development of the covenant between the schools and community. A target date for achieving the vision and values should be out into the future. I recommend 2025 as the target.

The process will need to be facilitated by an experienced outside consultant (not me) in visioning processes. Input will need to include the entire Corbett school community at various points in the process. An oversight committee will need to guide the process and serve to put together a Vision and Values document. The composition of this roughly 20 person committee will need to be carefully crafted. The entire Corbett school community will need to feel they have had adequate representation on the committee. I would recommend a combination of School Board Members (3), the Superintendent (1), and positions based on representative groups such as community members (2), community parents (6), out-of-district parents (2), students (2), and District staff (4). Ensuring an even distribution of current opinion “supporters,” “detractors,” and “balanced” participants would be an important key to success.

The process should begin as quickly as practical following this report. It likely will take at least three months when school is in session to produce a document for adoption by the school board. April, May, and September of 2019 would provide an adequate time frame. Prior to adoption by the board, broad community support would need to be evident.

Surveying and reporting out the results of this representative and balanced committee in regard to the process should bolster broad support for the outcome. Targeting a 90% satisfaction rating among committee members and achieving at a level close to 90% is important. Additional surveying of a draft Vision and Values should be conducted of the broad school community prior to adoption by the board. A support rate of 80% is a good target for this community survey result.

The district will need to set aside resources to complete the process. The exact cost is difficult to determine, but I would think \$25,000 would be enough.

## Strategic Plan Creation

Once the Vision and Values document is complete and has been adopted by the School Board, the District should launch a strategic planning process. This is the second step in the development of the community covenant. Many of the components of this effort will mirror those of the Vision and Values process. In fact, if members were willing, retaining half of the participants in the Vision and Values work would support a quick start for this process, while also allowing new voices to be heard and considered.

This process should also be facilitated by an outside consultant and will require district funding. Due to the number of decisions and depth of planning this group will need to do, a five to six month process is likely, spanning from October 2019 to mid-February of 2020.

Again, this process will need to build broad community input. Community meetings, surveys, and listening sessions will be important along the way. When complete, committee participants will need to express nearly a 90% satisfaction rating in the process, and approximately 80% satisfaction level with the community.

When the new Strategic Plan is adopted by the Corbett School Board, it should provide a pathway forward for the next 10 years in the District. Such a long horizon will require some flexibility as conditions and assumptions change. The actual implementation and outcome targets should have a 2-year scope, with detailed updates completed in each 2-year timeframe.

The Board should direct the Superintendent to provide quarterly updates on the outcome targets of each detailed 2-year plan. An annual update on the 10-year plan should be required as well. These updates will keep the effort on track and will provide the Board and school community with regular accountability and transparency. If adjustments are necessary in the plan over time – and they will be – a representative group similar to the committee who originally put the plan together should be convened.

Components of the Strategic Plan should include aspirational targets for student outcomes and District operations. They should also include targets for all or most of the issues that are the current sources of discord in the community.

These include:

- Total District enrollment
- Charter School status
- Breadth and kind of class offerings at the high school
- Average class size in elementary, middle, and high school
- Student outcome targets (Oregon State Assessment Test, Graduation Rate, Regular Attendance Rate, 9<sup>th</sup> Grade On-Track, and perhaps AP Assessment Outcomes)
- Community support for the bond and/or facilities
- Bond passage
- Completion of facility improvements
- Budgetary stability

- Ending Fund Balance/Reserves
- Elementary program design
- CAPS
- Middle school program design

This Strategic Plan will serve as the backbone to the community covenant with Corbett schools. All sides will need to deliver on their part of the agreement to achieve ultimate long-term success.

## Create Funding Stability

By design and intent, the District needs to create as much funding and expenditure stability as reasonably possible. Through a variety of decisions, the district has gone through so many funding changes that it is difficult to create consistency. These variations make it difficult to plan, maintain program, and set the kind of long-term course of action it takes to move a district.

### 2019 Legislative Session – 2019-2021 Funding Biennium

The 2019 Oregon Legislative Session is underway and will be in session through at least June 2019. They will create and adopt the budget for Oregon schools for 2019-20, and 2020-21.

The session has been underway for only a few weeks, but it appears likely they will be adopting a “current service level” budget for Oregon schools. This means they will adopt a budget amount intended to allow most Oregon districts enough funds to continue their current level of service. However, due to the significant local control each Oregon school district enjoys, the exact amount needed for current services varies by district. This year, Corbett is spending more than current revenue, and likely will need to make some reductions even if the legislature delivers a current service level budget.

Governor Kate Brown and Legislative leaders have publicly stated they hope to pass laws this session that will raise additional revenue through new taxes. It has been difficult to pass a tax increase, but this session the legislature has a “super-majority” of Democrats in both the Senate and House. If all party members agree to vote in support of a tax increase, Governor Brown has indicated she likely would sign it into law. If passed, the proposed current service level budget for schools would increase by a billion dollars, a nearly 11% increase in funding for Oregon schools. Such an increase would end the need for Corbett to make budget reductions for 2019-20 if funding began on July 1, 2019.

However, Oregon has a citizen referral process allowing citizens to gather a threshold of signatures sending laws passed by the Legislature to a vote of the people. If the Legislature passes tax increases in the 2019 session, they almost certainly will be referred to a vote of the people in November of 2019.

Under no circumstances should the Corbett School District budget for the 2019-2020 school year as if additional funding from new taxes would ever arrive in district coffers. The District might have a contingency budget ready should such an event take place, but creating a spending plan as if the funding from possible new taxes is ill advised.

Oregon may end up with additional funding for schools through this process, and while it is impossible to accurately predict what will happen over the next ten months, I would put the likelihood of actual additional funding at under 50%. If the new taxes are passed and do stand, Corbett and other Oregon districts will be able to better plan and use those funds in the 2020-21 school year.

## Control School/District Size

The District must act to control the number of students who attend school in Corbett each year. Because Oregon funds schools based on ADMw, controlling that number is the most important factor in stabilizing a district budget. In addition, the most significant district expenses – especially personnel – are also determined by how many students attend school.

Creating consistency and predictability of student enrollment will allow the District to manage reasonable change over time. Precipitous changes would likely overwhelm the district and force decisions that would harm student learning. More specifically, a sudden drop in student enrollment could trigger teacher layoffs dictated by seniority. This combination can put teachers and students in less than ideal positions when it comes to the subject expertise of the teacher. Managed enrollment changes will make these situations much less likely to occur.

## Open Enrollment and Transfer

As previously stated, it is highly unlikely open enrollment law will change in the upcoming legislative session. Open enrollment bills will certainly be introduced for consideration, but they have little or no chance of passing. The District should assume open enrollment in Oregon has ended for at least the next four years, and likely beyond.

Some students will ask their home districts for transfers to Corbett. For the most part, surrounding districts will deny transfer requests in all but the most extreme circumstances. Even when granted, approval is reviewed on an annual basis.

Corbett should accept some transfer students, but should recognize many of these students arrive due to hardships the students often bring with them. I recommend limiting transfers to roughly 2% of total Corbett enrollment in any given year.

## Charter School Decision

The District is facing a problem with the end of open enrollment laws in Oregon. With no open enrollment, district enrollment and funding will drop quickly and create real chaos in the District for the next 9 years. Extended ADMw funding will blunt the effects, but the resulting appropriate reduction of 10 teaching staff (nearly 20% reduction) in the first four years of declining enrollment would be devastating to programming and rational assignment of teaching duties.

In my opinion, it would be much better for the District to sponsor a single school charter school beginning in the 2020-21 school year. This is a huge decision and should not be entered into lightly. In fact, the charter school decision should be a component of the work conducted by the Vision and Values committee, and then completed by the Strategic Planning committee. This group would make the recommendation within the Strategic Plan to move to a charter school or not. The Corbett School Board would take action to make this change after process and input from the community in the winter or spring of 2020.

If the decision is made to move to a charter school, I recommend it only be with certain conditions. These conditions extend and offer detail to the agreements that create the covenant between the District

and community in relationship to the charter school. The committee will need to create the exact agreements and detail in the charter, but true to my charge, I will make my recommendations here:

- The elected Corbett School Board contracts with itself as the Charter Board, effectively making them one in the same. In other words, Board members would live within Corbett district boundaries and would stand for election just as they do now.
- Precise student enrollment targets are set into the Charter for the next 13 years. Some small variance might occur due to student decisions, but they would not be material (i.e. Plus or minus 25 students).
- A target percent of out-of-district students is set for each year with negligible variance.
- Little or no tangible separation exists between the current Corbett District and the charter (i.e. the school would not need or require a second or separate superintendent)
- The capacity for community involvement and opportunity for participation in the decision making processes remains virtually unchanged as a result of Charter status.
- Values statements concerning the breadth and variety of school programming.

### **Community Student Majority**

I recommend the majority of students who attend Corbett schools live within the Corbett School District Boundaries regardless of open enrollment or charter school status. The District has a duty to ensure the education students are receiving is tailored to the students who live in the community.

There is a sentiment in the community that the District runs the current program at the high school simply to attract students from outside the District. It seems reasonable for that concern to be addressed when considering the required “AP for All” design at the high school. Additionally, community members have concerns about taxing their property to bond for school facilities large enough to accommodate all of the students who currently attend the district. If the majority of students attending the schools live within district boundaries, bond requirements should diminish slightly.

### **Use of Extended ADMw Funding**

The District should make use of the funding available through “Extended ADMw.” As the district enrollment shrinks in size, enrollment (ADMw) from the highest of the current or previous year is funded by the state. By going to a charter school, the District will be able to control the ADMw to ensure a consistent funding level due to Extended ADMw for at least the next eight years (through 2027). After that, the amount will decrease and will become more variable. With Extended ADMw, the District receives funds for students that do not attend the school, and therefore do not create program cost for the District.

### **Use of the Small High School Formula**

Through controlled reductions in enrollment, the high school will eventually reach “small high school” status at below 350 students. Depending on exactly how quickly enrollment drops in the District, the high school will begin to receive additional funding as a small high school. These funds should begin to grow at about the same time as the Extended ADMw funding stream begins to diminish, approximately eight years from now.

## Funding and School Size

As previously stated, the District and the community will need to reach a covenant on a number of topics through promised compromise. The District will more effectively embrace community desires for the schools, and the community will provide more robust support (i.e. pass a bond) for the schools. As part of Vision and Values, Strategic Plan, and charter school creation, school program and size will also need broad agreement. In fact, school size should be set into the chartering documents of the charter school.

I am comfortable with a wide range of district size. Anything between 800 and 1,050 students seems reasonable to me, and there are likely a number of balance points that come into play regarding exact size. The first is support from the Corbett community. The processes I have set forth through Vision and Values, Strategic Plan, and charter should be used to determine exact size. The second factor revolves around the breadth of offerings the school can deliver at the high school. There is a correlation between high school enrollment and the number of offerings available. A larger enrollment simply allows for a better economy of scale and broader set of offerings. The third factor centers on funding. As enrollment declines, Extended ADMw is available, and eventually small high school funding kicks in. In combination, the two provide extra funding and stability over the next thirteen years. After that, small high school funding is available ongoing. The fourth factor relates to a controlled staffing reduction and the accompanying reduction in district expenditure. If the loss of teaching staff is controlled, it can likely be managed through attrition as opposed to layoff. It will be much more likely the district will be able to continue with high quality teachers who have specific expertise in their assignment.

As I did my work to determine an appropriate district size, I found an interactive spreadsheet to be helpful. I have included my spreadsheet in the additional resources so anyone can manipulate the numbers and look for advantage. Changing an enrollment assumption on the spreadsheet will alter the remaining data points including the budgetary, staffing, and OSAA implications. It will be important for any group making recommendations about district size to work through a variety of numbers to determine the impact. How quickly district enrollment contracts, and how that contraction takes place are all important pieces of the puzzle.

Because I promised specific recommendations, I used the spreadsheet and landed on a district size recommendation of 871 students. There is no specific magic to this size other than to create likely acceptance and budgetary targets. My model would set a controlled enrollment reduction to 871 students over the next thirteen years. Enrollment would be carefully controlled so any program change would start in kindergarten and then progress through the grades. In year one, only the kindergarten class would be smaller. In year two, kindergarten and first grade would be smaller. The remaining classes of students would move through the years, and any students lost through attrition could be added through charter school transfer rules.

- It would generate Extended ADMw funding of approximately \$249,000 each of the next nine years, and then would begin to diminish to about \$55,000 each year thereafter, out to thirteen years
- Small high school funding would begin in 2027, and build each year from a low of \$23,000 in 2027-28 to a high of nearly \$490,000 in year thirteen and each year thereafter
- A decrease in teacher staffing expenditures each year through staff reductions would reduce district costs by an average of \$129,000 more in each of the next thirteen years.
- Both Extended ADMw and the Small High School formula bring in money through additional “weights.” In other words, revenue with no additional students to serve.

The average net yearly change for the next thirteen years is about \$434,600. In the first eight years, the total is a little lower at \$380,000. After that, it ramps up to \$542,700 a year for four years. Then, in year fourteen (2032-323), it would stabilize with only the small high school funding of about \$490,000 and would stay at that level each year thereafter.

The planned enrollment decline would also create predictability regarding OSAA classifications. Based on this model, Corbett would stay in the 4A classification for approximately six more years when high school OSAA enrollment (OSAA formula) would reach approximately 345 students, five students below the 5A classification number. The school would remain in 3A after that. In order for the District to ever enter into the 2A classification (206 or less), total district enrollment would need to approach 640 students, a size that seems too small.

### Running At 871?

The question everyone will need to answer is this: Can we run our district on the funding 871 students will bring in? I am convinced the answer is yes. There are 197 school districts in Oregon and 115, more than half, with enrollment below 950 students. All of them run district programs on their budget. For example, Clatskanie has 702 students, Amity 858, Bandon 699, Dayton 946, Harrisburg 865, Glide 715, Lake County 724, Reedsport 630, Scio 765, Willamina 823, and Vale 866, and all of these districts make it work at about the size Corbett would become. True, they all receive a per student funding level higher than Corbett, but most of them also receive small high school funding. At 871 students, Corbett will too, and it will actually increase the funding from the state by nearly \$600 per ADMr.

District program and operations will probably look different and those changes will be managed over time. The number of teachers needed to maintain current class size will be reduced by 15.25, driving down district expenses by \$1.68 million a year. Other staffing needs currently connected to the number of students served will be driven down as well, also reducing funding needs.

I have provided comparison schedule and course offerings of two districts (Glide, Clatskanie) that would be smaller than 871 students. I will also provide a bare bones budget in the additional resources of this report. It really is bare bones, just the allocations in each of the large categories (Fund, Function, Object, Center, Area), in an effort to indicate what this would look like. Putting together a full budget would simply take too much time and should include significant input and process. In order for the school community to move in this direction however, it is clear you need to be convinced it can work.

In my example, I have made some assumptions and will walk through those here. It is clear to me after doing this work that a smaller district size will work in Corbett and can still offer a strong program.

#### Assumptions:

1. This theoretical budget is based on projected state funding in 2019-2020 of \$8.97 Billion for the biennium. It is projected as if the district would become 871 ADMr students next year. All district extra “weights” have remained constant by percent, and no significant changes have been made to the State School Fund formula.
2. 1048 ADMw. The number of students the state would fund.

3. The district would reduce 30% of all instructional staff. This includes licensed (teachers) and classified classroom assistants.
4. All other staffing remains the same, including the administrators, secretarial staff, and all classified staff outside of the classroom (food service, grounds, custodial).
5. The Transportation Grant and High Cost Disability budgets remain constant (they should)
6. Annual Non-Formula revenue stays the same. This includes federal funds, lunch revenue, booster club revenue.
7. The Services and Utilities budget remain the same.
8. The Supplies and Projects budgets funds supplies at \$850 per ADMr and has an extra \$100,000 for unforeseen or capital expenses.
9. The Dues and Fees budget is consistent with spending over the previous three years.
10. The Debt Service budget remains the actual cost of \$300,000 per year.
11. The Capital Projects budget remains consistent at \$100,000.
12. The district has an operating budget of just over \$10 million annually.

In this scenario, I estimate the district ending fund balance would grow by approximately \$76,000 over the course of the year. The budget amounts I have used to generate this budget are the budget fund “actuals” from the Corbett budgets for 2016, 2017, and 2018. The best similar example I have is the Glide School District budget, which operates on \$8.8 million dollars state budget and funds 39 teachers.

### **Local Option**

Additional operating funds could be generated if Corbett were to pass a Local Option. However, the tax rate for the return would likely be prohibitively high, even with the availability of the Local Option Equalization Grant. A property-by-property Ballot Measure 5 vs. Ballot Measure 50 gap study would need to be generated to accurately determine the actual rate and revenue production.

I recommend the district have an analysis completed so exact dollar amounts are known.

### **Bond**

The covenant I am suggesting between the community and the District is fully realized with the passage of a bond by the community. The District will have completed an inclusive Vision and Values process as well as a Strategic Plan, and adoption of a charter. Within each of these documents, completed through inclusive process, are commitments the District is making to the entire school community. District size, program, and governance should be explicitly called out in these documents. The community would uphold their end of the agreement by supporting a bond and by at least considering the findings and possibility of a Local Option.



The middle school is not structurally sound in a seismic event of nearly any size. Parents, students, and staff do not feel safe in the building. In addition, the layout and configuration of the school does not enhance student learning. We all know that safety and security are basic needs, which must be met before higher-level development can take place. The middle school does not currently meet these safety and security needs.

In addition, the District and community should once again identify components of the Corbett facilities containing inefficient systems, deferred maintenance, and safety issues. Money is tight in the Corbett general fund and the district simply cannot afford to waste dollars maintaining old inefficient HVAC, electrical, and building envelope systems. As is typical in all Oregon districts, some deferred maintenance exists in Corbett schools. Repairs can be very expensive when maintenance is deferred, and takes scarce dollars away from the classroom.

With system replacement and upgraded facilities, the District should save thousands of dollars each year. These resources will be needed in the face of reduced enrollment and the expectation of offering students expanded learning opportunities.

The District and community should strongly consider the addition of a quality purpose built CTE and STEM facility. There is a demand for these programs, and the spaces needed to provide real world relevant learning are specific. I will make additional recommendations on these programs later, but want to emphasize they will require new facility space. Current technology, science, and advanced career learning spaces designed side by side can create exciting real world interactive learning opportunities for students.

The exact size and use of the bond will require community input and feedback. Everyone will need to understand that construction costs have skyrocketed in the last few years and months. Our regional construction boom has significantly increased the cost of labor if workers can even be found. When combined with the astronomical climb in material prices, particularly steel, it is clear any previous estimation of construction costs will need to be recalculated.

The community obviously has opinion regarding exactly what should happen with the middle school, whether it should be torn down and completely replaced, or maintain the front façade and replace the rest, or do extensive system and seismic improvements. This question is best answered through feedback to determine what the community will support. Personally, I would either completely replace it or replace all but the façade. A remodel and upgrade is expensive and likely will not provide a space as conducive to learning as the community should desire.

The exact amount of the bond will need to be determined as well. Is the community willing to support a slightly higher tax rate to build the CTE/STEM facilities? I recommend a range from \$2.40 to \$2.90 per thousand. Not very precise, but the exact amount will need refinement based on estimated costs, actual building plans, and the likelihood of matching funds (up to \$4 million) available from the state.

## Program

I recommend the elementary multi-age, place-based education program continue at the elementary level (CAPS and Corbett Elementary) as well as the middle school. The CAPS program appears very popular and effective and should continue as well.

The exact configuration of the multi-age classrooms will require some modification as enrollment begins to decline. The partnership and teamwork currently available when two similar classrooms exist in each configuration no doubt strengthens the program and instruction. I cannot recommend the exact

design each of the next nine years as enrollment changes in K-8, but adjustment will be necessary. These adjustments will be disruptive and will require significant work by teachers and staff. Adequate planning and support will be important.

At the high school level, I recommend more significant change. The one caveat to any change however, is the absolute commitment to continued high expectations and learning targets for students. Any diminishment in learning expectations and access to high-level content will serve to deliver less than all students are capable of learning.

I recommend the District move away from required AP courses for all students. The common vernacular among Corbett High School students is “forced” AP, and I think that is how it feels and is lived by them. I do believe some students take AP courses and find themselves capable of AP level work, but some students also feel trapped and hopeless in those courses. AP targets high levels of knowledge that focus on the learning of college level content. The content and knowledge are quality, but are not the only high value learning targets.

Additional courses in English, Science, and Math should be added into the selection options at the high school. Again, the level of the content must be very high. The College and Career Readiness Standards set forth by the State of Oregon and assessed through the Oregon State Assessment Tests are very appropriate. They set a standard of expectation that students achieving at that level are prepared for success in both college and for the high levels of skill and knowledge needed for success in the industry of today. Anything less than these standards sets students up for failure, and for less than they are capable of learning.

The addition of these course choices will need to be incremental. Perhaps in one subject at the Freshman and Sophomore level in year one, and then expanded over time. Full phase in should be accomplished within four years, but even after that, adjustments will need to be made. At first, the District can control change through the number of class sections it offers. Over time, a combination of school leader decision-making and student choice will drive the class offerings.

Other course offerings, specifically CTE, should be delivered as well. School leaders, teachers, community members, parents, and students should all be involved in the selection and development of these courses. Review of regional career opportunities and partnerships should be a component of program choice. Corbett will not have the capacity to offer multiple courses of study, so careful selection and phase in of one and perhaps two will be important. Regardless of what is selected, introductory through high-level industry standard opportunities need to be available. These should not under any circumstance be the traditional woods or metals programs offered in days gone by. Construction trades, Mechatronics, Advanced Manufacturing, Welding, Aviation (plane, drone, rocketry, materials science), Automotive, Agriculture, Graphic Design, and others are all possible choices. Again, these must be industry standard classes. Students should have the opportunity to work toward or actually earn industry certifications.

Corbett will not have the funding to simply add these courses and programs. One full time teacher might be added, but for the most part, these moves will require a realignment of teaching resource. The District and community will need patience to make these changes in smart and sustainable moves. Quality “kid magnet” teachers with technical knowhow and skills will make or break these efforts and will be central to the success of the program.

Other resources may be available to the District to support CTE/STEM course work and facilities. Oregon has made “CTE Revitalization Grants” available to districts who submitted well-designed

plans each of the last three biennia. These grants are from \$100,000 to \$500,000 and can help with implementation of CTE programs by providing funding for facilities and equipment for example. Planning and acquiring a good grant writer should be underway as soon as practicable.

Ballot Measure 98 funding may likely increase by as much as \$300 per high school student per year as a result of the upcoming legislative session. CTE/STEM are allowable uses for this funding source. The \$120,000 this could generate for Corbett would more than cover the cost for an additional teacher. Quality teachers will be in high demand and recruitment should begin as quickly as possible.

The District will also want to search for industry partners who can support chosen programs. In some Oregon districts the building trades have been very helpful in support, donations, and expertise to districts. Aviation partners like Boeing and OMIC have also been very helpful.

Finally, the grading system used at the high school should be maintained. I know some feel like it offers grade inflation or is perhaps a way to ensure students who do not engage in the AP coursework can still pass the class. The practice however, leads to improved content mastery and can help teach resilience and success to students. To ensure full value of this kind of Proficiency Grading, it is important students actually earn the grade they receive through demonstrations of learned content.

## Ending Fund Balance Policy/Target

At the end of the 2017-18 school year, the Corbett School District had nearly an 11% ending fund balance (EFB). That balance was likely artificially high because the state school fund split for the 2017-19 biennium was delivered to school districts by the state in a 50%-50% split, not the typical 49%-51% split that helps with year over year balanced budgeting. Typical school budgeting would likely reduce the Corbett EFB for 2018-19 by 4%, making a 7% EFB reasonable.

I am not sure what the actual EFB will be for Corbett at the end of this school year. It is my understanding the District has a higher expenditure than revenue for 2018-19. Hopefully the EFB will be at least 5%, roughly \$675,000.

The Corbett School Board should adopt targets for the EFB for each of the next seven years. If enrollment is set through charter to a manageable decline to 870 students, the District should collect roughly \$2.2 million in Extended ADMw funding during that seven years. These funds come for students who no longer exist in the district and therefore do not need services. Small FTE (teacher) expenditures will also reduce expenses in these years.

Setting EFB targets will discipline the use of those funds and set the District up for predictable and sustainable programming and budget. Charter status will greatly help with that predictability because student enrollment is something that can be precisely managed.

The District is going to need to spend some revenue to create new options at the high school. They will also need to spend money on the processes of Vision and Values, Strategic Plan, charter status, CTE and STEM programming selection, and bond development. An EFB of 2.5% is perilously low, 5% is reasonable, and anything out to about 12% is prudent.

With the spending needed in the first two years, a target between 3% and 5% makes sense. After that, building by one half of a percent to one percent a year out to at least 8% would be good financial management. It would help create stability for the district over time.

## Regular Reports

The Superintendent should be directed by the Board to make regular reports to the Board on a number of items and processes. The first would be monthly updates on community processes involving the development of the Vision and Values, Strategic Plan, charter status, CTE and STEM Programming, and bond development.

Once documents and targets are set and documents have been developed, progress on the targets should be reported on a regular calendar.

- Vision and Values: Once developed should remain mostly static with an annual report.
- Strategic Plan: Once developed should be a living document with a twice yearly report.
- Charter Status: Regular reports in development, then targets and agreements should be reported on twice yearly as part of the Strategic Plan.
- CTE Programming: Regular reports in development, then updates twice yearly in Strategic Plan report.
- Bond Development: Regular reports in development, then regular updates until facility improvements are complete

Through these reports, the community can rest assured the District is delivering on their part of the agreement. Everyone will also be able to see what has been accomplished through the covenant.

The Board should also direct the Superintendent to make an annual report on student outcomes and transfers. This includes outcomes on the Oregon State Assessment Test, AP Testing, 4 Year Graduation Rate, Regular Attenders, and 9<sup>th</sup> Grade On-Track status. The reports should be broken out for some demographic groups such as ELL, and specifically for students who live in the District boundaries, as compared to those who attend from outside. It should also include the exact number of students who are attending Corbett schools from outside the District boundary, and exact number of those who live in the District but are choosing to transfer out.

I was not able to access this data as part of my report and it is important information for the community. Currently some community members believe district programming is designed to attract students from outside the District, and they are also the primary beneficiary of that programming. The question could be put to rest by reporting on the outcomes I have suggested.

If the Board accepts some of my programming recommendations regarding size, AP courses, and CTE the report can easily wait for two years until new programming is in place. If the Board does not accept changes, the community deserves to know the outcomes of these student populations at the end of each year beginning June 30, 2019 .

## Sequencing and Time

The timing and sequencing of these recommendations is important. If accepted, District leadership, the Board, and community would need to work together to ensure any sequence works well.

There is no way current staffing levels would allow for sequencing and processing as rapidly as I am going to recommend. This is a huge amount of work and commitment from the entire school community. Additionally, outside experts will need to be employed to ensure the process is high quality and has the acceptance of community critics. The District will need to spend some money to make all of this come together.

1. Begin the CTE program selection process immediately. You should bring in an outside facilitator and CTE expert to support the process. CTE Revitalization Grants and Ballot Measure 98 additional funding will be available soon after the Legislature adjourns in July. The District will need to be ready with plans. In addition, if these funds are available, the competition for quality CTE teachers will be fierce. The District should begin the recruitment and retention process for a 1.0 teacher as soon as program selection is complete, hopefully by May 15, 2019.
2. Begin the Vision and Values process as quickly as possible. Three school months should be sufficient for the process. April 1, 2019 to September 30, 2019. You should bring in an outside facilitator and expert to support the process.
3. Begin the Strategic Planning Process as soon as Vision and Values are developed. Beginning in October 2019, and completing by February 15, 2020. You should bring in an outside facilitator and expert to support the process. Probably the same person who supports the Vision and Values Process.
4. Decide on charter status and agreements. This will take place as part of the Strategic Planning process. The Board should be set to make a decision on charter status by February 15, 2020. The same outside facilitator should help you with this decision.
5. Assuming the decision to seek a bond, the exact status and amount of the bond should be set by the Board no later than March 1, 2020. The next election will be held on May 19, 2020. Outside support and facilitation will be necessary. Your architectural firm and bond support will help.
6. You should be aware it will likely take at least two years to complete the construction. A target of occupying new spaces in the fall of 2022 is possible but aggressive. Student enrollment should be considered when designing the new facilities.

## Civility and Grace

I probably should stop and not make this last recommendation. I will be overstepping my charge and boundaries, but likely have done that many times already.

I ask that the individuals on all sides of these issues give each other some grace. No one is perfect or always has information that is precisely correct. We can watch current events and understand how our ability to broadly communicate can magnify any misstep, mistake, or intent. No doubt individual components of this report can be targeted and used to bolster a single point of view. Only the totality of the report however, delivers a fuller picture of the District. Please do not harm the potential to move forward in a positive way by brandishing only part of the content, whether in print, in discussion, or especially on social media.

You all clearly care deeply about your community, students, parents, teachers, and schools. Please try to assume positive intent. Check on assumptions and work together in good faith to build the Corbett you will all be proud of.