State of Oregon

The Oregon Department of Education Should Take Further Steps to Help Districts and High Schools Increase Oregon's Graduation Rate

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Report Highlights

The Oregon Department of Education (ODE) has prioritized improving four-year graduation rates in recent years. The Secretary of State Audits Division found ODE could make further progress by helping schools and districts focus on specific groups, such as students who transfer between districts, low-income students, and middle school students. ODE can also better help districts and schools use data to identify students in danger of not graduating, use effective improvement tools, and communicate the importance of graduation to parents and the community.

Background

One in four Oregon public high school students does not graduate on time.

Current steps to boost on-time graduation rates include plans to reduce chronic absenteeism, prevent students from dropping out, increase access to college-level courses in high school, and increase career-technical education.

Audit Purpose

The purpose of the audit was to determine how ODE and school districts could increase four-year graduation rates in Oregon's public high schools.

Key Findings

Through school visits, interviews, data analysis, and document reviews, we found that:

- Students who changed districts during high school – more than a quarter of all high school students – had graduation rates roughly 30% lower than students who did not. ODE does not analyze or report graduation performance for these students.
- Schools with mid-range graduation rates – 67%-85% - receive limited improvement support from ODE, though most non-graduates attend these schools.
- More than 70% of students who do not graduate on time are low-income. ODE should assess the need for services to help those students succeed.
- The Legislature and ODE has not emphasized middle school performance or student transitions from middle school to high school, though students who struggle in middle school are already at risk of not graduating.
- ODE does not track student grades or specific credits attained, data the agency could use to help more students graduate.
- ODE should improve its internal communications and help districts and schools communicate the importance of graduation to parents and the community.

Recommendations

The report includes recommendations to the Oregon Department of Education on additional efforts it could take to increase on-time graduation rates. Among them: focusing on specific student groups, supporting coordination between middle schools and high schools, collecting more detailed student data, and helping districts better use improvement tools.

The Oregon Department of Education generally agreed with our findings and recommendations. The agency's response can be found at the end of the report.

About the Secretary of State Audits Division

The Oregon Constitution provides that the Secretary of State shall be, by virtue of his office, Auditor of Public Accounts. The Audits Division performs this duty. The division reports to the elected Secretary of State and is independent of other agencies within the Executive, Legislative, and Judicial branches of Oregon government. The division has constitutional authority to audit all state officers, agencies, boards, and commissions and oversees audits and financial reporting for local governments.

Audit Team

William Garber, CGFM, MPA, Deputy Director

Sheronne Blasi, MPA, Audit Manager

Andrew Love, Audit Manager

Karen Peterson, Principal Auditor

Jonathan Bennett, MPA, Staff Auditor

This report is intended to promote the best possible management of public resources. Copies may be obtained from:

website: sos.oregon.gov/audits

phone: 503-986-2255

mail: Oregon Audits Division
255 Capitol Street NE, Suite 500
Salem, Oregon 97310

We sincerely appreciate the courtesies and cooperation extended by officials and employees of the Oregon Department of Education, school districts, and high schools during the course of this audit.

Secretary of State Audit Report

The Oregon Department of Education Should Take Further Steps to Help Districts and High Schools Increase Oregon's Graduation Rate

One in four Oregon public high school students does not graduate on time. Oregon's 75% graduation rate trails the national average of 84% and is well below Oregon's goal of all students graduating. The Oregon Department of Education (ODE) has taken steps to improve four-year graduation rates. We found ODE can make further progress by helping schools and districts focus on specific groups, such as students who transfer between districts, low-income students, and middle school students. ODE can also better help districts and schools use data to identify students at risk of not graduating, use effective improvement tools, and communicate the importance of graduation to parents and the community.

Introduction

The education system involves multiple layers of government

Oregon's public education system includes multiple partners that each play a key role related to student graduation rates.

Governor - Since 2011, the Governor is the Superintendent of Public Instruction and appoints the Deputy Superintendent of Public Instruction to lead the Department of Education.

State Legislature - The Legislature sets the overall K-12 funding level and passes laws that establish or modify education programs and goals. It also sets the mandatory requirements for student graduation.

State Board of Education - The State Board of Education oversees ODE and sets educational policies and standards for Oregon's public schools. The board is made up of seven voting members appointed by the Governor and approved by the Senate. The State Treasurer and Secretary of State are also on the board, serving as non-voting, ex-officio members.

For the 2015-17 biennium, ODE had an operating budget of $297 million and 439 full-time equivalent positions.

Department of Education - ODE is responsible for administering state and federal grant programs, ensuring school districts comply with laws and rules, administering distribution of state funds to districts, and holding districts and schools accountable by reporting student performance

information. Its mission is to "foster equity and excellence for every learner through collaboration with educators, partners, and communities." Agency divisions include:

- <u>Office of the Deputy Superintendent</u>: Provides management and leadership for the agency. This division also includes staff responsible for government and legal affairs, internal audits, State Board of Education administration, and communications.
- <u>Office of Teaching, Learning and Assessment</u>: Responsible for developing academic content standards, district and school improvement efforts, accelerated credit programs, career and technical education, and statewide assessments.
- <u>Office of Student Services</u>: Oversees a number of program areas including special education, child nutrition, and school health.
- <u>Office of Accountability, Research and Information Services</u>: Collects and analyzes data supporting ODE's accountability and research roles, and provides data collection support for Oregon's schools and districts.
- <u>Office of Equity, Diversity and Inclusion</u>: Responsible for activities related to closing the achievement gap, migrant education, civil rights, African American statewide education plan, and English Language Learner support and monitoring.
- <u>Office of Finance and Administration</u>: Provides internal fiscal and administrative services, and calculates and distributes payments to schools and districts from the State School Fund.
- <u>Early Learning Division and the Youth Development Council</u>: Since 2013, ODE has administered the programs for the Youth Development Council and the Early Learning Division. These differ from other divisions as they have their own policy boards.

Chief Education Office - The Chief Education Office, created in 2015, is charged with building a seamless system of education in Oregon. Its role is to foster stronger connections and curriculum alignment from early learning through post-secondary education and the workforce to improve student outcomes.

School Districts - Oregon's 197 school districts are responsible for governing their schools consistent with State Board of Education policies. Districts establish their own strategic plans, set school days and hours, determine their curriculum, and decide how they will distribute their allocation of state school funding. Roughly, 1,250 public schools in these districts educate more than 575,000 students.

Education Service Districts – Oregon's 19 education service districts provide regional services to assist school districts in providing equitable education opportunities for all public school students.

Federal Government - The U.S. Department of Education's role is shifting with the Every Student Succeeds Act (ESSA), which passed in December 2015 and replaced No Child Left Behind (NCLB). Like NCLB, ESSA provides federal funds and academic services for students in poverty and other historically underserved groups. It also requires states to have an accountability system.[1] Unlike NCLB, ESSA gives states more flexibility in designing accountability systems and in identifying and supporting schools and districts that need improvement. Federal officials approved Oregon's ESSA plan in August 2017.

ODE and its partners have focused on improving graduation rates in recent years

Cohort Graduation Rate:
Follows the cohort of students who enter the 9th grade in the same year through their 12th grade year, adjusting for students who transfer in and out of the state. The graduation rate is the percent of students who earn a high school diploma in this period, which includes the Oregon diploma and modified diploma.

The first year of TAPP, based on ODE's evaluation of the program, has found improved attendance, evidence of improved relations between tribes and school districts, and areas to target with interventions.

In 2011, Oregon's Legislature set an ambitious education goal: all eligible Oregonians would have at least a high school diploma or equivalent by 2025. As we will detail later in this report, Oregon's 75% cohort graduation rate remains low nationally, but has increased in the last five years. Below, are some of the initiatives ODE and its partners have undertaken.

Equity Lens - The State Board of Education adopted an "Equity Lens" on race and ethnicity to better support traditionally underserved students.[2] As part of that emphasis, ODE developed plans to improve graduation rates and other outcomes for the state's African American students, Native American students, migrant students, and English Language Learners. The Tribal Attendance Pilot Program (TAPP) is an example of a specific program designed to enhance education equity by improving the attendance of Native American students.

Chronic Absenteeism Plan - To address the high rate of chronic absenteeism in Oregon's public schools, ODE, and the Chief Education Office developed a Chronic Absenteeism Plan in 2016. ODE received $7.4 million to implement the plan in the 2017-19 biennium. Chronic absenteeism rates are highest in high school, peaking in the 12th grade, at 32% of the student body. Research indicates that chronically absent students - students who miss 10% of school days or more in a school year - have lower graduation rates, lower performance on standardized tests, and increased behavioral issues.

Graduation Improvement Blueprint - ODE also recently issued a graduation improvement blueprint, which it formed with stakeholder

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[1] ESSA requires states to develop an accountability system that meaningfully differentiates the performance of all public schools in the state annually. It must include measures of student achievement, graduation rates, and school quality. One measure of school quality that Oregon will use is student absenteeism. Performance must be reported for all student groups.
[2] The Equity Lens explicitly identifies disparities in education outcomes for targeting areas of action, intervention and investment, with a focus on issues related to race and ethnicity.

input. It identifies critical elements to improve graduation rates and highlights some successful, evidence-based strategies used around the state.

Measure 98 - Measure 98, a 2016 ballot initiative approved by the voters, provides direct funding to school districts to increase high school graduation rates. These funds can be used for Career and Technical Education, college-level courses while in high school, and dropout prevention programs.[3] Districts receive funds based on the number of students they have. The Legislature approved $170 million for the 2017-19 biennium, approximately 60% of the measure's original funding level.

Other Graduation Rate Initiatives - Other evidence-based initiatives have been implemented to increase graduation rates. Those initiatives include state funding for full-day kindergarten and expansion of Career Technical Education (CTE). The Legislature has also considered and passed numerous policy measures targeted at early childhood and K-12 education. In the 2017 legislative session, the Legislature passed 16 education-related policy measures, and considered another 23.

The State Board of Education has increased high school graduation requirements

Career-related learning experiences:
Students participate in activities that connect classroom learning with relevant real life experiences in the workplace, community, and/or school.

Extended application:
Students apply and extend their knowledge in new and complex situations related to their personal and/or career interests and post-high school goals through critical thinking, problem solving or inquiry in real world contexts.

The State Board of Education adopted increased graduation requirements in 2007. These requirements were fully adopted in 2014. The new requirements increased the minimum number of credits needed to graduate and gave all students the option to earn credit by demonstrating proficiency.[4]

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[3] Ballot Measure 98 was adopted into state statute as the "High School Graduation and College and Career Readiness Act of 2016." The Measure indicates that by no later than December 31, 2020 and every two years thereafter, the Secretary of State shall conduct financial and program audits of the High School Graduation and College and Career Readiness Fund.

[4] Proficiency credit is earned for demonstrating defined levels of proficiency or mastery of recognized standards by successfully completing classroom or equivalent work, successfully passing an appropriate exam, providing a collection of work or assessment evidence, or providing documentation of prior learning activities or experiences. For example, this allows meeting math requirements through courses such as Integrated Math, Applied Math, Construction Math, and Business Math, as long as they meet the content threshold of Algebra I or higher.

Currently, high school students must complete credit requirements, demonstrate essential skills proficiency, and meet personalized learning requirements to receive an Oregon diploma. Specifically, the requirements include:

Credits

English/Language Arts – 4 credits
Mathematics – 3 credits (Algebra I and higher)
Science – 3 credits (2 with lab experiences)
Social Science – 3 credits
Physical Education – 1 credit
Health Education – 1 credit
Second Language/Art/CTE – 3 credits
Electives – 6 credits
Total – 24 credits

Essential Skills

Read and comprehend a variety of text
Write clearly and accurately
Apply mathematics in a variety of settings

Personalized Learning

Education plan and profile
Career-related learning experiences
Extended application

Students demonstrate they have met essential skills requirements by using either the Smarter Balanced assessment, other approved assessments such as the ACT and ASSET, or work samples scored using official state scoring guides.

For personalized learning, students complete an education plan and profile, and assemble a collection of their work that displays how they met career-related learning experiences and extended application of essential skills learned in their educational career. Students may address both career-related learning experiences and extended application in one collection, or create separate collections, depending on the nature of the learning experience or project. Collections may include an internship report, evaluation and documentation of a workplace activity, job shadow notebook, technical or research report with documentation of work and reflection, and summary and documentation of a project related to school.

Modified diplomas require a complete course of study aligned with the state's academic standards, and are included in Oregon's graduation rate. They are for students with documented learning or medical barriers who have shown an inability to achieve an Oregon diploma. Students still must earn 24 credits, though 12 are designated to certain academic subjects and the other 12 toward electives. Credits may be earned through a combination of modified classes, regular education classes, and credit by proficiency.

Education funding has increased but still falls short of Quality Education Model standards

Since property tax limitations in the 1990s, Oregon's school funding has not kept pace with increased education expenses.

Similar to other states, the majority of Oregon's K-12 education funding comes from the state, which allocated $8.2 billion for K-12 education in the 2017-19 biennium. State funds, which are combined with local property and timber tax revenues, are distributed to districts using a formula designed to equalize allocations across districts. For the 2017-19 biennium, local revenues will provide $4 billion for K-12 education.

The Legislature has increased state funds in each of the last four biennia, including an 11% increase in 2017-19. However, since property tax limitations passed in the 1990s[5], Oregon's school per student funding has remained virtually the same, factoring for inflation, and have not kept pace with increased education expenses. Education organizations estimate it would have taken another $200 million in the 2017-19 biennium for most districts to maintain their programs.

The Quality Education Commission (QEC), established by the Legislature in 2001, estimates the amount of state funding required for a system of highly effective schools in Oregon. QEC, comprised of 11 members appointed by the Governor, developed the "Quality Education Model" (QEM) to estimate this level of funding. For 2017-19, the model estimated a $1.8 billion shortfall.

Figure 1: State School Fund Allotment Falls Below QEM Recommended Funding Level
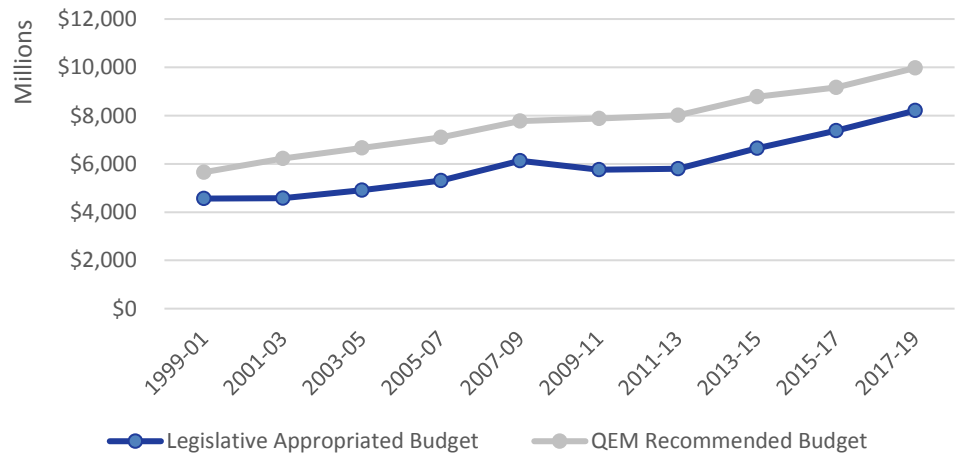
Source: Quality Education Commission and Legislative Fiscal Office reports

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[5] Measure 5, passed in 1990, introduced property tax rate limits. Measure 50, passed in 1997, created limits on the growth of assessed values and replaced most tax levies with permanent tax rates.

Oregon moved from being the 15th highest funded state for education nationally to the 31st highest between 1990 and 2015, according to the 2016 QEM Report. Over that same period, the report notes that Oregon had the second lowest growth in spending per pupil in the nation.

Objective, Scope and Methodology

Objective

The purpose of this audit was to determine how ODE and school districts could help increase student four-year graduation rates in Oregon public high schools.

Scope

The scope of this audit concentrated on schools with low and middle-range graduation rates that have not improved as much as the state as a whole between the 2011-12 and 2015-16 school years. These represent 40% of high schools in 2015-16. We did not focus on graduation rates at alternative education schools and programs as well as online schools, as our office conducted a separate audit that focused on students at-risk of not graduating in those schools. That audit will be released shortly.

Methodology

To address our objective, we conducted interviews with multiple stakeholders. Among them were representatives from the Oregon School Board Association, Confederation of Oregon School Administrators, Education Northwest, Chalkboard Project, Stand for Children, Unite Oregon, Salem Keizer Coalition for Equality, Oregon Parent Teacher Association, Chief Education Office, and Quality Education Commission. We also interviewed ODE management and staff in the following units: Research and Data Analysis; Accountability and Reporting; Student Services; Office of the Deputy Superintendent; Standards and Instructional Support; Data, Operations and Grant Management; Child Nutrition; Education Programs and Assessment; and District and School Effectiveness.

We also visited nine high schools with low or middle-range graduation rates whose rates improved by less than 5% between the 2011-12 and 2015-16 school years. As part of our school visits, we conducted interviews with school and district administrators, teachers, support staff, and students and toured school buildings. We spoke with the principal and two teachers at an additional school over the phone. We judgmentally selected these schools to obtain diversity in terms of size, geographic location, and student group populations.

We visited four more high schools that had middle or high graduation rates and had shown significant improvement between the 2011-12 and

2015-16 school years. During these visits, we conducted interviews with school administrators and toured school buildings. We also spoke with administrators for two additional schools over the phone. We judgmentally selected these schools based on similar criteria as was used for the low and middle-range schools.

We reviewed state laws and administrative rules related to the agency and our audit objective. We also reviewed the agency's performance measures, annual reports, planning documents and website materials relevant to our audit objective. We reviewed agency budget documentation prepared by the Legislative Fiscal Office.

We identified promising practices for evaluating student success and improving graduation rates through a review of available research conducted by ODE, the Quality Education Commission, and the Chief Education Office. We also reviewed documents found on the websites of other states' education agencies to identify promising practices and data collection practices. We also reviewed research from other national education organizations, including the Education Commission of the States, the Everyone Graduates Center at the School of Education at Johns Hopkins University, Chalkboard Project, the Data Quality Campaign, the National Education Policy Center, Harvard Graduate School of Education, and the Consortium on Chicago School Research.

We analyzed national data from the U.S. Census Bureau and National Center for Education Statistics. We also analyzed Oregon district and school data provided by ODE and data collected by the audit team from ODE's website. This included data on graduation rates, dropout rates, enrollment, and student demographics. We assessed the reliability of this data by evaluating previous assessments of reliability by other Oregon Audits Division auditors, reviewing existing information about the data and the system that produced them, and interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained and reported provides a reasonable basis to achieve our audit objective.

Audit Results: The Oregon Department of Education Should Take Further Steps to Help Districts and High Schools Increase Oregon's Graduation Rate

Hallway in an Oregon high school

Earning a high school diploma is a key life milestone. This achievement demonstrates commitment, responsibility, and aptitude. It expands livelihood and career opportunities, whether a graduate enters the workforce or continues with higher education. In contrast, research shows that not graduating leads to higher unemployment, lower incomes, poorer health, and higher incarceration rates. Society also faces financial impacts such as higher social service and incarceration costs, and lower tax revenues from non-graduates. This cost is estimated at $260,000 to $292,500 for each student without a high school diploma.[6]

Oregon's high school graduation rates have increased gradually, on average about 1% a year for the past five years, to 75% in 2015-16. While this improvement is encouraging, the state still has a quarter of its students not able to graduate on time.

Improving high school graduation rates is a complex issue that requires strong partnerships between state agencies, local agencies, community organizations, school districts, schools, students, and parents.

ODE has taken actions to improve graduation rates, but it can further help schools and districts support students who transfer between districts, low-income students, and middle school students. ODE can also better help districts and schools use data to identify students in danger of not graduating, use effective improvement tools, and communicate the importance of graduation to parents and the community.

Oregon's graduation rate has improved but remains low

5-Year Completion Rate: Follows the four-year graduation rate cohort for an additional year and includes students who received a diploma or an equivalent credential, such as a GED.

Oregon's four-year graduation rate improved by roughly 5% over the last five years, to 75% in 2015-16.[7] Over this same period, the five-year completion rate has shown less growth, meaning that overall, there has

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[6] Miller, L. and Connors, K (2015). *Return on Investment in Education.* Center on Reinventing Public Education.

[7] Starting in 2013-14, in addition to students receiving regular diplomas, the rate includes students receiving modified diplomas and students who earned their diplomas but had not yet received them because they were returning for a 5th year to earn college credits. To create greater comparability, we have adjusted the data prior to 2013-14 to include modified diplomas, but we do not have data for 5th-year students prior to 2013-14 to make that adjustment.

been limited improvement in the number students getting a diploma or its equivalent.

Figure 2: Trend in Four-Year Graduation and Five-Year Completion Rates
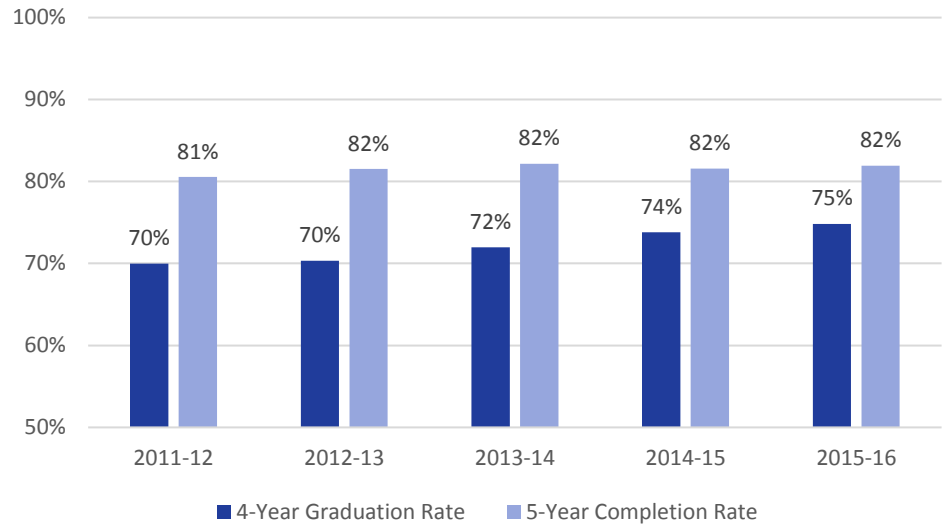
Source: ODE cohort graduation rate data, obtained from ODE website. Graduation data prior to 2013-14 is adjusted to include modified diplomas.

In the last five years, graduation rates for all student groups have increased. Some have shown stronger growth relative to their peers, such as African American and Hispanic students. But other student groups, such as Current English Learners and American Indian students, have made less progress, as shown in Figure 3. ODE has recognized these gaps and, as mentioned earlier, has made educational equity and closing achievement gaps a priority. ODE has recently developed or is in the process of developing specific statewide education plans to address disparities and educational needs for student groups that have large achievement gaps compared to the statewide graduation average.

Figure 3: Growth in On-Time Graduation Rates by Student Group

	2011-12	2015-16	Change
All Students	70.0%	74.8%	4.8%
Male	66.2%	71.4%	5.2%
Female	74.0%	78.4%	4.4%
Am. Indian/Alaska Native	53.3%	56.4%	3.1%
Asian	81.7%	88.0%	6.3%
Native Hawaiian/Pacific Islander	67.2%	70.1%	2.8%
African American/Black	55.4%	66.1%	10.7%
Hispanic/Latino	61.3%	69.4%	8.2%
Multi-Racial	70.3%	74.4%	4.1%
White	72.7%	76.6%	3.9%
Economically Disadvantaged	63.3%	68.1%	4.8%
Not Economically Disadvantaged	77.1%	83.8%	6.7%
Current English Learner	51.9%	52.9%	1.0%
Not an English Learner	71.5%	75.8%	4.3%
Students w/Disabilities	49.3%	55.5%	6.2%
Students w/o Disabilities	73.2%	78.1%	4.9%

Source: ODE cohort graduation rate data, obtained from ODE website. Graduation data from 2011-12 is adjusted to include modified diplomas. The Ever English Learner student group was not tracked in 2011-12.

Students who attend traditional public high schools, which are the vast majority of students, graduate at higher rates than those who attend other school types including charter, alternative and online schools. Charter and online student enrollment and performance has increased over the last five years, but on-time graduation in these schools continues to trail traditional schools by more than 20%. Our office conducted a separate audit focused on improving graduation rates and other results in alternative education and online schools. That audit will be released shortly.

Even within Oregon, there is variability in credit requirements. For example, McMinnville High School requires 27 credits and Sherwood High School requires 28. Both of these schools have consistently higher graduation rates than the state average.

Oregon's graduation rate has been consistently low when compared to other states. In the last five years, it has ranked in the bottom five.[8] In 2015-16, the most recent year with comparable data, Oregon's graduation rate ranked 48th. Several factors can reduce the comparability of graduation rates across states. For example, some have more rigorous graduation requirements. Oregon is among 13 states that require the highest minimum number of credits to graduate – 24. There are also variations in how states calculate graduation rates. For example, in contrast to Oregon, a few states establish their cohorts later in the school year, leaving out students who drop out early in their freshman year. However, even while acknowledging these variations, nationally recognized groups, such as the Data Quality Campaign and the Everyone

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[8] National Center for Education Statistics, Digest of Education Statistics, Public high school 4-year adjusted cohort graduation rate (ACGR), by selected student characteristics and state: 2010-11 through 2014-15.

Graduates Center, consider the graduation rates across states to be reasonably comparable and have used them to compare performance.

ODE can take further steps to help specific groups of students graduate

Helping more students to engage in school and earn diplomas involves multiple key partners. For ODE, we found it could strengthen support to districts and schools so they can improve graduation rates among the following groups of students:

- High school students who change districts;
- Students at schools with mid-range graduation rates; and
- Low-income students.

Students transferring between school districts graduate at much lower rates and could benefit from more support

Students who changed districts at least once in their high school career had an on-time graduation rate of 51%.

During our school visits, staff often stated that students transferring into their schools often struggled to graduate on time. We requested ODE data and analyzed the effect students who changed districts during high school had on graduation.[9] Using cohort data, we found that these students had sharply lower graduation rates overall. Specifically, in the adjusted graduating cohort of 2015-16, about 27% of students changed districts within the state at least once in their high school career. These students had an on-time graduation rate of 51%, well below the statewide graduation rate of 75% and more than 30% lower than their peers who stayed in the same district.

We also found these substantial differences persisted within every student group ODE tracks, as shown in Figure 4.

Figure 4: Gaps in On-Time Graduation Rates by Student Group in 2015-16

Graduation Rate Gap for Students Changing Districts	Student Groups
Greater than 30%	American Indian/Alaska Native, Hispanic/Latino, White, Not Economically Disadvantaged, Not an English Learner, Ever English Learner, Students without Disabilities, Male
Between 26% and 30%	African American/Black, Multi-Racial, Students with Disabilities, Economically Disadvantaged, Female
Between 19% to 25%	Asian, Native Hawaiian/Pacific Islander, Current English Learner

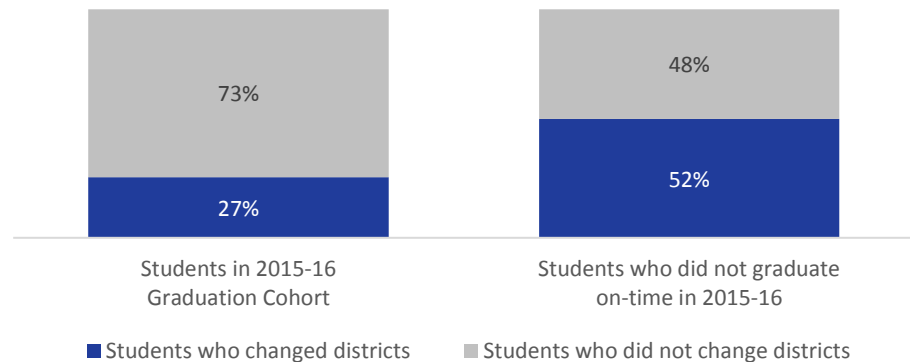Source: ODE cohort graduation rate data, obtained from ODE analyst

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[9] Students who changed districts include students who were enrolled in their resident school district after October 1 of their high school entry year. Students whose only enrollment was at a long-term care or treatment facility were excluded.

Economically disadvantaged students, for example, were 29% less likely to graduate on time if they switched districts. Meanwhile, students who were not economically disadvantaged but still switched districts were 34% less likely to graduate. The similarity of results indicates that transferring districts has a negative effect on students beyond traditional risk factors, such as living in poverty.

The effect on the graduation rate is significant. While transfer students made up just over a quarter of the 2015-16 graduation cohort, they made up more than half of students who did not graduate on time, as shown in Figure 5. We found similar results for the prior two school years as well.

Figure 5: Students Who Changed Districts Make Up a Disproportionate Share of Students Who Do Not Graduate on Time

Source: ODE cohort graduation rate data, obtained from ODE analyst

Research has shown students who change schools, whether the result of a transfer between districts or within a district, typically have lower test scores and increased high school dropout rates. These moves disrupt student relationships with peers and teachers, and can alter their education program.

ODE does calculate and report student mobility rates at the school and district level for annual school and district report cards. But this measure only accounts for students who change schools or have enrollment gaps within the school year, as opposed to those who transfer during the summer. The agency also does not analyze or report the graduation performance of these students. Analyzing and reporting the performance of students who transfer and having a system in place for supporting them could help students such as these stay on track for graduation.

***Schools with mid-range performance account for many non-graduates, but
receive limited ODE improvement assistance***

High schools with mid-range graduation rates, between 67% and 85%,[10]
educate the largest number of high school students and have a large
portion of non-graduates and dropouts, see Figure 6. However, these
schools are not the focus of ODE's improvement support efforts, rather,
schools with the lowest graduation rates receive the majority of ODE
improvement assistance. To increase the state's overall graduation rate
substantially, further support to mid-range schools – not just to schools
with low graduation rates – is needed.

Figure 6: 2015-16 Share of Non-Graduates and Dropouts by School Graduation Rate

School Classification	Number of Schools	Number of Students	Non-Graduates	Dropouts
High Grad Rate (>=85%)	120	74,800	1,900	900
Mid-Grad Rate (between 67% and 85%)	123	86,000	4,900	2,500
Low Grad Rate (<=67%)	82	17,000	3,600	2,100
Total	325	177,900	10,400	5,500

Source: Cohort graduation rate data, obtained from ODE website. Figures exclude students not
enrolled in a high school, such as those in a district program. Totals may not equal due to rounding.
Non-graduates and dropouts are not mutually exclusive categories; some dropouts are included in
the count of non-graduates.

We compared the graduation rate improvement at low- and mid-range
graduation rate schools to the state as a whole, which, as noted, was 5%
over the past five years. As shown in Figure 7, mid-range schools make up
the majority of schools showing lower improvement in graduation rates
than the state. These schools also had more non-graduates and dropouts
than low-range schools with similarly low growth.

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[10]In its 2016 report *Building a Grad Nation: Progress and Challenges in Raising High School Graduation
Rates*, The Everybody Graduates Center at John's Hopkins University defines "high" graduation rates
schools as those with rates of 85% or above and "low" graduation rates schools as those with rates of
67% or below.

Figure 7: 2015-16 Share of Non-Graduates and Dropouts by Mid- and Low-Grad Schools with less than 5% improvement growth for the last 5 years

School Classification	Number of Schools	Number of Students	Non-Graduates	Dropouts
Mid-Grad Rate (between 67% and 85%)	78	63,800	3,700	1,800
Low-Grad Rate (<=67%)	51	8,700	1,900	1,100

Source: Cohort graduation rate data from ODE website. Figures exclude students in schools not open in 2011-12 and students not enrolled in a high school, such as those in a district program. Non-graduates and dropouts are not mutually exclusive categories; some dropouts are included in the count of non-graduates.

"Schools need to do a better job meeting student needs and ODE needs to do a better job meeting the needs of schools."

Oregon High School Principal

We visited six schools that fall into this mid-range group and found they were using various strategies to improve their graduation rates. Officials from four schools said they were struggling to find effective approaches in certain areas. At three schools, officials told us attendance is a key issue for them, but their attempts to increase attendance have not worked. Officials at all these mid-range schools told us they want more improvement support and guidance from ODE, in areas such as staff professional development, identifying and implementing best practices, and using student data to improve school performance.

As noted, ODE's support for school and district improvement focuses mainly on the lowest performing schools under the federal Title I program.[11] These supports include assigning a Leadership Coach to assist the school in planning, guiding, and directing improvement interventions. These interventions generally center on building school staff capacity through professional development, planning, and instructional coaching. About 90 of the lowest performing low-income schools receive this assistance; few of these are high schools.

The state's district improvement efforts also focus on the lowest performing districts. To qualify for the ODE's District Improvement Pilot program, for example, a district must be in the bottom 5% based on academic indicators that include graduation rates. Districts in this program receive guidance from ODE to help identify needs and funding to address them. Examples include selecting and implementing a new math curriculum and training school staff on how to better use data to improve student performance.

In ODE's new ESSA plan, the agency will identify all high schools with graduation rates at or below 67% for potential support. That approach will cover more low-graduation rate high schools, but will not cover all schools with mid-range graduation rates, which begin at 67%. However, ODE does plan to focus improvement supports for these high schools at the district

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[11] Title 1 is a component of the Elementary and Secondary Education Act that provides federal funds to local education agencies and schools with high numbers of children from low-income families.

level. Under ODE's plan, these supports will include leadership coaching, technical assistance, and system development. ODE staff anticipate this leading to district wide systematic improvements affecting all schools in a supported district.

ODE's ESSA plan also outlines a System of Performance Management to help guide improvement efforts for all districts. This process will begin with a comprehensive needs assessment that districts will use to identify priorities and guide the development of district improvement plans. ODE plans to use a risk-based approach for monitoring these plans, with higher risk districts receiving more collaborative support and more frequent monitoring.

Besides direct school and district support, ODE has published information on research-based practices proven to increase student success and graduation rates. The agency has posted these best practices on its website, in its recently released graduation improvement blueprint, and within agency research briefs.

This information is helpful, but it may not provide the type of support many schools and districts need. ODE staff told us districts and schools often need help with establishing effective school and district-level processes to guide improvement efforts. For example, many schools and districts do not have effective processes to analyze student data, as discussed later in this report.

Performance continues to lag for low-income students, despite some additional state support

Economically disadvantaged students graduate at substantially lower graduation rates than their non-economically disadvantaged peers, see Figure 8.

More than half of Oregon's students are classified as economically disadvantaged. They make up more than 70% of the students who do not graduate on time.

Figure 8: Economically Disadvantaged Students Have Persistent Graduation Rate Gaps
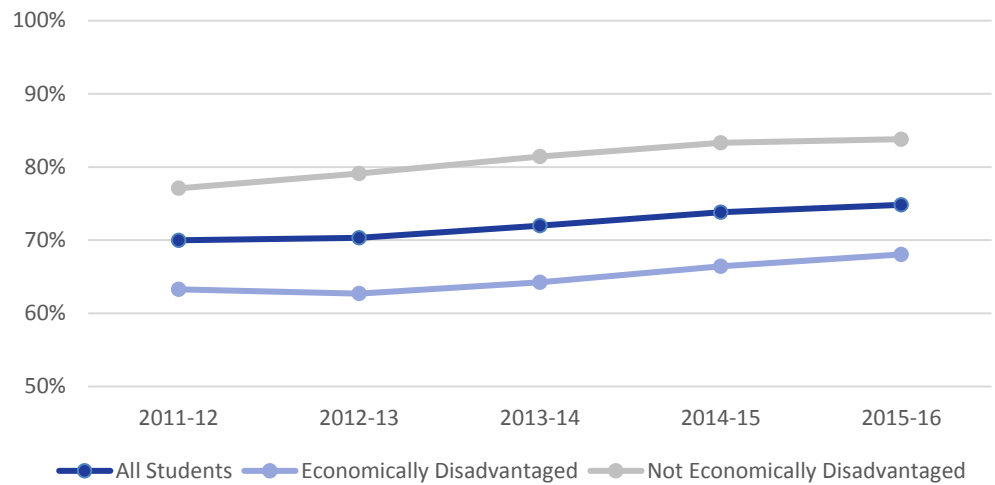
Source: ODE cohort graduation rate data, obtained from ODE website. Graduation data prior to 2013-14 is adjusted to include modified diplomas.

In Oregon, nearly one in five school-aged children lives in poverty, according to the U.S. Census Bureau, and the rate has increased over the last decade. Children living in poverty are often exposed to risk factors that can affect their academic performance, such as substandard housing, family instability, and food insecurity. Students in poverty also have higher absentee and dropout rates.

Staff and students in high schools told us poverty is the biggest challenge to graduating on time. Research has found students in poverty often miss school. They may miss school because they are working to support their families or taking care of siblings and other family members. Other challenges related to poverty included:

Adverse Childhood Experiences (ACEs):

Term used to describe all types of abuse, neglect and other traumatic experiences that occur to individuals under the age of 18.

Research has shown that these experiences have lasting, negative effects on health and educational outcomes.

- Food Insecurity: Staff at the schools we visited said they are constantly concerned their students do not have enough food to eat. This concern was present even in the schools that offer free meals to all students.
- Access to Health Services: Research shows a strong link between student health and academic performance. Staff told us that many of their students do not have access to necessary health services.
- Access to School Counseling Services: Many schools told us they do not have enough counselors to meet student needs. The statewide ratio of students to counselors in high schools is 355:1, roughly 40% higher than the American School Counselor Association's recommended ratio of 250:1.

The State School Fund provides an additional 25% of funding to districts for each student in poverty, though there is no requirement that districts

spend the money on services for those students[12]. The Legislature also supplements the federal School Nutrition Program, providing free meals to students who qualify for only reduced-price lunches under federal rules.

The Legislature has also required several studies of practices to better support students in poverty. The most recent study, released in 2017, examined the relationship between district budgeting practices and the allocation of State School Fund poverty funding.[13] The report, which was based on a survey of 120 districts, estimated that roughly two-thirds of this funding is spent on poverty-related programs.

Children in poverty often have adverse childhood experiences that can hinder their learning. Trauma-informed professional development can help school staff better understand the effect of these experiences and better support students. In 2016 and 2017, the Legislature provided funding for ODE, the Oregon Health Authority (OHA), and the Chief Education Office to run a pilot training program in two high schools to learn how best to support students affected by childhood trauma.

School Based Health Centers

-Provide onsite health care services for students and the community.

-There are 77 SBHCs across Oregon in 24 counties.

-The majority of students using SBHCs are covered under Medicaid.

About one-third of the schools we visited had School Based Health Centers. These centers operate as public-private partnerships between OHA, school districts, local health authorities, and health care providers. They provide services such as dental and health screenings, mental health counseling, and alcohol and drug counseling -- some of the same services officials at the other schools we visited said their students were not receiving.

Even with these efforts to support economically disadvantaged students, the gap in their graduation performance persists. ODE has developed plans to support other historically underserved students groups, including African American students and English Learners. To meet graduation rate goals, ODE should undertake efforts to better support economically disadvantaged students as well.

ODE has not emphasized middle school performance or student transitions from middle school to high school

High school graduation efforts have focused on indicators at the elementary and high school levels, with little attention at the middle school level or to student transitions from middle school. Meanwhile, studies have

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[12] Districts are not required to identify how revenue from the poverty weight is budgeted or expended.
[13] "Practices to Improve the Achievement of Students in Poverty," Oregon Chief Education Office, February 2017.

found that students who struggle in middle school are already at risk of not graduating.

Research highlights the importance of middle school performance

While 9th grade is a critical time for students and important to track, substantial academic research emphasizes the potential benefits of reaching struggling students in middle school.[14] For example, research has found that students who are not doing well begin to give up on education well before setting foot in a high school classroom. Research has found a strong correlation between students' middle-grade experience and their academic success in high school.

The Consortium on Chicago School Research found that students with a very high risk of high school failure were chronically absent in middle grades or already receiving failing grades in their middle-grade courses. Further, research on on-track indicators by the Everyone Graduates Center at the John Hopkins University's School of Education found:

- In high-poverty environments, a student's middle-grades experience strongly affects the odds of graduating from high school.
- At least in high-poverty environments, it is possible to identify up to half, and sometimes even more, of eventual high school dropouts during the middle grades.
- The earlier middle-grade students moved off track, the less likely they were to graduate. For example, sixth graders who failed math or English, attended school less than 80% of the time, or received an unsatisfactory behavior grade in a core course had, at best, a 20% chance of graduating on time.

In reviewing middle school attendance patterns in Oregon, chronic absenteeism begins to increase in middle school and rises through high school. Throughout elementary, middle, and high schools, disciplinary incidents, another indicator of on-time graduation[15], are the highest in 7th

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[14] Allensworth, E., Gwynne, J., Moore, P., and de la Torre, M. (2014). *Looking Forward to High School and College: Middle Grade Indicators of Readiness in Chicago Public Schools.* Chicago, IL: University of Chicago Consortium on Chicago School Research.
Balfanz, R. (2009). *Putting Middle Grades Students on the Graduation Path.* Center for Social Organization of Schools at Johns Hopkins University, Everyone Graduates Center and Talent Development Middle Grades Program.
Balfanz, R. *Solving the High School Graduation Crisis: Identifying and Using School Feeder Patterns in your Community.* Everyone Graduates Center at Johns Hopkins University and United Way Worldwide.
[15] Balfanz, Rovers; Byrnes, Vaughan; and Fox, Joanna (2014). *Sent Home and Put Off-Track: The Antecedents, Disproportionalities, and Consequences of Being Suspended in the Ninth Grade. Journal of Applied Research on Children: Informing Policy for Children at Risk:* Vol. 5: Iss. 2, Article 13.
Frazelle, S. & Nagel, A. (2015). *A practitioner's guide to implementing early warning systems* (REL 2015-056). Washington, DC: U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation and Regional Assistance, Regional Educational Laboratory Northwest. Retrieved from hrrp://ies.ed.gov/ncee/edlabs.

and 8th grades. A small number of students are also starting to drop out in middle school.

ODE's strategy for improving graduation rates has not emphasized middle grade performance. ODE's key performance measures, set by the Legislature, are on early learning, elementary, and high school measures. Likewise, legislatively funded initiatives have prioritized grade-level efforts on early learning, elementary, and high school grades. Those initiatives include Preschool Promise, a program to enhance access to high quality preschool for low-income children, full-day kindergarten, and career-technical education grants designed to support mainly high school students.

ODE can provide more strategies to improve coordination between middle schools and high schools

In our visits with high schools, we found few schools had strong coordination with middle schools to better prepare incoming freshmen for high school coursework.

Eight of the ten high schools we visited with lower graduation rate improvement said they had little or inconsistent curriculum coordination with their area middle schools, though many school staff told us students are coming into high school unprepared for the expectations and content. High school staff told us they wanted more coordination with middle schools, but they said they had limited time or support for collaborative professional development and planning with middle school teachers.

Research has shown curriculum alignment between middle and high schools can improve student achievement. Such alignment fosters a shared understanding among teachers at both levels of what will be taught, how it will be taught, and how it will be assessed. Better alignment can benefit all students, research indicates, and particularly underserved student populations.[16] One of the high graduation rate high schools we visited said the district had worked hard to align curriculum from elementary through high school, with a focus on students' needs and growth. The principal said the alignment was a key reason student performance improved in recent years.

Torres, D. Diego; Bancroft, Amanda; and Stroub, Kori (2015). *Evaluating High School Dropout Indicators and Assessing Their Strength.* Houston Education Research Consortium, Rice University's Kinder Institute for Urban Research.

[16] Parrish, T.; Poland, L.; Arellanes, M.; Ernandes, J.; and Viloria, J. (2011). *Making the Move: Transition Strategies at California Schools with High Graduation Rates.* California Comprehensive Center at WestEd.

Scholosser, L. (2015). *Transition by Design: The Power of Vertical Teams.* St. John Fisher College.

Southern Regional Education Board (2012). *Improved Middle Grades Schools for Improved High School Readiness: Ten Best Practices in the Middle Grades.*

The State Board of Education sets educational content standards for districts, yet it is up to districts to choose their curriculum to meet those standards and the amount of effort they put into alignment between schools. ODE has encouraged and supported curriculum alignment in some of its district improvement efforts, but has not made a statewide push to facilitate alignment.

Tracking individual student performance and helping districts analyze data could help more students graduate

ODE collects large amounts of data from districts and high schools, primarily to meet state and federal data reporting requirements, but some key information on student course performance that could help identify challenges to graduation is missing. While schools typically have more data on their students than ODE does, some schools struggle with using it to identify students at risk of not graduating.

ODE does not collect detailed data on individual student course performance, limiting its ability to analyze barriers to graduation

ODE collects a wide variety of individual student data from schools and districts related to graduation rates, such as discipline incidents, attendance, class sizes, assessment scores, and whether freshmen are on-track to graduate. However, it does not collect two critical predictors of graduation success: individual student grades and student credit attainment.

Freshman-on-track:
Measures the percent of students who earned 6 credits or more (25% or more of the credits needed to graduate) by the end of their freshman year. ODE collects information on this measure as a yes or no for each student. It does not identify whether students earned credits in required subjects, such as math or language arts.

This lack of student-level course performance data limits ODE's ability to analyze barriers to graduation. Researchers have found student course performance is one of the strongest indicators of the likelihood of graduating. Class performance data would help ODE analyze when students are most likely to fall off track, which courses have high failure rates, and how student success or failure in specific courses ties to graduation.

For example, during most of our school visits, staff identified math as a challenge for their students. Several identified freshman as having challenges with math, particularly with Algebra 1, the lowest math class that meets graduation requirements. Some of these schools noted a high percentage of freshman students fail that class, with one reporting upwards of 30%. But ODE has no ability to assess how many students are failing Algebra 1, how that ultimately affects their graduation prospects, and whether Algebra 1 failure plays a larger role than other potential barriers to graduation. Making that kind of diagnosis could greatly help ODE identify statewide issues and tailor its improvement efforts to address them.

A number of states already collect course performance data, including Vermont, Indiana, and Florida. Vermont and Florida gather both credit attainment and course grades. In Indiana, the course grade is an optional field. These states also track whether courses are eligible for college credit, another element missing in ODE's collections.

ODE, through the Deputy Superintendent of Public Instruction, has the authority to request additional data from districts. ODE staff told us they hesitate to add additional data requirements because of the costs they may impose on schools and districts. However, ODE already collects data on the classes students take by subject and teacher for every student in the state. Collecting student-course performance data would allow ODE to perform more powerful and helpful analysis.

ODE could help schools better analyze which students are in danger of not graduating

As noted, schools and districts have a significant amount of student data, including critical predictors of graduation such as attendance, course performance, and behavior incidents. But many lack processes or expertise to use this information to improve student performance.

Staff at many of the schools and districts we visited identified substantial challenges in using data effectively. These challenges included inadequate student data systems, as well as school and district staff lacking expertise in data analysis. Several of the schools and districts we spoke to said they could use additional help from ODE to better use the student data that they already collect.

We also saw effective data use practices, especially in the higher graduation rate schools that we visited. In one school, an assistant principal created a series of spreadsheets using Google Documents that allowed all administrators, counselors, and teachers to see regularly updated student course performance and attendance information. Another school identified a set of key metrics and used student performance on those metrics to guide weekly teacher professional development. ODE could incorporate practices such as these into best practices shared with all schools and districts.

ODE provides data-related support to schools and districts, but that support focuses on collecting and verifying accountability information, such as graduation and dropout rates.

Funding from Measure 98, which voters approved in 2016, focuses on improving graduation rates. One requirement is that schools establish a regular time for teachers and staff to collaboratively review their 9th grade student data and develop strategies based on this review. ODE plans to provide guidance to schools on how to conduct these reviews. This review

should help schools keep 9th graders on track for graduation but will not address data analysis needs at other grade levels or for the school as a whole.

ODE can help schools and districts more effectively use improvement tools

Personalized learning and support by school staff contribute to students' academic success and promote high graduation rates. This can come from tying coursework to student career goals and valuing student feedback. We found three tools – personal learning plans, student surveys, and district continuous improvement plans – that could be used more effectively statewide to engage students and help schools improve.

Personal learning plans could be better used to increase student engagement

Auto shop and metal shop at an Oregon high school

All students are required to have a student education plan and profile to guide their learning based on their interests. These plans require students to:

- Describe personal, academic, and career interests;
- Describe personal, educational, and career goals (both short-term and long-term);
- Identify "next steps" after high school completion for successful transition to college or university, a career school, an apprenticeship, the workforce, or the military;
- Plan courses and learning experiences that support the student's interests and goals;
- Document personal progress and achievement;
- Record personal awards, accomplishments, experiences, and skills; and
- Reflect on the current status of personal, education, and career goals.

Besides creating career and college-going pathways, these plans help students stay on track and stay engaged in learning.

During our school visits, however, we heard of wide variations in when and how students were completing the plans. Students at two schools said they primarily worked on them in 12th grade, though Oregon requires that students start plans in 7th grade and continue working on them through 12th grade. Students at five schools said the plan was required but generally ignored. The schools provided little follow-up or guidance, these students said, so they found little value in using this tool.

Schools are required to provide guidance to students on developing their student education plan and profile. Currently, ODE relies on district

Horticulture opportunities at two Oregon high schools

"Some people think that it's really hard to measure the intangibles, but we forget that we can just ask the students…Eliciting student voice is not something that we do enough of in schools and that could get to their internal drives."

Oregon High School Assistant Principal

superintendents to affirm that their schools are using plans and profiles. However, ODE is not reviewing how effectively schools are using them.

ODE expects schools to have a guidance and counseling program to assist students with their personal learning plan. However, not all schools meet this requirement, and some students mentioned that it was challenging to get time with a counselor. Recently, ODE adopted national school counseling standards and required districts to evaluate the extent of guidance and counseling programs schools provide. ODE is working on updating its comprehensive guidance and counseling framework and developing state support for the related standards.

Some state education agencies have gone further than ODE by providing more guidance for schools on how to implement personal learning plans. For example, Nebraska provides a lesson plan for teachers to help students develop personal learning plans and a booklet with step-by-step guidelines for students, schools, and parents. Some states, including Iowa, have set grade-level guidance for what they expect students to include in their career and educational plans.

Student surveys can help gauge student needs and guide school improvement efforts

Strong connections between students and school has shown to increase graduation rates. Few officials at the schools we visited with lower graduation growth said they regularly solicited feedback from all their students. Students told us they were not able to provide much input on classes, school services, and activities. Some students expressed frustration about class schedules and not getting into the elective classes that interested them. For example, some said they wanted a wider variety of foreign language classes, or courses their school does not offer, such as auto shop and culinary arts.

Half of the high schools we visited with higher graduation rates regularly collected and acted on student feedback. Methods ranged from conducting surveys of all students to establishing multiple student advisory groups with a diverse set of students. One school based its student survey on the Gallup Student Poll, with added measures to gauge students' thoughts on fairness, safety and their own "soft skills," including relationship skills. This school directly incorporates the results of the survey into their teachers' professional development.

ODE offers technical assistance to schools, but it does not have a suggested model or survey tool that schools can use to gauge school climate and student engagement.

District Continuous Improvement Plans could be a valuable tool to help guide district improvement efforts

ODE requires Continuous Improvement Plans (CIPs) for all districts. CIPs are a tool used to develop and monitor efforts for improving student outcomes. There are 37 indicators included in this tool for district-level planning. They fall within the areas of district and school structure and culture, family and community involvement, technical and adaptive leadership, educator effectiveness, and teaching and learning. However, ODE and districts have not fully used CIPs to enhance their collaboration on improvement efforts in areas such as graduation, and to reduce redundancy among the multiple improvement plans districts and schools must complete.

ODE has recognized shortcomings with CIPs and district officials indicated they do not find much value in using them, given the effort involved. District officials reported getting minimal feedback from ODE, and said they use other strategic planning documents to meet their needs.

ODE recently suspended the use of CIPs for the next two school years while planning to improve them. Going forward, ODE plans to adjust the CIP to be more flexible and design it so it can be used to reduce duplicative improvement plans districts and schools prepare to meet other state and federal requirements. The goal is to have district needs guide the CIP process and for it to add value to other improvement work schools and districts are doing.

If ODE creates a better process for CIPs and gives districts useful feedback on their plans, the agency could build better partnerships with districts on improvement efforts.

ODE can improve internal collaboration and help schools and districts communicate the importance of graduation

We found ODE's units could enhance collaboration internally to better support district and school improvement efforts. ODE, districts, and schools can also work together to better communicate the importance of graduation to students, parents and the community.

ODE can improve internal communication and coordination between its operating units

Many ODE units are involved in efforts to increase graduation rates, including the District and School Effectiveness, Standards and Instructional Support, and Data Operations and Grant Management units. While the agency has increased its focus on internal coordination, our interviews with ODE staff indicate that the agency still administers many programs in isolation.

For any given school district, ODE does not have an effective method for staff to identify which agency initiatives a district is participating in, ODE staff told us. A central database of initiatives would be beneficial, they said, but the agency does not have one.

Without effective sharing and coordination, it is difficult for agency staff to know who else in the agency is working with a particular school or district or if there are already active initiatives in place to address a particular problem. For example, staff from one unit told us that they have worked with the same schools or districts as other units within ODE, but did not know it until the school or district asked them about it.

ODE staff said some of the coordination problems relate to federal and state funding streams that focus only on specific programs or efforts. Recently, ODE staff created an agency cross-office coherence team to collaborate on projects. The agency is also developing a new strategic plan that will provide more opportunities for cross-office collaboration. ODE's recently approved ESSA plan identifies these efforts as critical for streamlining agency initiatives and leveraging expertise across the agency.

ODE can better help districts and schools engage families and communicate the importance of graduation

We heard overwhelmingly from high schools and districts that engaging parents, and at times the greater community, was a significant challenge for them. They also viewed communicating the importance of graduation to parents and communities as critical for getting students to graduate.

Poverty, family instability, and negative prior experiences with education are some reasons behind low parental participation, district, and school staff told us. We were also told that some students were not aware of the opportunities a diploma provides. They could see getting a job without one, and saw little value in putting in the effort to graduate.

Officials at three rural high schools said their location gave them little opportunity to sustain partnerships with the community. That lack of connection makes it difficult to get volunteers for school activities and social service needs, and to raise the local match dollars required to apply for grants. This limits the options that these schools have to keep students engaged and be competitive for additional programs through grants.

High schools offer events to involve parents, such as a parents' night and conferences, though school officials said participation is often low and parents of high-performing students are more likely to attend. Schools we visited are trying to engage more parents and community members by providing school information in multiple languages, having teachers regularly contact parents, fostering connections with diverse parent groups, and increasing real-time parental access to student grades. One

school we visited had students bring a parent or other adult for a student-led conference and saw a dramatic increase in participation from prior years, to almost 98%.

Oregon could benefit from approaches taken in other states. For example, Iowa's education department shared the methods a high school has developed to ensure staff are effectively communicating with parents. The school uses many modes of communication, including parent surveys, regular and varied use of social media, annual get-togethers, and class descriptions for parents for each class that underscore how parents can help. The school also stresses working together to best support children in their education. These efforts have helped the high school increase attendance and graduation rates, Iowa officials said. Iowa also provides toolkits to assist schools with implementing family engagement strategies. Indiana's education department has a Family and Community Engagement initiative that encourages the family and community to actively engage in a child's day-to-day schoolwork and development activities. In addition to recognizing schools as "Family Friendly," the department shares a statewide framework and best practices for family and community engagement.

ODE staff told us they consistently hear in agency-organized forums that communities place a high value on education. In our visits, we heard this value is not consistent in all communities. ODE support to help high schools and districts identify effective communication strategies could boost the value placed on graduation across the state.

Recommendations: ODE Should Take Further Steps to Help Districts and High Schools Increase Oregon's Graduation Rate

To help improve high school graduation rates, we recommend ODE:

1. Research and recommend effective approaches to districts and schools on ways to better serve students who change districts and schools.

2. Analyze and report performance for students who transfer between school districts and between schools during high school, and share this information with districts and schools.

3. Include schools with mid-range graduation rates while engaging in efforts to improve school performance as identified in ODE's approved ESSA plan.

4. Identify strategies to better support economically disadvantaged students, such as reducing food insecurity, increasing access to medical services and increasing access to school counselors.

5. Recommend state initiatives and performance measures to the Legislature that focus on middle schools.

6. Support coordination between middle and high schools that includes guidance on collaboration, curriculum alignment, and the importance of middle school for keeping students on track to graduate.

7. Collect and analyze student grade and credit attainment data in middle and high school grades and share the results of this analysis with districts and schools.

8. Provide guidance and support to districts and schools to help them better use their student data.

9. Evaluate how schools are using the required student education plan and profile, and provide guidance on how schools can use them effectively to improve graduation, including expectations at each grade level.

10. Provide guidance to districts and schools on how to effectively solicit student feedback and gauge school climate.

11. Provide better guidance and feedback on how districts are using Continuous Improvement Plans, how those plans could satisfy multiple planning requirements, and how they can be better used to enhance district improvement efforts in areas such as graduation.

12. Prioritize its current efforts to improve communication and coordination within the agency, and develop a process to ensure that these improvements are sustained. This would help ODE in strategically devoting its resources to improvement efforts including graduation.

13. Develop a statewide communication framework and share best practices that reinforce the importance of graduation to students, parents, and the community, and helps high schools and districts better engage families and community members.

December 14, 2017

Kip Memmott, Director

Secretary of State, Audits Division

255 Capitol St. NE, Suite 500

Salem, OR 97310

Dear Mr. Memmott,

This letter provides a written response to the Audits Division's final draft audit report titled "The Oregon Department of Education Should Take Further Steps to Help Districts and High Schools Increase Oregon's Graduation Rate".

Thank you for highlighting the important work under way at the Oregon Department of Education (ODE) to improve Oregon's graduation rate and providing recommendations to build on that work and help more students on their path to graduation.

We appreciate that the Audits Division staff spent time on this topic, raised issues, and provided thoughtful recommendations to further our work to improve high school graduation rates. Many of the themes in the audit are consistent with what we have identified in recent years, and we look forward to using the audit results to move our work forward.

Additionally, ODE has focused on disparities in outcomes experienced by American Indian/Alaska Native (AI/AN) students, African-American/Black students, Hispanic/Latino students, students with disabilities, students experiencing economic hardship and English language learners. The department has worked with stakeholders to develop success plans for these groups of students. Although outcomes have improved for African-American/Black students and Hispanic/Latino students, there are still sizable gaps that exist for many groups.

Below is our detailed response to each recommendation in the audit.

RECOMMENDATION 1

Research and recommend effective approaches to districts and schools on ways to better serve students who change districts and schools.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	12/15/18	Brian Reeder 503-947-5670

Narrative for Recommendation 1

A team from ODE identified key transition points in student lives as well as key characteristics of effective programs to ease student transition. ODE will communicate to districts these effective practices as well as the importance of support for students who change districts during high school. ODE will also gather examples of schools with high rates of success for mobile students and publish case studies to share their practices with other districts. Included in this case study are effective practices for transferring in credit, partial credit, and proficiency credit.

RECOMMENDATION 2

Analyze and report performance for students who transfer between school districts and between schools during high school, and share this information with districts and schools.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	5/31/18	Isabella Jacoby 503-947-5878

Narrative for Recommendation 2

ODE Accountability and Reporting staff will prepare, publish and distribute a data or research brief on outcomes for mobile students, including graduation rates. The brief will be published on the ODE website and distributed to school districts, school administrators and other stakeholders.

RECOMMENDATION 3

Include schools with mid-range graduation rates while engaging in efforts to improve school performance as identified in ODE's approved ESSA plan.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	Supports are aimed for the start of the 18-19 school year, with pilots happening in January, 2018.	Tim Boyd 503-947-5621

Narrative for Recommendation 3

ODE is shifting its approach to school improvement to intervene with, and guide districts. Historically, schools identified for supports have been required to develop and implement improvement plans solely at the school level. Moving forward, ODE is positioning the school district as the agent of change and will work with school districts to better situate a school's performance within the context of the school district. ODE will guide districts to dive deeper into their own data and develop more comprehensive plans to improve alignment for the school in need of improvement. A tangible example of this is the High School Success (Measure 98) work. For a school with a 72% graduation rate, ODE's guidance for the district to look deeply into their data, will enable district officials to customize feedback and technical assistance in the review of the school's plans. As an educational partner, ODE's review of the submitted plan will enable ODE to strategize with the district to support the school address student needs before students reach their junior and senior years within the K-12 system, when less can be done to turnaround the student's trajectory via the use of additional resources.

RECOMMENDATION 4

Identify strategies to better support economically disadvantaged students, such as reducing food insecurity, increasing access to medical services and increasing access to school counselors.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	January 31, 2018 – ODE to launch the updated Oregon Framework for School Counseling February 28, 2018 – ODE to identify district readiness & professional development needs	Beth Wigham 503-947-5708

	March 30, 2018 – ODE to develop implementation plan, develop and coordinate a continuum of professional learning supports state-wide for districts based on need	
	April 30, 2018 – ODE to complete series of SEL modules in Canvas and launch them at Oregon's SEL Summit in June/July 2018	
	May 31, 2018 – ODE to launch CCR curriculum for grades 4th-12th	
	July 19-20, 2018 – ODE to coordinate and assist in providing Oregon's Reach Higher Summer Summit 2018	
	December 31, 2018 – ODE's CCR professional development modules contract ends	

Narrative for Recommendation 4

ODE will review the Poverty Reports issued by the Chief Education Office and work with the Chief Education Office, other agencies and stakeholders to identify strategies to better support economically disadvantaged students. In addition, the Oregon Framework for School Counseling is currently being finalized by an ODE state-wide advisory panel and will launch at the end of January 2018. The updated School Counseling Framework provides intentional focus on advocacy and socially just outcomes by embodying the Oregon Equity Lens to ensure the creation of a data-informed, equity-based school counseling program that helps close achievement, opportunity and attainment gaps and access for all students. With an understanding of the low numbers of school counselors and the high ratios of students, in order to maximize advocacy for equitable advising practices with various stakeholders state-wide, ODE has been providing professional development modules in College and Career Counseling for Special-Population Students (which includes underserved, underrepresented and disadvantaged students), Building a College-Going Culture for All Students, College and Career Advising and Planning in the Elementary, Middle, and High School Grades, Maximizing School Counselor Impact for Administrators, and Advancing College and Career Readiness Through a Comprehensive School Counseling Program.

RECOMMENDATION 5		
Recommend state initiatives and performance measures to the Legislature that focus on middle schools.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	4/9/18	Jessica Nguyen-Ventura 503-378-5156

Narrative for Recommendation 5

ODE will be reviewing and recommending state initiatives and performance measures for PreK through grade 12 as all have an impact on high school graduation outcomes. Part of this will include initiatives and performance measures that focus on middle schools. ODE is in the beginning stages of developing legislative concepts and policy options for the 2019 legislative session. We will explore recommendation 5 with ODE's Management Team, stakeholders and legislators. Over the next four months, ODE's management team will review concepts submitted by ODE staff, the Governor's Office, our sister agencies, and will work to identify legislative concepts for the 2019 legislative session. ODE's legislative request will be submitted to DAS no later than April 9, 2018. DAS and the Governor's Education Policy Advisor will review our request. By July of 2018, ODE will know which of our legislative request have been approved for the 2019 legislative session.

RECOMMENDATION 6		
Support coordination between middle and high schools that includes guidance on collaboration, curriculum alignment, and the importance of middle school for keeping students on track to graduate.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	7/30/18	Jennell Ives 503-269-8074

Narrative for Recommendation 6

The High School Success Project from the voter approved Measure 98, with Governor and Legislative funded initiatives allows districts to spend up to 15% of their allocations on 8th grade. As part of the guidance to districts on promising practices to improve high school graduation ODE is developing support plans on collaboration, curriculum alignment, and proven practices to reduce rates of chronic absenteeism for 8th grade and high school students to keep students on track to graduate. The High School Success team will also track schools using these funds in middle school to create a network of promising practice schools as models to share with other districts.

RECOMMENDATION 7		
Collect and analyze student grade and credit attainment data in middle and high school grades and share the results of this analysis with districts and schools.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	4/9/18	Jon Wiens 503-947-5764

Narrative for Recommendation 7

ODE staff will review the impact of such a collection on school and district staff, and on ODE staff resources. Implementation of such a collection would likely require funding from the Legislature. If such funding is obtained, ODE would convene a stakeholder group to determine the scope and specific data elements for this collection. It should be noted that a bill to collect high school credit attainment did not pass out of the 2017 legislature. ODE is the beginning stages of developing legislative concepts and policy options for the 2019 legislative session. Over the next couple of months, ODE's management team will review concepts submitted by ODE staff, the Governor's Office, our sister agencies, and will work to identify legislative concepts for the 2019 legislative session. ODE's legislative request will be submitted to DAS no later than April 9, 2018. DAS and the Governor's Education Policy Advisor will review our request. By July of 2019, ODE will know which of our legislative request have been approved for the 2019 legislative session.

RECOMMENDATION 8		
Provide guidance and support to districts and schools to help them better use their student data.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	4/30/18	Jennell Ives 503-269-8074 Robin Shobe 503-320-1720

Narrative for Recommendation 8

ODE is using Legislature authorized funds to develop options for district access to Early Indicator and Intervention Systems (EIIS). In doing so, districts and schools will work closely with ODE to learn how they can use their data to identify students who need immediate intensive support. With the EIIS system, school teachers, staff and administrators will have accessible data and the training from the

Chronic Absenteeism Team, High School Success Team and the ODE Accountability and Reporting Staff including the technical assistance required, to effectively identify and quickly intervene with students who need immediate help to achieve student success. The High School Success team is focusing on supporting districts as they learn to use their own student data to build effective student-on-track systems. ODE is working with The Center for College Success in Chicago, The Oregon Center for High School Success, and Education Northwest to bring research-based technical assistance to districts in Oregon focused on improving graduation rates through effective use of student data.

RECOMMENDATION 9
Evaluate how schools are using the required student education plan and profile, and provide guidance on how schools can use them effectively to improve graduation, including expectations at each grade level.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	4/30/18	Jennell Ives 503-269-8074 Marnie Jewell 503-378-5125

Narrative for Recommendation 9

ODE identified a cross-agency core team who met and provided initial recommendations on how to better support the implementation of the Education Plan and Profile (EPP) in November 2017. The core team is gathering recommendations and research from agencies and advisory groups on support and guidance necessary to effectively implement the Education Plan and Profile in 7-12th grade. ODE will use the input gathered from the state-wide advisory to develop guidance, tools, and technical assistance for implementation of the EPP. ODE is currently working to develop a career and college ready curriculum for use in grades 4th-12th. This curriculum will include activities and supports for implementing the Education Plan and Profile (EPP) as well as goal setting and career/college awareness at the earlier grades.

RECOMMENDATION 10
Provide guidance to districts and schools on how to effectively solicit student feedback and gauge school climate.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	6/1/19	Theresa Richards 503-947-5992

	03/30/18 for dissemination of information from current surveys	Sarah Drinkwater 503-947-5702

Narrative for Recommendation 10

In addition to nationwide student climate survey tools there are many school districts across Oregon that effectively solicit student feedback and gauge school climate. ODE will collect and share tools and strategies from districts doing this work through the ODE website. ODE plans to communicate with the districts both consistently and often about the importance of student feedback/voice and the importance of a welcoming and inclusive culture. Currently the Oregon Healthy Teens and the Student Wellness Surveys provide information for high school student relating to student climate. ODE is reviewing the information collected from the most recent of these surveys and communicating this information to school districts, school administrators and other stakeholders.

RECOMMENDATION 11		
Provide better guidance and feedback on how districts are using Continuous Improvement Plans, how those plans could satisfy multiple planning requirements, and how they can be better used to enhance district improvement efforts in areas such as graduation.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Supports are aimed for the start of the 18-19 school year.	Tim Boyd 503-947-5621

Narrative for Recommendation 11

ODE is developing a culture of continuous improvement informed by data and stakeholder engagement. This approach requires integration of planning requirements for various state and federal programs and emphasizes a needs-based resource allocation and spending instead of a focus or emphasis on allowable use of funds. Once developed, ODE expects this approach to be a more efficient planning and budgeting process that will reduce current burdens on school districts and schools.

RECOMMENDATION 12
Prioritize its current efforts to improve communication and coordination within the agency, and develop a process to ensure that these improvements are sustained. This would help ODE in strategically devoting its resources to improvement efforts including graduation.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	Section 1 - 4/30/18 Section 2 - 6/30/18	Cindy Hunt 503-947-5651

Narrative for Recommendation 12

Section 1 - Improving communication and coordination within the agency is also embedded in ODE's strategic plan which was finalized this past fall. ODE is currently undergoing a process to evaluate and identify the best organizational structure to achieve ODE's goals and mission. Part of this work includes reviewing existing Leadership, Management and Team meetings to ensure that they are meeting the objectives of the agency including communication and coordination.

Section 2 - ODE is currently reviewing its existing agency policies to identify those which require updating and to identify gaps in these policies. Part of this process includes staff training and communication.

RECOMMENDATION 13

Develop a statewide communication framework and share best practices that reinforce the importance of graduation to students, parents, and the community, and helps high schools and districts better engage families and community members.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	12/31/18	Tricia Yates 503-947-5650 Jennell Ives 503-269-8074

Narrative for Recommendation 13

Description: ODE will identify and highlight district best practices that reinforce the importance of graduation to students, parents and the community. ODE has begun to do this through its web page. ODE currently convenes Education Partners and Communications Directors at regular meetings. ODE plans to use this group and other resources to identify and communicate about district best practices and distribute through issue briefs, presentations at stakeholder conferences throughout the year and other communications tools such as enhancing the existing web page.

Please contact Colt Gill at 503-947-5652 with any questions.

Sincerely,

Colt Gill
Acting Deputy Superintendent

cc: Cindy Hunt
    Acting Chief of Staff

State of Oregon

Stronger Accountability, Oversight, and Support Would Improve Results for Academically At-Risk Students in Alternative and Online Education

December 2017

Secretary of State
Dennis Richardson

Audits Division, Director
Kip Memmott

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Stronger Accountability, Oversight, and Support Would Improve Results for Academically At-Risk Students in Alternative and Online Education

Report Highlights

The Secretary of State's Audits Division found that the Oregon Department of Education (ODE) has not focused on improving education for at-risk students in alternative and online schools and programs, though they account for nearly half the state's high school dropouts. Sharpening Oregon's focus would improve accountability, district oversight, and school and program performance, and would benefit at-risk students and the state's economy.

Background

Many vulnerable students attend Oregon's alternative schools and programs and online schools. Responsibility for improving education for those students is shared by ODE, school districts, and others.

Audit Purpose

To determine how ODE and school districts can help increase the success of academically at-risk students in alternative and online education. Online and alternative education schools and programs also serve students who are not academically at-risk. The audit did not focus on their effectiveness with these students.

Key Findings

1. ODE has not adequately tracked and reported on the performance of alternative schools and programs. As a result, the state lacks critical information about school and program effectiveness.

2. Enhanced state monitoring and support, and more robust district oversight could improve results for at-risk students in alternative schools and programs, and in online schools.

3. Some states have held districts, alternative schools, and programs to high standards and provided more support to help at-risk students succeed.

4. Other states have also increased oversight of fast-growing online schools. In contrast to these states, Oregon's laws allow online schools to increase enrollment rapidly regardless of their performance.

To reach our findings, we interviewed multiple stakeholders, reviewed documents, analyzed school performance data, researched practices in other states, visited schools, and surveyed all of Oregon's school districts. Our office also released an audit of graduation rates recently that focuses on students in traditional high schools.

Key Recommendations

This audit includes recommendations designed to improve results for at-risk students in alternative and online schools and programs. ODE should develop a more meaningful accountability system for alternative and online education. The agency should establish and monitor standards for crucial practices, such as annual district evaluations of these schools and programs. ODE should also strengthen state attendance and funding standards for online schools.

ODE generally agreed with our recommendations. The agency's response can be found at the end of the report.

About the Secretary of State Audits Division

The Oregon Constitution provides that the Secretary of State shall be, by virtue of his office, Auditor of Public Accounts. The Audits Division performs this duty. The division reports to the elected Secretary of State and is independent of other agencies within the Executive, Legislative, and Judicial branches of Oregon government. The division has constitutional authority to audit all state officers, agencies, boards, and commissions and oversees audits and financial reporting for local governments.

This report is intended to promote the best possible management of public resources. Copies may be obtained from:

website: sos.oregon.gov/audits

phone: 503-986-2255

mail: Oregon Audits Division
            255 Capitol Street NE, Suite 500
            Salem, Oregon 97310

Stronger Accountability, Oversight, and Support Would Improve Results for Academically At-Risk Students in Alternative and Online Education

Introduction

Many of Oregon's most academically at-risk high school students attend alternative schools and programs and online schools

Enrollment in Oregon's alternative schools and programs and online schools is a small percentage of the state's public school enrollment. However, judging by dropout rates, these schools serve a high proportion of the most academically at-risk students in the state.

Together, alternative schools and programs and online schools accounted for about 10% of Oregon's public high school enrollment in the 2015-16 school year, but nearly half the state's dropouts. Combined, the dropout rate for online schools and alternative schools and programs was 18%, more than four times the 3.9% state average. The dropout rate at traditional high schools was roughly 2%.

Figure 1: Breakdown of Oregon Grade 9-12 Enrollment and Dropouts, 2015-16 School Year *

	Online Schools	Alternative Schools **	Alternative Programs
Total Enrollment	4,600	5,950	8,600
% of statewide enrollment	2.5%	3.3%	4.7%
Total number of dropouts	730	990	1,660
% of statewide dropouts	10%	14%	23%
Dropout rate	16%	17%	19%

*   Source: Auditor analysis of ODE's 2015-16 Dropout Report.
** Includes online alternative education schools.

In the 2015-16 school year, alternative and online schools made up many of the lowest-performing Oregon schools in terms of dropout rates, five-year graduation rates, and five-year completion rates.[1]

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[1] Five-year completion rates include students who earn regular diplomas, modified diplomas, extended diplomas, adult high school diplomas, and General Equivalency Degrees (GEDs). Graduation rates include only students who earn regular or modified diplomas.

Some key terms and definitions:

Academically at-risk students: For this audit, we focused on students who are not on track to graduate on time or are at risk of dropping out. Aside from a designation of freshmen as being "on track" or "not on track" at the end of their first year, the Oregon Department of Education (ODE) does not collect data on how many students are academically behind or credit deficient in a given school. [2] Outcome measurements, including dropout rates, do indicate schools where these students are highly concentrated.

Traditional High Schools: Traditional high schools, operated by districts, serve about 90% of public high school students in Oregon. Many academically at-risk students enter alternative schools and programs and online schools because traditional school settings were not effective for them.

Alternative Schools: Alternative schools are stand-alone schools with their own "report cards," public documents prepared by ODE that show school performance data such as graduation rates and test-score performance. Many of these schools are designed to serve academically at-risk students, often late in their high school tenure. They may offer small class sizes, strong connections with teachers, and more individualized instruction. We counted 33 stand-alone alternative schools in Oregon as of June 2016, enrolling about 6,000 students.

Alternative Programs: Alternative programs also typically serve academically at-risk students, but they are not separate, stand-alone schools. Instead, they operate within high schools or as offerings by districts, education service districts, or the state. They include dropout re-engagement programs, juvenile detention programs, and relatively large programs operated by districts, community colleges or private non-profits, such as the Rosemary Anderson High School campuses in Multnomah County. They do not have separate report cards; instead, their results are folded into high school or district results. We counted more than 100 such programs in Oregon, enrolling roughly 8,600 high school students.

Online Schools: Online or "virtual" schools offer all or most of their courses online and attract a wide range of students. Online schools can appeal to advanced students who want to move quickly through high school, and to students in small rural schools who want a wider variety of classes. They offer flexibility for traveling students, such as elite athletes and musicians, and for students who work during the day or need to be at home. They draw a significant number of students from families who previously home-schooled. And, they attract students who have fallen behind academically. These students used to have traditional alternative

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[2] Oregon students need to earn 24 or more high school credits to graduate. Freshmen who earn less than six credits by the end of their first year (or less than 25% of their district's graduation requirements, whichever is higher) are considered credit deficient, as are sophomores with less than 12 credits, juniors with less than 18, and seniors with less than 24.

education schools and programs as their main option, but can now choose online schools as well.

We counted 20 online schools in Oregon, enrolling more than 5,000 high school students. Of those, six are administered by districts, including five specifically designated as alternative schools. The other 14 are "charter" schools that sign a charter, or contract, with a school district sponsor. Some of these schools are entirely online, with minimal face-to-face interaction between students and teachers. Others are "hybrids," offering "brick-and-mortar" classrooms for face-to-face tutoring or class instruction.

ODE does not track credit attainment, but other ODE data suggests that online schools, like alternative schools, have academically at-risk students enrolling late in their high school tenure. In 2015-16, 12th graders enrolling after the start of the school year totaled just 3% at comprehensive high schools, but 21% at online schools and 31% in alternative high schools and programs.

Many at-risk students may enroll in alternative and online education when they may be relatively close to dropping out.

ODE data also suggests that many academically at-risk students enroll in both alternative and online education when they may be relatively close to dropping out. On average, students who dropped out in the 2015-16 school year had been in alternative and online schools and programs just 400 days before they quit school. Dropouts from traditional high schools were at the schools nearly double the time, just under 800 days.

Online schools enroll a variety of students, including students who have struggled in traditional schools, one head of school at a statewide online school told us. For those students, he said, "online schools have become the new alternative schools in Oregon."

Other student characteristics differ between online and alternative schools and programs

High school students at both alternative and online schools tend to be more "mobile," switching schools more often than traditional Oregon students. Overall, though, online schools have lower proportions of economically disadvantaged high school students than the state as a whole – 41% versus 48%. They also have lower proportions of students with disabilities and students from historically underserved races and ethnicities.

Alternative schools and programs are different. We estimate about 70% of high school students in the alternative schools we identified were economically disadvantaged in 2015-16.

Alternative schools and programs also have higher proportions of students with disabilities compared to state averages, more mobile students, and more students in historically underserved racial and ethnic groups. (See Figure 2 on following page.)

These demographics can create equity issues – the potential for inadequate service to poor or historically disadvantaged students – if alternative schools and programs do not meet student needs.

Figure 2: Grade 9-12 Student Population Characteristics, 2015-16 School Year

	Statewide	Online Schools	Alternative Schools	Alternative Programs
Highly Mobile	19%	50%	60%	73%
Economically Disadvantaged[3]	48%	41%	70%	51%
Disabilities	14%	10%	21%	38%
Historically Underserved Race/Ethnicity	26%	15%	35%	34%

Many students face substantial personal challenges

"I feel like a lot of the kids here are like me, and they were having the same problems at other (traditional) schools. If somebody did harass me, I would have people here who would help me."

-An alternative school student

Academically at-risk students can also face challenges that do not show up in the statistics.

At alternative schools, the smaller class sizes and potential for closer ties to adults may simply make the schools a better fit for students struggling to graduate on time. But students can face substantial personal challenges beyond being behind in school. Some have been bullied at previous schools based on their weight, sexual orientation, or gender identity, for example. Some have anxiety, depression, or other mental health problems. Some face violence or other personal or family trauma.

Teachers at alternative schools told us of students with acute childhood trauma, including frequent moves, divorce, and abuse. "Most students might have two or three major traumatic events in their childhood," one teacher said. "Here it tends to be six or seven."

Like alternative schools, online schools also enroll students who are "extremely challenged" in some aspect of their life, a teacher at a district online school told a legislative committee earlier this year.

That includes medically fragile students. It also includes "high anxiety students who can't function in a packed classroom of 35 to 45 students," the teacher said, "students being bullied, students being moved around in the foster care system, students whose families are uprooted for economic reasons, students who must work to support their families, students who

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[3] The percentage of economically disadvantaged students at a school is based on students' eligibility for free and reduced-price lunches. Since 2014, 100% of students at some schools, including some alternative schools, have automatically qualified for the lunch program under a new "community eligibility" standard. To obtain a more conservative estimate, where possible we adjusted the percentage of economically disadvantaged students at those alternative schools back to the last percentage the school reported before the community eligibility standard took effect.

must stay home to care for younger siblings or perhaps an elderly family member, and students who are already parents themselves."

Alternative and online schools perform poorly on most traditional measures

Oregon's accountability system includes not only school report cards, but also separate public reports that give school-level results on graduation rates, dropout rates, attendance, class sizes and other metrics. The system is designed to increase education system accountability to the public and policy makers, providing data on how schools and districts are performing.

Alternative and online schools tend to have relatively poor results on traditional outcome measures, such as graduation rates and dropout rates.[4]

The outside challenges students face partially explain the low results. The schools are also challenged when students arrive credit deficient and late in their high school careers. However, credit deficiency and student challenges may not explain all of the low performance.

ODE compares school performance to the performance of "like" schools – schools with similar demographics – to obtain fairer comparisons of school performance. We reviewed like-school comparisons on five performance measures, including graduation rates and test scores. Overall, alternative and online schools ranked below their like-school average about two-thirds of the time.

Performance trends at the schools show mixed results. In the last three years, 5-year completion rates rose 2.5% at online schools overall, a positive development. But overall online school dropout rates did not improve. At alternative schools, performance fell in both categories – dropout rates rose slightly and completion rates fell by about 6 percentage points. Both rates stayed flat for the state as a whole.

These measures can serve as rough indicators, but they have flaws. ODE notes that the like-school comparisons include only four demographic comparisons between schools, not a high level of precision. Improvement over time can be distorted by changes in the composition of the student body at a school in a given year.

As we discuss in our audit findings, more specific performance data, including data on student progress, would better pinpoint which schools are helping at-risk students the most.

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[4] See Appendix A for a list of the schools and their performance on some traditional measures.

Online school enrollment is rising; enrollment in alternative schools and programs is falling

High school enrollment in Oregon's online schools, excluding alternative online schools, nearly doubled from 2012 to 2016, rising 93% to 4,600 students. Oregon's overall high school enrollment grew just 3% in that same period. Most of the online growth came from online or "virtual" charter schools, including seven that draw students from across the state.

High school enrollment in alternative schools and programs has fallen about 4% and 10%, respectively, since 2012. Total alternative enrollment remains considerably larger than the online school enrollment, however.

Figure 3: High School-Age Enrollment Growth, School Years 2011-12 to 2015-16
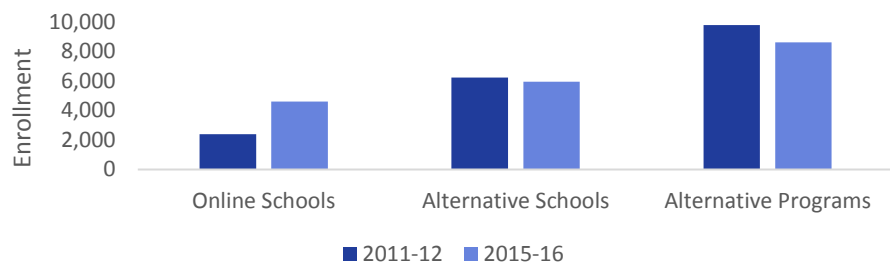
Improving alternative and online education involves multiple layers of government

Under Oregon's system, school districts, school boards, charter boards, ODE, the State Board of Education, and education leaders in the Governor's office all have responsibility for improving alternative and online education.

ODE administers state and federal grant programs, ensures school districts comply with laws and rules, and holds districts and schools accountable by reporting student performance information. The State Board of Education sets educational policies and standards for Oregon's public schools.

ODE has 468 departmental positions, with a half-time specialist assigned to alternative education, and two staff assigned to charter school duties, which cover virtual and brick-and-mortar charter schools. Other ODE staff also contribute, including school improvement staff and data analysts.

Oregon's 197 school districts are responsible for governing their schools consistent with State Board of Education policies. Districts establish and evaluate alternative schools and programs, set school days and hours, and determine their curriculum.

Legislators approve funding through the State School Fund, which includes a substantial share of state income taxes collected each biennium. Through

the bills they pass, legislators also send important signals of what they expect from schools, districts, and state-level education officials.

The federal government also plays a large role. The new Every Student Succeeds Act (ESSA) provides federal funds that support students in poverty and other historically underserved groups. It also requires states to have an accountability system that meets certain requirements. ESSA gives states some flexibility in designing accountability systems and in identifying and supporting schools and districts that need improvement. Federal officials approved Oregon's ESSA plan in August 2017.

Portraits of some of the students we spoke with during our school visits.

Audit Objective, Scope, and Methodology

Objective

Our objective was to determine how ODE and school districts can help increase the success of academically at-risk students in alternative and online education schools and programs.

Scope

We focused on improving outcomes for academically at-risk students enrolled in alternative education schools and programs as well as online schools.

Online and alternative education schools and programs also serve students who are not academically at-risk. The audit did not focus on their effectiveness with these students. We also did not focus on at-risk students in traditional high schools because our office conducted a separate audit of graduation rates that focused on students in traditional high schools. That audit (Report Number 2017-29) was released on December 19, 2017.

Methodology

To address our objective, we conducted interviews with multiple stakeholders. Among them were the Oregon School Board Association, Confederation of Oregon School Administrators, Oregon Education Association, Youth Development Council, Coalition of Communities of Color, National Alliance of Charter School Authorizers, Chalkboard Project, AdvancED, and education researchers. We also conducted interviews with Oregon's Chief Education Officer, Chief Innovation Officer, and ODE management and staff in the following departments: alternative education; charter school oversight; school improvement; accountability and reporting; finance; and research.

We visited eight alternative schools, one private alternative education school contracted as an alternative program, and two online programs that maintain a physical location. We also conducted interviews with personnel at five other online schools. As part of our school visits, we conducted interviews with school and district administrators, teachers, and students; toured school buildings; and reviewed referral policies, accreditation annual reviews, school improvement plans, charter contracts for virtual charters, annual reports, renewal documents, and financial information. We judgmentally selected locations to visit to obtain a diverse sample in terms of geography, student population, and relative school or program performance.

We sent an online survey to every district in Oregon to try to establish an accurate list of alternative schools and programs and online schools. Of the 197 districts that received a survey, 131 districts responded (66% response rate). We sent 40 of the districts a list of additional questions about program evaluation, improvement planning, resources, and support

from ODE. We selected the 40 districts based on at least one of the following criteria: students enrolled in alternative education in the district exceeded 5% of the total district student population; the district enrollment exceeded 5,000 students but the district did not submit information in the ODE alternative education data collection; or the district housed a school or program the audit team considered for a possible site visit. We received responses from 34 of the 40 districts. The results of the 40-district survey cannot be generalized to all Oregon districts.

We identified promising practices for alternative and online education by reviewing available research, interviewing education officials in other states, and attending an alternative education summit in Oregon. The research included best-practice documents from national groups focused on alternative and online schools, for example, and studies of online school performance.

We analyzed data provided by ODE and collected by the audit team. This included data on school and program performance, enrollment and transfer trends, information on dropouts, and student demographics. We assessed the reliability of school performance data by (1) evaluating previous assessments of reliability by other Oregon Audits Division auditors; (2) reviewing existing information about the data and the system that produced them; and (3) interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

However, our analysis was limited by incomplete and inaccurate lists of schools and programs ODE provided. We concluded that ODE's lists of alternative schools and programs and of online schools were not sufficiently reliable for our purposes. We took other steps to attempt to create accurate lists, including asking districts about their alternative and online offerings in our surveys. However, we may not have captured all of Oregon's alternative and online schools and programs. We rounded numbers in the report to reflect this uncertainty.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained and reported provides a reasonable basis to achieve our audit objective.

Audit Results: Stronger Accountability, Oversight, and Support Would Improve Results for Academically At-Risk Students in Alternative and Online Education

ODE has not focused on improving education for at-risk students in alternative and online education. Improving the performance of these schools and programs would benefit the students themselves and Oregon's economy.

These schools and programs may represent a student's last and best chance to graduate or obtain a General Equivalency Degree (GED) before dropping out. That is important, research indicates, because graduates are more likely to have jobs, less likely to be incarcerated, and less likely to rely on public assistance than students who drop out. Graduates contribute more in taxable income. They are also less likely to have problems with drugs, and more likely to live long, healthy lives.

Alternative and online programs are trying different approaches to better serve academically at-risk students. With improved monitoring and oversight, ODE and districts can identify which approaches are and aren't working, assist struggling programs, and share successful practices.

Oregon has a low graduation rate overall – 48th among the states in the last national ranking[5] – in part because of high dropout rates among alternative and online students. Our office recently released an audit of graduation rates that focused on students in traditional high schools. The recommendations in both audits should help more students earn diplomas.

ODE does not accurately track alternative education schools and programs and is not collecting, analyzing, and reporting meaningful performance information

ODE records do not include some alternative schools and programs. The agency has also not collected student performance data that would help identify successful and underperforming alternative education schools and programs.

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[5] Public high school 4-year adjusted cohort graduation rate (ACGR), by selected student characteristics and state: 2010-11 through 2014-15, United States Department of Education.

ODE has not developed accurate lists of alternative schools and programs

ODE does not maintain accurate lists of alternative schools and programs. It publicly reports this incomplete data in the statewide report card, an annual report on the overall status of Oregon's schools.

Each year, ODE collects information from districts about their alternative schools and programs, including enrollment totals and the types of alternative programs offered. This alternative education data collection allows the agency to give the public a snapshot of alternative education services and enrollment trends.

Some districts submit detailed data to ODE. Many do not. Of Oregon's 197 districts, about three-quarters did not report any alternative education data to ODE in 2015-16.

However, based on our survey, 60 districts that failed to report to ODE indicated they do indeed have alternative schools or programs.

Districts should be responding to ODE's request for data. Under state law, ODE has the authority to ask districts for whatever data it deems necessary for advancement of education.

ODE's Institutions Database has more information, but is still incomplete

ODE maintains a separate "Institutions Database" that captures more stand-alone alternative education schools than ODE's annual alternative education data collection. But the database does not identify at least four alternative schools that we confirmed, and it does not include current information about public alternative programs.

Several factors contribute to lack of tracking. For the alternative education data collection, ODE does not follow up with districts who do not provide requested data. Also, district officials respond to more than 100 data requests from the state each year, and may not be fully aware of the request. One district official we spoke with said they had never heard of it. Oregon's imprecise statutory definition of alternative education also gives little guidance on which schools actually are alternative – it could apply to any school or program in the state. An alternative school or program, the statute says, "means a school or separate class group designed to best serve students' educational needs and interests and assist students in achieving the academic standards of the school district and the state." Some other states such as Arizona, Colorado, and North Carolina have more precise definitions, and use them to identify alternative schools for performance reporting.

Oregon also does not distinguish in its performance reporting whether some charter schools are essentially acting as alternative schools, focusing on academically at-risk students.

ODE's accountability reporting provides inadequate detail on alternative school and program performance

Oregon has four substantial gaps in its accountability reporting system for alternative education:

Inadequate Disclosure of Alternative Schools: ODE does not clearly identify schools as alternative on its website or in publicly disclosed performance reporting, including school report cards, reducing the ability for the public to analyze alternative school performance.

No Overall Performance Analysis: ODE has not analyzed or reported on the overall performance of alternative education schools and programs in its state report card or in other reports, as it has for charter schools and online schools. For example, the 2015-16 state report card showed charter school students performing better than state averages on reading tests, but lower in math. These are useful points for school improvement efforts.

Analyzing the overall performance of alternative education could help focus improvement efforts, too. It is difficult to do so, however, when the state does not have an accurate list of alternative schools and programs.

Limited Information on Alternative Schools: The state uses the same report cards and performance data for stand-alone alternative schools as it does for traditional schools, including information such as graduation, completion, and dropout rates.

ODE has set the five-year completion rate as a key result. That rate, which includes students graduating or completing a GED in five years, is a more meaningful metric for alternative schools that enroll students who are credit-deficient and unlikely to graduate in four years.

Completion rates and other outcome data are valuable – they represent an important bottom line for schools. But in alternative schools, these rates "primarily reflect the at-risk status of most students when they arrive," as one California research group's analysis concluded.[6]

Oregon could include more details, as other states have done, that indicate whether students who are behind when they arrive make progress at the schools. The added detail would allow effective comparisons between schools. Potential progress measures include attendance improvement, reduction in disciplinary incidents, credit attainment and course completion, and student growth on pre- and post-tests.

Currently, ODE's information on student absences is not adequate for alternative schools. Public attendance data focuses on "chronic absenteeism." In alternative schools, many if not most students hit ODE's chronic absentee threshold of 10% of school days absent in a school year,

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[6] "Accountability for California's Alternative Schools," Public Policy Institute of California, May 2016.

and ODE does not report data that highlights meaningful attendance improvement.

Per-student school spending data is not available, though it will be included in future accountability reporting under the federal government's new Every Student Succeeds Act (ESSA). This should help show whether districts are committing enough resources to alternative schools.

The reporting system also does not detail support services provided to alternative students, such as mental health care, childcare, and counseling. Our school visits and best practice research indicate these services are one of the keys to student success.

No Detail on Alternative Programs: While some alternative schools receive their own school report card, ODE does not report separate public results for alternative programs, which enroll about two-thirds of Oregon's alternative education students. Instead, student performance in those programs is folded into district or high school results and not reported separately.

The state has no data at all on alternative programs that are part of traditional high schools. It has limited data, such as data on dropouts, for alternative programs that are not part of traditional high schools. ODE does not report this data separately from district totals.

The Portland Public, Hillsboro, Bend-La Pine, and Parkrose districts have many dropouts from programs ODE does not report separately from district totals.

In some districts, the largest numbers of dropouts came from alternative programs that the state does not report separately from district numbers. About 75% of Portland Public Schools' dropouts came from unreported alternative programs in 2015-16. In the Hillsboro, Bend-La Pine, and Parkrose districts, about 60% did. And roughly 40% did in districts covering Springfield and Douglas County.

In these cases, as with all alternative programs, the numbers are just part of a lump sum dropout rate in district accountability reporting – the total from all alternative programs is not even disclosed as a separate line item. ODE's data provides no public detail on the performance of the individual alternative programs within the district, even when they are educating a large number of a district's academically at-risk students.

"The fact is that we don't even know as a state how these kids are doing," one ODE manager told us.

ODE faces some challenges in quickly creating more effective accountability measures. The agency does not have meaningful data on attendance in alternative schools and programs, credit accumulation, and other progress measurements. Obtaining that information would require additional data collection, with at least a year notice to give districts time to prepare it.

The Stigma Problem

During our school visits, teachers and students told us repeatedly that alternative education carries a harmful and undeserved stigma. Students reported hearing from family and friends that only "bad kids" end up in an alternative school. They feel that perception in the community, too.

> **"To my knowledge, they look at us as a bunch of hoodlums, druggies, and thieves. It's very unfortunate, because that's not what we are."**
>
> -Alternative Program Student

Attitudes like this can prevent students from entering programs that may do them good. Many students found that their programs offered what they needed to get back on track, including strong relationships and schedule flexibility.

> **"My friends were saying, 'That's all bad kids, good luck making friends.' Honestly, I didn't have the quality of friends at my old school that I do here. It's not like we push someone away because they're different. We know that everyone is going to be different."**
>
> -Alternative School Student

Teachers face a different kind of stigma among their peers. Currently, Oregon uses the same school report card to judge comprehensive and stand-alone alternative schools. Teachers see that as unfair, because alternative schools are designed to serve students who have not succeeded in traditional settings.

> **- It is frustrating to be held accountable for the failures of traditional programs.**
>
> -Alternative School Teacher

Teachers in many of the schools we visited feel they are doing great work helping students turn around academically. That progress is not visible, one said, because of how the state reports their school's performance. This reflects not only on the students and the school, but also on the teachers.

> **The annual report card "is very disheartening to alternative education teachers. We are doing amazing things, yet we're being told that we're failing at every level."**
>
> -Alternative School Teacher

Another drawback of using the same metrics to evaluate both comprehensive schools and alternative schools is that alternative schools can become the focus of improvement efforts, even when that might not be needed.

> **"State report cards mean alt. ed. schools are under constant pressure to re-invent themselves, even if they are doing relatively well, because they always look bad."**
>
> - District Administrator

Other states and some Oregon districts have improved accountability measures for alternative education

Other states, including Colorado, Arkansas, Indiana, and Arizona, have implemented more detailed performance reporting for alternative schools. These states take different approaches. Some have included more progress measurements for all schools, including measuring academic growth and indicators of student engagement, such as attendance. Others reduce performance targets for traditional measures at alternative schools, such as graduation rates, to make attaining the targets more realistic and allow fairer comparisons.

In some states that offer improved measures for alternative schools, the schools have to apply to use the alternative accountability system. Unlike Oregon, these states have precise definitions of alternative schools.

Among the more detailed approaches in other states:

Colorado allows schools to set some of their own publicly reported metrics that address the school's unique goals. Arkansas tracks grades. Indiana tracks 10th graders who are not proficient in math or English to see if they hit proficiency by grade 12.

Washington's Legislature created statutes that require tracking of students enrolled in dropout re-engagement programs. The programs track whether students have met one of several indicators, including whether students successfully enrolled in a college class for the first time, took a GED test, or earned high school credits.

In Oregon, Portland Public Schools is one district experimenting with a more tailored accountability framework for its alternative programs. The district's metrics include skill growth in reading and math. It is also measuring credit attainment, students attending school at least 85% of the time, and growth in attendance compared to the prior school year.

Researchers see other possibilities for improved measurement of alternative education. One possibility is having states assess whether students are still attending school three and six months after enrolling in an alternative school or program.[7]

States could also calculate the graduation rates of all students who are far behind on credits at the beginning of their junior year to help determine which types of schools, alternative or otherwise, help students make the most progress.

Improving performance analysis and reporting would increase Oregon's focus on students in alternative schools and programs

Knowing more about how alternative students are doing has some obvious benefits. Enhanced performance data would help ODE better highlight high- and low-performing schools and programs, and identify and communicate successful practices. It would also provide better data for school improvement and state policy development.

In 2015-16, at least half the dropouts in 10 Oregon districts came from alternative schools, not traditional high schools.

One concern we heard from alternative education administrators and teachers throughout our audit is that the current system does not hold traditional high schools accountable when their students transfer to alternative schools and drop out soon after. In 2015-16, 10 Oregon districts had 50% or more of their dropouts come from alternative schools, ODE data shows. In two relatively small districts – Gervais and Coquille – all the dropouts were from alternative schools.

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[7] "Improving Alternative Education in California," California Legislative Analyst's Office, 2007.

To address this concern, ODE could include information in district report cards or other public reporting on dropouts and non-graduates who came from alternative schools and programs. The agency could report the number of dropouts and non-graduates who transferred from each traditional high school in the district to alternative schools and programs. This could help ensure that traditional schools do not transfer students to avoid accountability.

The alternative school teachers we heard from made an additional point. They see their schools working for many students who were well on the road to dropping out. But the state does not report that "save rate." It is discouraging, the teachers said, to be lumped in with traditional schools in Oregon's system and stick out as extremely poor performers. More detailed information could highlight successes and help ensure that accountability is more equitable.

More broadly, better data could help move alternative school improvement higher on Oregon's agenda, both at ODE and among policy makers. As researchers in California have pointed out, a lack of meaningful information can put alternative schools and their students "in the shadows of K-12 policy discussions."

Oregon's Chief Education Office is developing a "Statewide Longitudinal Data System" that could help identify schools and programs, including alternative schools and programs that are best preparing students for life after high school.

This data should help identify successful practices, but it is not a substitute for more information on student progress while students are enrolled in the schools and programs.

A Teacher's Perspective on Alternative Education

While teaching English at Alliance High School in Portland, Jerry Eaton spent a lot of his free time in the school's shop. He took over full time when the former manufacturing teacher retired a few years ago. Eaton has technical skills and an ability to connect with at-risk students, an unusual combination, Alliance's principal told us. Now in his 17th year of teaching, Eaton shared some of what he learned working in alternative education.

Jerry Eaton helping a student build a toolbox.

Q: How did you end up teaching in an alternative school?

- Through high school I thought I hated teachers. But I really do love learning. I just don't like schooling (as it's too commonly done). My younger brother struggled with school, and an alternative education program at Parkrose (High School) pulled him through. But there wasn't enough rigor there. He could have accomplished more. The older sibling in me is willing to push and challenge. I can take an emotional hit from a kid, not get triggered, and then still push back.

Q: Why is building relationships important?

- Building that relationship helps you create a foundation in the classroom that is not based on authority, it's based on trust and mutual respect. You can't push somebody to go farther who doesn't trust you. A big part of that is being authentic. One of the things I can do with a kid is be really straight up. I can see something they're doing and say, that is a bad decision. Honesty matters. Integrity matters. And a respect for them as people. A respect for their ability to actually get there. These kids want a life with meaning, not just getting by. If someone is whispering in your ear every day "You're not worth it." you start to believe it.

Q: How do you ensure enough rigor?

- In manufacturing, we just build from scratch, and find out how utterly amazing it is to go from a concept to a thing, to feel the satisfaction of a job well done. As a teacher, it's about getting your passion out there, and letting them know that it doesn't happen without hard work. You can't get to that point without a lot of rigor.

Q: What do you like the most about being an alternative education teacher?

- In a comprehensive high school, a lot of the students are autodidactic – they don't really need the teacher. All my students really need the teacher. So the biggest perk is having a job that really matters. As frustrating as it is sometimes, I never feel like I'm doing something meaningless. That's a priceless thing.

Q: What do you think the public doesn't realize about your students?

- How brilliant they are. Almost universal to a one they are outside-the-box thinkers. They see things from a different angle. Robotics is a great example. They'll come up with ideas where I just say, "Wow." I think a lot of folks think that the social safety net, the "entitlements," are going to lazy people. But they buy time to create kids who can become great citizens.

Q: What's the biggest challenge of your job?

- Just the difficulties these kids face, and not taking that home with you – that's a tough one. You compartmentalize as much as you can, but sometimes that line is not perfectly clear. This could be 24-hour, 7-days-a-week job, trying to save all the kids, and you can't. That's not necessarily even good for them. They have to figure out some of this for themselves.

Machinery in Eaton's crowded shop included a Computer Numerical Control machine, sheet metal cutters, and other tools. Projects range from skateboard manufacturing to robot building, helping students acquire skills in electronics, machining, metalwork, and welding. The school fields a small robotics team.

State monitoring and support of alternative school and program quality is minimal; district oversight is inconsistent

Results in other states indicate more state involvement in alternative education could help improve Oregon's system.

Some states have held districts, schools, and programs to higher standards and provided more support to help students succeed. Their practices include requiring, reviewing, and publicly disclosing school improvement plans, setting alternative education standards and goals, providing extra funding, visiting schools, and monitoring program quality.

Our school visits and discussions with district officials also indicated that districts can be more consistent in oversight and support. This includes more closely monitoring their alternative schools and programs, analyzing their performance, and helping them improve.

ODE can do more to drive improvement in alternative education

A 2016 "Grad Nation" report from Johns Hopkins University focused in part on alternative education. It said it is "critical that states take a much closer look" at alternative programs to determine whether they "truly offer students a valuable pathway towards graduation."

ODE has taken some initial steps toward improving alternative education. It coordinated an annual alternative education summit this past February. The agency also offers a form on its website that districts can use when evaluating alternative schools and programs, though ODE has not updated it since 2006.

Overall, however, ODE is not a strong driver of alternative education improvement. Unlike some other states, ODE does not publicize annual school improvement plans and only reviews the plans of a limited set of alternative schools for quality. It does not set standards for key conditions in alternative schools, such as student-teacher ratios, counseling assistance, or referrals to alternative schools and programs. Outside of its new annual alternative education summit, it has no platform to identify or share successful practices statewide. It does not facilitate training for alternative school teachers. It does not systematically review district annual reports on alternative schools and programs.

ODE is also not regularly reviewing alternative curriculum for academic rigor. In our visits, schools using a project-based curriculum that awards multiple credits for one project appeared to have wide leeway in deciding to award the credits, and it was not clear they met state academic standards. One school also had substantial problems with accurately accounting for student attendance, a potential challenge when alternative programs do not follow the traditional classroom model.

As we detail later, online curriculum, including widely used "credit recovery" programs used in alternative, traditional, and online schools, can also raise rigor concerns.

Some other states, all with higher graduation rates than Oregon, are doing more to monitor alternative education. Their results indicate the system can improve when state monitoring and support expands.

Colorado officials review improvement plans for low-performing schools.

Colorado requires annual school improvement plans, which the state posts publicly. State officials review the plans for relatively low-perfor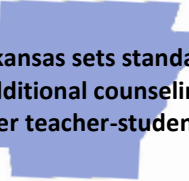ming alternative schools. The state has seen significant performance improvements since establishing its accountability system in 2011, though state officials say they have not done the in-depth research required to tie the gains to the accountability changes.

Arkansas sets standards for additional counseling and lower teacher-student ratios.

Arkansas sets standards, provides extra funding, and monitors alternative school and program performance. The state sets standards for additional counseling, lower teacher-student ratios, and integration of social skills into the curriculum. State officials also review school performance, and require written improvement plans with firm timelines when schools fall short. Arkansas data indicates outcomes improved for alternative education students from 2012 through 2016.

Indiana provides additional state funding tied to school goals for students.

Indiana uses state-approved grants to provide additional state funding – up to 12% more – for alternative education. Schools and programs must renew grants annually, and each program has academic and behavioral goals for their students. State officials monitor program quality, and visit schools and programs before their initial grant.

In Oregon, some alternative schools do receive monitoring and support using federal funds. These schools can benefit from coaching and school improvement processes that require collecting more meaningful internal data and measuring the results of new initiatives. But this is required for a limited set of schools: eight alternative schools as of mid-2017. The improvement reports are also not publicly available.

Schools can also receive accreditation from AdvancED, an independent group, every five years. However, more than a third of alternative schools in Oregon, 13 of 33, do not appear to be accredited. Also, the accreditation reports are not available publicly, and AdvancED does not send reports to ODE or communicate non-compliant results to the agency.

ODE's unclear role and low staffing levels reduce its ability to monitor and support alternative education

Oregon's statutes are not clear on the amount of oversight expected of ODE for alternative education, and ODE officials told us they are wary of treading on local control without a clear mandate from the Legislature. In some of the other states we reviewed, legislatures passed specific laws that created alternative school oversight and performance reporting. Oregon's Legislature has not done so.

ODE's minimal staffing of alternative education – one person working half time – is not adequate for expanded monitoring. Oregon has 197 school districts, with at least 33 alternative schools and more than 100 alternative programs. Colorado has three staff dedicated to alternative education accountability alone.

At the school level, some principals told us they are wary of school improvement plans that become bureaucratic paper exercises, not practical documents that truly help drive school improvement and student growth. ODE, districts, and alternative education leaders would need to work together to build an improvement process that is effective and credible.

The potential advantage for alternative schools and programs, as seen in other states, is that their public accountability and improvement would be based more firmly on student progress at their schools, not on the status of students when they arrive.

ODE could also draw more on other groups that want to help support alternative education improvement. Those groups include AdvancED, the accrediting body, and the Youth Development Council, an organization funded within ODE's budget that reports to the Governor and focuses, in large part, on students disconnected from school.

District oversight and support of alternative schools and programs is inconsistent

Oregon's school districts have many sources to draw on for best practices in alternative education. But our review indicated some districts are not monitoring alternative schools and programs closely.

Districts have ample guidance on best practices

Oregon laws do provide some expectations for school districts regarding alternative education accountability. Statutes require that districts receive school board approval for new alternative schools and programs. Districts are also required to evaluate them annually, providing a written evaluation to the school or program.

Around the state, alternative programs are trying creative ways to build relationships and offer students what they need to get on track academically. These are the kind of practices the state could help evaluate for effectiveness and disseminate. Some examples from our school visits:

Relationship building:
- Discovery programs: Some districts offer six-week introductory classes, including initial student assessment and relationship-building.
- "Invisible" Mentors: Staff work together to ensure that each student has at least one teacher who will check in with them daily and give them positive feedback.
- Field trips: Once every session, the school invites students to a fun outing regardless of past attendance or performance. This is a chance to reconnect with kids who may have fallen behind and feel disconnected as a result.

Tracking Student Progress and Attendance:
- "Blue card" attendance: In one school, students carry a blue card and get a signature every class if they are on time and do their work. Every card is one point, and each semester they have to earn 90% of these points to get a grade.
- Weekly reviews: Many programs are quickly flagging drops in student attendance and progress to address concerns right away.

On-Site Resources and Flexible Structures:
- Shorter terms: Some programs have several terms a year as short as five or six weeks. This allows a student who fails a class in one term to have a chance to get back on track right away.
- Project-Based Learning: Students earn credits in several subjects simultaneously by working on projects that interest them. Teachers and students work together to design projects that incorporate state learning standards.
- GED onsite: One school received certification to offer the GED exam onsite. This removed transportation and scheduling problems that discouraged students from taking the exam.

For guidance on what to evaluate, districts can draw on state and national advice – as well as feedback from alternative school teachers and students.

ODE has identified some best practices, including keeping schools small, cultivating caring student-teacher relationships, and building school connections to the community.

The National Alternative Education Association and the National Dropout Prevention Center include similar recommendations. They also recommend thorough student screening, close monitoring of students' academic progress, and student access to support services, including counselors and social services. The National Alternative Education Association also recommends regular surveys of parents, students, and staff.

Those recommendations are consistent with what we heard in our school visits. School teachers and administrators frequently stressed the importance of small class sizes, for example, and of student access to counselors, social workers, and mental health care.

Students told us that close relationships with teachers – enabled by small class sizes – were a key to the success of alternative programs, distinguishing them from comprehensive high schools. For example, a student at Success Alternative High School in Woodburn, with as few as 10 students per class, told us teachers at the traditional high school did not have as much time for individual students, and it was embarrassing to ask questions.

"Here I can always go up to my teacher without feeling embarrassed," she said. "They notice your effort. Even the little things you do, they'll tell you. They can focus on you and make time for you."

District oversight and support varies widely

Ensuring that schools are following best practices requires close attention from districts. But a survey we sent to 40 districts found that some do not appear to be tracking their alternative schools and programs closely:

- Ten of 34 survey respondents said their district did not annually evaluate all types of alternative programs, or they were not sure if it did.

- More than a quarter of respondents were not sure if their alternative programs were accredited.

- Despite the importance of student-teacher relationships, only half of 34 respondents reported surveying students as part of program evaluations. Surveys can help alternative schools and programs determine if they need to improve student-teacher relationships.

In our school visits, subsequent interviews, and document reviews, we found district annual reviews varied substantially in quality and depth.

Some districts did not provide written evaluations as required by statute. Others only provided feedback on school-prepared documents. One counted the annual report card prepared by ODE as the annual evaluation for its stand-alone alternative school.

Oregon statutes do not define what should be in an annual evaluation of alternative education programs. ODE does not collect or review evaluations, and has not set quality guidelines for district evaluations of their schools and programs.

During our visits, we also saw wide variances in how closely alternative schools followed recommended practices. All had small class sizes. But the depth of their initial assessment and tracking of student progress varied widely, as did their use of performance data for student improvement. Most did not regularly survey students to gauge their connection with adults at the schools.

We also saw big differences in the support services provided to students, such as counseling, day care, mental health care, and family support.

Beaverton's Community School, for example, had a county-funded mental health therapist stationed in the same building, three counselors, and a social worker whose duties include home visits and teaching skill-building classes for students and their families. The building also housed a day-care center for the children of students and staff.

Among alternative schools, Community School was one of the strongest performers on traditional outcome measures, despite 80% of its students being eligible for free-and-reduced-price lunches.

By contrast, two of the other ten schools and programs we visited had no counselors. Two had just a half-time counselor. Two had an on-site social worker, and only one had a mental health therapist available.

Districts face budget challenges, and may benefit from outside help to improve and support their alternative education programs. In these cases, assistance from the state, county health departments, and regional groups, such as education service districts or coordinated care organizations, could be even more important.

Finding the right alternative

Jasper Moriarty recently graduated from Wahtonka Community School in The Dalles.

Middle school was a bad experience for Jasper Moriarty. He was bullied and was acting out at school. In ninth grade, he started briefly at the local comprehensive high school, but dropped out quickly.

"I'm just not one of those people who would have been successful at a high school," Jasper told us. "Now that I'm at an alternative school, I feel like things are really going at my pace."

The opportunities at the local alternative school, Wahtonka Community School, included access to classes through a community college. Attending a few of these classes gave him confidence that he could be successful with college-level coursework.

Jasper, who is transgender, also found the support he needed to transition at Wahtonka.

"I don't know if it's the people who are here, or just the energy around the school, but I have never seen a case of someone picking on someone else because of who they are. It's a lot easier to be yourself when you're not being ridiculed for being yourself."

Jasper credits some of his success to the close relationships he was able to develop in a small community with teachers and peers. He said the school also offered a good balance between freedom to design hands-on courses with teacher input, and guidelines that kept students accountable.

"The teachers here really want to be here. At the other high school it was very easy to feel like you were blending in with the crowd. You were a face and a number. A GPA really."

Research into guidelines for successful alternative schools reinforces that small class sizes, positive teacher-student relationships, and meaningful hands-on coursework can all contribute to student success.

It worked for Jasper, who turned 18 shortly before graduation. He enrolled at a community college, and is majoring in Biology. After that, Jasper has his sights set on medical school and a career as a Forensic Pathologist.

Online schools: Stronger oversight, support, and attendance requirements could better serve academically at-risk students

Online schools offer potential advantages in serving academically at-risk high school students, including readily accessible student data and virtual connections with individual students through email, texts, and other mediums. They also have challenges, such as higher student-teacher ratios than alternative schools and far less face-to-face contact with students – potential obstacles for at-risk students already disengaged from school.

Approaches in other states and recommendations from national education groups indicate more state involvement, along with consistent district oversight, could help online schools improve results with academically at-risk students.

Online schools offer potential benefits – and face unique challenges – in serving academically at-risk students

Online schools have some advantages for educating students who struggle in traditional schools, including ready access to student performance data. Challenges include relatively high student-teacher ratios and rapid growth.

Online schools enroll many students who are already behind, and have taken some steps to help them

Oregon's online schools come in many different forms, but all offer online instruction as their primary means of instruction. They range from statewide virtual charter schools, which draw students from throughout the state, to district-run schools and charters that serve students in a single district or region.

They also take different approaches to educating their students. Some are "hybrids," with physical drop-in centers for students to visit and talk with teachers. Others have little opportunity for face-to-face interaction. Teachers conduct live online classes at some schools, while others have no live instruction at all.

One constant is the schools' assertion that they enroll many struggling students who have fallen behind in credits at traditional high schools, including students late in their high school tenure. For those students, as with students in alternative schools, online education may be a "last chance" solution.

Of the seven online schools we visited or spoke with, six raised enrollment of credit deficient students as a major issue. For example, the executive director of the Oregon Connections Academy, the state's largest online school, told us 150 of the 207 non-graduates in its 2015-16 class arrived credit deficient. In that class, nearly 20% of the students arrived missing a

full semester's worth of credits or more, she said. Only 30% of the students who arrived credit deficient graduated on time, the school's numbers indicated, while 83% of students who were not behind on credits graduated in four years.

Officials at the Metro East Web Academy in Gresham said roughly half of their students are credit deficient when they arrive, and about 20% are more than a year behind in credits.

As stated previously, ODE does not collect credit attainment data from schools, and we did not independently analyze student-level data at individual schools. However, our analysis of ODE data on students' prior schools did confirm that students transferring to large statewide online schools are typically coming from traditional high schools, not alternative programs.

As noted in the introduction to this report, ODE data indicates that online schools, like alternative schools, have students enrolling late in their high school tenure when they may be relatively close to dropping out.

Online schools reported taking steps to help struggling students. They generally have student data – including log-in times and assignment progress – that can quickly identify students falling behind. At one school, teachers receive automatic alerts when that happens.

Teachers told us the lack of face-to-face interaction can limit building relationships with students. But they said they also have more opportunities than traditional teachers to connect with struggling students through emails, texts, and small group and individual online sessions, mediums many of their students favor.

"There is nothing inauthentic about a virtual connection to them," a teacher and academic coach at a statewide online school told us. "In many ways I feel I have it easier, because I don't have them sitting in a classroom boxed in a desk, where they think all they need to do is listen to me. I have them in their world, texting and emailing."

The schools typically require a parent or other adult close to the student to be a "learning coach."[8] This gives the school a direct line of communication to students' families.

Online schools also reported taking more targeted steps to provide support for struggling students. Those steps include home visits, adding academic coaches, or family specialists who focus on students falling behind, setting up small group tutoring sessions online, and improving assessment of incoming students when they arrive.

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[8] A learning coach is responsible for the student's day-to-day activities. They help monitor attendance, ensure that the student attends state examinations as required, and stays in touch with the student's teachers.

Online schools have unique challenges in serving struggling students

Online programs in Oregon and nationwide generally have student-teacher ratios more comparable to traditional high schools than to alternative schools. That model is different from the alternative education approach, which shifts struggling students into schools with very small class sizes. The small classes are designed to help students connect with adults and receive more individual attention, best practices for alternative education schools.

The large student loads at online schools can make it harder to identify and help students who are behind, some online teachers told us, particularly if parents or other adult learning coaches at home are not much help. "For kids who struggle and have learning coaches who struggle, they're just lost," an online teacher with long experience in traditional schools told us. "They have so many more supports available for them at a brick-and-mortar school."

A 2015 Mathematica Policy Research study found large high school class sizes at virtual charter schools and many virtual school principals concerned about disengagement among their students. Students in a typical online charter have less "synchronous" instruction time – students and teachers participating in instruction at the same time – in a week than students in brick and mortar schools have in a day, the national study found.[9]

One district-run online school we visited had a student drop-in center, staffed with teachers eager to help students. But even with that hybrid model, the school's administrator told us, unmotivated students struggling in traditional schools find "it's even harder to be motivated here."

Online schools are likely to continue growing rapidly, given the rising popularity of online education in general and the simplicity of enrolling in statewide online schools, which have no district boundaries. Fully online schools also face few physical obstacles to expansion, unlike brick-and-mortar schools, allowing for speedier growth.

Comparative performance appears to lag in online schools

Oregon's online schools tend to have higher dropout rates and lower graduation rates than traditional schools. In the 2015-16 school year, 14 of 15 online schools with 20 or more students in their class cohorts were among the 50 Oregon schools with the lowest 5-year graduation rates. On

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[9] "Inside Online Charter Schools," Mathematica Policy Research, October 2015.

state tests, online charter school students tend to be close to the state average in reading, but behind in math.

However, those results do not take into account the types of students enrolling at online schools, or whether they are behind in credits when they enroll. As with alternative schools, it is difficult to make fair performance comparisons without data on individual student progress.

Recent studies in Oregon and elsewhere, however, have made more apples-to-apples comparisons between online students and traditional students. These studies suggest individual student performance in online schools is lower relative to comparable students in brick-and-mortar schools.

- A 2016 ODE analysis found that among students with the same 8th-grade test scores, students in online schools were up to 30 percentage points less likely to be on track at the end of their 9th-grade year than students who attended non-virtual schools. [10]
- A 2015 national study by researchers at Stanford University that included Oregon found online charter students had "much weaker growth overall" compared to comparable students in traditional schools. Typical academic gains for math equated to 180 fewer days of learning; for reading, it was 72 fewer days. Results were comparable for Oregon's online charters, the researchers found. [11]
- A 2017 study of 1.7 million Ohio students by New York University and Rand Corporation researchers found that "across all subjects and grade spans… students in e-schools score significantly lower than students in traditional charter and public schools." [12]

Online school performance issues have led to more scrutiny and, in some other states, more oversight

Reform Recommendations:

States should:
- Require schools to meet performance standards before they can grow.
- Base school funding on performance, such as course completion, not on attendance.
- Not allow small districts to sponsor online charter schools spanning multiple districts.
- Ensure that poor-performing schools are shut down.

Most of the scrutiny of online schools has focused on online charter schools, a rapidly growing category. Nationally, online charters are authorized by school districts, state authorizing bodies, universities, or other groups. In Oregon, districts authorize all the online charter schools.

Academic researchers and three groups – The National Alliance for Public Charter Schools, the 50-State Campaign for Achievement Now, and the National Association of Charter School Authorizers – have made reform recommendations for online charters that could apply to non-charter online schools as well. (See summary at left.)

In a 2016 report, the three groups cited "disturbingly low performance" and said state leaders need "to make the tough policy changes necessary"

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[10] Data Brief, Office of Assessment and Accountability, ODE , 2016.
[11] "Online Charter School Study," Center for Research on Education Outcomes, Stanford University, 2015.
[12] "Student Enrollment Patterns and Achievement in Ohio's Online Charter Schools," Ahn and McEachin, Educational Researcher, Vol. 46, No.1, pp. 44-57, 2017.

to ensure online education is more effective for students. [13] In 2015, University of Washington researchers studied state regulation of online charters nationwide, including in Oregon, and concluded that collecting additional data from online charters – for student attendance, progress, and performance – may make sense given the high rate of disengagement among their students. [14]

Some of Oregon's online school leaders favor disclosure of more detailed student progress data for the same reason some alternative education leaders do: The existing accountability system does not reflect their progress with students who arrive already behind.
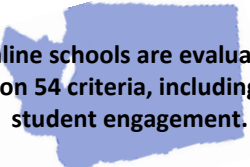
Some other states have increased oversight of online schools

We reviewed approaches to online schools in other states, and identified six with performance oversight methods Oregon could consider. These states provide considerably more oversight of online schools, particularly multidistrict schools. Approaches taken elsewhere include approving online curriculum, requiring state approval for new schools, and evaluating online school performance in depth.
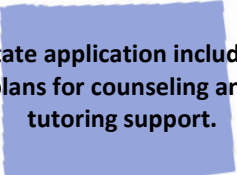
Alternative Education specialists are typically included in review of online schools.

In **Minnesota,** multidistrict online schools and full-time online schools within districts have to apply for approval, submit annual updates, and prepare a three-year review document that the state evaluates. New schools get a visit from Department of Education personnel, typically including the state's alternative education specialist, because of high numbers of at-risk students at the online schools. The process leads to productive conversations about school improvement, the state's online and digital learning specialist said.

Online schools are evaluated on 54 criteria, including student engagement.

Washington subjects multidistrict schools and providers, charter and non-charter, to full review, and approves online curriculum. A team of reviewers evaluates whether they meet 54 criteria, such as collaborative instructional activities, timely and frequent feedback, student engagement, and protocol for monitoring student progress. Beginning this school year, online schools will have to meet performance targets – course success rates greater than 70%, for example – or submit a corrective action plan.

State application includes plans for counseling and tutoring support.

Colorado's State Board of Education certifies new multidistrict online schools, both charter and non-charter, via a joint application by the school and its authorizing district. The application focuses on items such as plans for counseling, tutoring support, and student assessment. The authorizing district maintains oversight after approval, but the state board can intervene if the school does not improve after five years on a state improvement list. The board shut down one online school's middle school grades after long-term poor performance.

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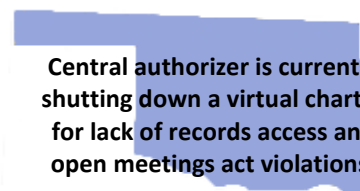
[13] "A Call to Action to Improve the Quality of Full-time Virtual Charter Public Schools," June 2016.
[14] "The Policy Framework for Online Charter Schools," The Center on Reinventing Public Education, October 2015.

Central authorizer has numerous measurable performance requirements.

Central authorizer is currently shutting down a virtual charter for lack of records access and open meetings act violations.

State approves both online programs and courses.

In **Maine**, a central commission authorizes all the state's charter schools, including two statewide virtual schools. A detailed application requires the school to specify measurable objectives, a plan for students performing poorly, and details on oversight of third-party contractors. The commission's charter with the schools includes numerous measurable performance requirements, restrictions on enrollment, a monitoring plan with annual performance monitoring reports, and commission monitoring of attendance. The commission rejected one online school's application twice before it was accepted, with the commission insisting that teachers be available at the school's location for students who need to meet with them.

Oklahoma's statewide virtual charter school review board approves and sponsors statewide virtual charters, requiring them to file a detailed application. About four years after approval, accountability officials at the state's department of education prepare detailed reports on school performance. The board is relatively new, but is in the process of shutting down one virtual charter for lack of access to financial records and open meeting act violations. The statewide oversight began because of concerns about low district oversight.

Florida funds online programs based on credit attainment, not attendance, as a taxpayer accountability measure. All providers must publish student-teacher ratios on their web sites, and include the ratio in contracts with districts. Florida's auditor general conducts operational audits of districts and program providers. The state approves both online programs and online courses.

ODE oversight and monitoring of online schools is limited and district oversight is inconsistent

Some shortfalls in ODE oversight and monitoring of online schools apply specifically to online charters.

Oregon has statutory requirements specific to online or virtual charters.[15] They include a requirement that the school's contract or "charter" with its sponsor includes monitoring and tracking of student performance. They also must have a plan to conduct meetings, in person or through technology, twice a week between teachers and students.

Like all charters, online charters also have to submit applications to their sponsors, usually school districts. They submit annual performance

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[15] Under Oregon law, charters are non-profit public schools, generally sponsored by a school district but governed by a separate charter board. ORS 338.120 specifically addresses virtual public charter schools.

reports, and receive an annual financial audit. From their sponsors, they receive a share of per-student payments from the State School Fund.

However, ODE does not monitor district compliance with these requirements. The state receives copies of documents related to charters, such as charter agreements and annual reports, but does not review them for quality. State statutes also do not spell out performance requirements to include in the charter contracts or detail the depth of annual reports.

ODE officials say the agency is last in line for online charter school oversight under state law, after charter boards, districts, and district boards.

Some shortfalls in ODE monitoring and oversight apply to all online schools, charters and district-run.

As with alternative schools, ODE has problems accurately tracking online schools. Districts report whether schools are online, but we found some schools reported as online that are not, and some online schools not reported as online. The classification problems arise when schools offer some instruction online, but not all. More precise ODE definitions could help.

Beyond tracking, Oregon does not require state approval for new schools, regularly evaluate online school performance in depth, or increase oversight of poor-performing online schools. ODE does not require districts to follow best practices for oversight of online schools. The state also does not require online schools to meet performance standards to grow.

Finally, the state does not review online curriculum for compliance with state standards, leaving that to districts. That lack of curriculum review is a particular risk for online programs focused on accelerated credit recovery for credit deficient students.[16] State and accreditation officials told us these programs, which some traditional and alternative schools also use for credit deficient students, can be rote and lack rigor. Online credit recovery curriculum is also used by traditional and alternative schools that offer it as an option within the school.

District oversight is inconsistent

The state's limited monitoring and support for districts matters because districts differ significantly in the quality of their online school oversight, our interviews and document reviews indicated.

School annual reports and improvement plans vary widely. Some districts require in-depth annual outside evaluations of the online schools they sponsor. Others rely on the schools' self-reporting, which can be brief. One school we reviewed prepared a two-page document for its annual report,

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[16] Programs designed to allow credit deficient students to accumulate credits quickly by, for example, passing knowledge tests that demonstrate their understanding of key course concepts.

with little focus on performance. Others prepared strong academic improvement plans, acknowledging the need to improve.

Performance requirements in charter contracts can also vary substantially. In our discussions with district officials, their awareness of school performance and progress varied substantially as well.

One of the districts we spoke with limits school growth. The rest allow unlimited growth. Some have little oversight or engagement with the schools, even when their dropout rates and other performance indicators are low and the school continues to grow.

At the district level, few districts have a staff person dedicated solely to charter or online school oversight.

Like traditional schools, online school performance varies, with some schools performing relatively well on traditional measures. But the inconsistent oversight of the schools, combined with the potential for rapid growth, increases the risk that they will serve struggling students poorly.

ODE's online school attendance and funding standard raises risks

Under ODE policy, the state counts full-time online education students as present for the full week if they check in with a teacher twice during that week. By contrast, students in traditional schools must attend more than half the morning and more than half the afternoon every weekday in order to be counted as present for the entire week. The attendance standard serves as the basis for State School Fund payments to schools.

The attendance standard raises the risk that an online school could receive taxpayer dollars even if students spend little time engaged with the school and make no progress academically. It poses particular problems for at-risk students who may already be disengaged from school. And it allows online schools to report relatively high attendance performance, limiting the attendance metric as an indicator of student engagement.

ODE policy defines a check-in as a two-way communication between a student and teacher, and says it is intended to assure an interaction that allows teachers to evaluate whether students are making adequate progress. But the seven online schools we spoke with are interpreting the check-in requirement in various ways, some of which may not meet ODE's intent. Schools commonly track emails, texts, and phone calls between students and teachers to meet the requirement. Some also use online class log-ins. One school counted a one-way email or text with anyone on the staff as attendance. One said attending a school outing qualified. Another simply had students answer a question posed by a teacher in the school's online interface.

The online attendance standard can give students flexibility. A standard that requires attendance in live online classes, for example, would penalize a student who works all day and has to watch a recorded version of the class later. But some school and district officials also acknowledged that a twice-a-week check in sets a low bar for attendance.

Florida tracks credit attainment in online schools and programs as a basis for state funding. Other states, including Utah and New Hampshire, track course completion. Oregon's online schools currently track credits earned and course completion. With legislative approval, that data could be used for state funding purposes.

A state funding standard based on credits earned or course completion would also provide better data to highlight high-performing and low-performing online schools.

For public attendance reporting, the online schools currently track data that could provide a more accurate picture of attendance than twice-a-week check ins, such as student log-ins and assignment completion.

Statewide virtual charters that contract with for-profit firms pose additional risks

Oregon has three statewide non-profit virtual schools that contract with the two largest for-profit "education management organizations" for curriculum, technical support, and other services. They are Oregon Virtual Academy (ORVA) and Insight School of Oregon – Painted Hills, which contract with K-12 Management Inc.; and Oregon Connections Academy (ORCA), which contracts with Connections Academy. The two largest schools, ORCA and ORVA, serve more than half of Oregon students enrolled in online public schools.

The national ties allow the schools to draw on teacher training databases and extensive experience in online education. However the schools, which enroll students from across the state, have relatively few opportunities for face-to-face contact, a potential problem for struggling students who may need strong relationships with teachers to succeed.

Unlike brick-and-mortar schools or hybrid online schools with a fixed location for students to meet with teachers, the growth of these purely virtual schools is also not restricted by limited physical space. This allows them to grow rapidly, helped by advertising and other support from the private-sector contractors. If the schools are not performing well, this rapid growth increases the potential for more at-risk students to struggle academically.

All three schools are also sponsored by relatively small school districts, with non-online enrollment ranging from about 50 students to 2,350 students. The districts receive oversight fees, up to $1 million a year, that district officials told us also benefit district students not attending the

online schools. The district fees also rise as the schools' enrollments rise, providing an incentive for districts to allow the schools to grow. Researchers and national charter groups have warned that this benefit may dissuade districts from holding the schools accountable for low performance.

From interviews and document reviews, we found the level of district monitoring varied significantly, and was low for two of the schools.

The district with relatively strong oversight has annual outside reviews of the online school. It used fee revenue from the school to increase district staff, in part to help with oversight of the school. In interviews, the superintendent told us he was aware of the performance issues at the school and knew what the school was doing to address the needs of at-risk students. Finally, the district included detailed performance goals in its charter with the school, such as having 85% or more of students earn at least six credits a year. The charter agreement requires the school to prepare a school improvement plan if all the performance goals are not reached, which the school has done.

That level of oversight was not present at districts overseeing the two other schools.

Officials at one of the districts told us they were "pretty much hands off" regarding the school. They also said evaluating the school's performance is "completely" in the school's realm, though the school is growing rapidly, and prepared an academic improvement plan that said "the need for dramatic improvement has become highly evident." The officials were not sure if the school had submitted an annual report. The district's charter with the school, recently extended for five years, contains one performance provision.

The final school relocated from one district to another in 2015 after the first district ended their sponsorship amid concerns about the school's low performance. The school's proposal to the new district included performance goals, but the charter contract with new district removed the specific performance requirements included in the first district's charter. It also removed a requirement that the school submit a written plan of correction if it did not meet the performance goals. The school prepared a school improvement plan with measurable goals, but the superintendent of the new district told us the district does not really evaluate performance. The superintendent did not know if the school had submitted an annual report.

As noted above, some states have moved to central sponsorship of statewide charter schools. At a minimum, ODE should ensure that the districts sponsoring these schools are thoroughly overseeing the schools and holding them accountable for their performance.

Statutorily required disclosure of contractor profits can be improved

Oregon statutes require that schools release profit statements for their contractors upon request from the public, a transparency measure designed to help ensure that schools are not prioritizing profits over student-related expenditures.

However, the information the schools provided at our request either did not give enough detail for the public to judge whether reported costs and profits were reasonable or did not disclose all profits.

- For two of the schools, the documents included three lines of high-level expenditures -- contractor salaries, direct operating expenditures, and indirect operating expenditures -- that did not provide enough detail for the public to gauge the reasonableness of reported contractor costs.
- The other school detailed expenditures more thoroughly and disclosed profits on some transactions. However, the documents did not disclose profits made on the sale of "educational products" to the school, the largest contractor-related budget category.

Oversight from districts on contractor profits and standards from ODE on the content of profit statements would help ensure accountability and transparency for the public dollars the schools receive.

Recommendations: ODE Should Take Steps to Improve Results for Academically At-Risk Oregon Students by Increasing Accountability, Oversight, and Support.

To ensure better identification of alternative schools and programs, ODE should:

1. Develop a clear definition of alternative education schools and programs, make accurate lists of these schools and programs, and identify them in public performance reporting.

2. Add an alternative designation for performance reporting purposes for charter schools that focus on at-risk students.

To improve accountability for alternative schools and programs, ODE should:

3. Develop publicly reported measures for alternative schools and for alternative programs that allow for more meaningful performance evaluation. Focusing on a limited set of additional measures – such as student growth, credit accumulation rates, and attendance improvement – could help address district workload concerns.

4. Use those more meaningful metrics to identify schools and programs that need improvement.

5. Evaluate methods to increase accountability for traditional high schools that transfer students to alternative schools and programs.

To better monitor districts and support alternative schools and programs, ODE should:

6. Evaluate the adequacy of its staffing for alternative education and how other departments and staff, such as school improvement staff and data analysts, can best support that function.

7. Establish standards and guidance for key practices, including district annual evaluations, referrals to alternative education schools and programs, credit standards, monitoring of student progress, and student-teacher ratios.

8. Confirm that districts with alternative schools and programs are following those standards by reviewing efforts at districts and schools. Reviews could focus on low-performing schools.

9. Work with districts and schools to identify successful alternative education approaches that other districts and schools can emulate.

To reduce the risks and help increase the performance of online education, ODE should:

10. Work with online schools and other stakeholders to strengthen attendance and funding standards for virtual schools.

11. Improve public reporting of online school performance and student engagement. Options include reporting teacher-student loads, student turnover, and credit accumulation rates, and including virtual schools in new alternative school accountability systems when appropriate.

12. Verify the quality and suitability of online credit recovery options used by Oregon schools.

13. Develop standards for district reviews of online programs and charter agreements with online schools, and ensure districts are following them.

To improve prospects for alternative and online students, ODE should work with the Legislature to:

14. Require upgrades to accountability and oversight for alternative education, as some other states have done. Possibilities include:

    a) Developing a more precise statutory definition of alternative education.

    b) Upgrading public performance reporting for alternative schools and programs.

    c) Requiring publicly available annual improvement plans.

    d) Requiring ODE review of plans for low-performing schools and programs.

    e) Establishing performance requirements that statewide and regional online schools must meet before they can grow.

15. Increase standards for sponsors of statewide and regional virtual charter schools. Options that ODE and the Legislature could explore include spelling out individual district responsibilities in detail, increased ODE oversight of districts, and shifting sponsorship of the schools to a central body.

Appendix A: School Data

This list may be incomplete. As noted earlier, ODE does not accurately track alternative and online schools.

Stand-Alone Alternative Schools

Program Name	District Name	2016 spring enrollment*	Dropout rate	4-year grad rate	5-year grad rate	5-year completion	Underserved Race/Ethnicity***	ODE Alt Ed Data Collection?
Al Kennedy Alternative High School	South Lane	79	19.1 %	16.7 %	26.9 %	49.3 %	11%	Yes
Albany Options School	Greater Albany	139	3.6 %	43.0 %	30.5 %	67.9 %	24%	No
Alliance High School	Portland	237	11.7 %	23.3 %	33.8 %	41.6 %	45%	Yes
Arts and Technology High School	West Linn-Wilsonville	86	15.5 %	48.9 %	52.5 %	70.0 %	15%	Yes
Burns Alternative School	Harney County	21	12.5 %	50.0 %	55.6 %	66.7 %	19%	Yes
Centennial Park School	Centennial	174	10.2 %	21.3 %	40.8 %	46.1 %	40%	Yes
Central Medford High School	Medford	239	20.2 %	31.7 %	47.9 %	51.5 %	36%	No
Columbia County Education Campus	St Helens	89	18.4 %	16.7 %	34.1 %	38.6 %	14%	Yes
Community School	Beaverton	169	5.5 %	53.1 %	69.3 %	72.3 %	54%	Yes
Destinations Academy	Coos Bay	53	41.3 %	4.3 %	13.2 %	56.6 %	21%	Yes
Durham Center	Tigard-Tualatin	168	18.8 %	38.8 %	63.6 %	66.7 %	37%	Yes
Early College High School	Salem-Keizer	194	1.5 %	80.0 %	92.9 %	92.9 %	45%	Yes
Eugene Education Options	Eugene	298	16.5 %	28.2 %	35.4 %	48.3 %	24%	No
Falcon Heights Academy	Klamath County	106	64.8 %	7.4 %	14.0 %	31.6 %	28%	No
Gateways High School	Springfield	123	21.6 %	9.7 %	29.6 %	35.2 %	35%	No
Hawthorne Middle/High School	Pendleton	38	19.8 %	27.6 %	17.1 %	39.0 %	22%	No
Innovative Learning Center**	Hermiston	129	25.4 %	4.1 %	9.3 %	41.7 %	43%	No
Kalapuya High School	Bethel	106	16.6 %	30.5 %	57.7 %	65.4 %	23%	No
Marshall High School	Bend-LaPine	206	11.8 %	32.9 %	34.7 %	47.5 %	20%	No
Metropolitan Learning Center	Portland	419	3.5 %	91.4 %	83.9 %	96.8 %	11%	Yes
New Urban High School	North Clackamas	128	15.0 %	24.5 %	44.8 %	58.2 %	18%	No
North Columbia Academy	Rainier	41	17.7 %	44.4 %	47.6 %	52.4 %	15%	No
Pioneer Secondary Alt. High School	Crook County	62	8.6 %	35.4 %	32.0 %	56.0 %	21%	Yes
Reynolds Learning Academy	Reynolds	241	15.6 %	29.3 %	40.3 %	43.8 %	54%	No
Roberts High School	Salem-Keizer	530	27.3 %	11.4 %	19.0 %	47.9 %	46%	Yes
Sheridan Spartan Academy**	Sheridan SD	7	42.9 %	0.0 %	0.0 %	10.0 %	14%	No
Wahtonka Community School	North Wasco County	87	23.9 %	35.0 %	40.0 %	44.0 %	29%	No
Woodburn Success	Woodburn	142	8.6 %	50.0 %	64.9 %	64.9 %	92%	Yes

Online Alternative Schools

Program Name	District Name	2016 spring enrollment*	Dropout rate	4-year grad rate	5-year grad rate	5-year completion	Underserved Race/Ethnicity***	ODE Alt Ed Data Collection?
Dillard Alternative High School	Winston-Dillard	50	22.8 %	18.8 %	37.9 %	37.9 %	12%	Yes
EAGLE CAP Innovative HS	Baker	32	8.6 %	50.0 %	31.3 %	43.8 %	15%	Yes
Samuel Brown Academy	Gervais	59	23.1 %	14.6 %	28.6 %	38.1 %	67%	Yes
URCEO	Eagle Point	78	21.9 %	0.0 %	0.0 %	49.0 %	25%	Yes
Winter Lakes School	Coquille	180	10.7 %	47.6 %	57.9 %	57.9 %	18%	Yes

District-Run Online Schools

Program Name	District Name	2016 spring enrollment*	Dropout rate	4-year grad rate	5-year grad rate	5-year completion	Underserved Race/Ethnicity***	ODE Alt Ed Data Collection?
Hillsboro Online Academy	Hillsboro	192	6.5 %	40.5 %	66.7 %	79.6 %	22 %	N/A- Not Alt Ed

Online Charter Schools ****

Program Name	District Name	2016 spring enrollment*	Dropout rate	4-year grad rate	5-year grad rate	5-year completion	Underserved Race/Ethnicity***	ODE Alt Ed Data Collection?
Baker Web Academy	Baker	775	9.2 %	43.2 %	47.6 %	50.8 %	11%	N/A- Charter
Clackamas Web Academy	North Clackamas	488	9.3 %	68.8 %	75.9 %	80.7 %	9%	N/A- Charter
Crater Lake Charter Academy	Eagle Point	244	10.3 %	56.7 %	37.5 %	37.5 %	11%	N/A- Charter
Insight School of OR – Painted Hills	Mitchell	354	75.6 %	11.9 %	20.4 %	27.7 %	21%	N/A- Charter
Metro East Web Academy	Gresham-Barlow	329	19.9 %	50.3 %	43.6 %	60.1 %	23%	N/A- Charter
Oregon Connections Academy	Santiam Canyon	4147	12.9 %	61.7 %	65.7 %	72.8 %	14%	N/A- Charter
Oregon Virtual Academy	North Bend	1883	16.3 %	28.3 %	33.0 %	42.8 %	16%	N/A- Charter
Oregon Virtual Education - West	Gaston	66	38.5 %	9.5 %	4.8 %	9.5 %	17%	N/A- Charter
Sheridan All Prep Academy	Sheridan	153	25.0 %	30.0 %	37.5 %	50.0 %	13%	N/A- Charter
Silvies River Charter School	Frenchglen	163	21.4 %	35.3 %	20.0 %	20.0 %	5%	N/A- Charter
Summit Learning Charter	Estacada	720	4.6 %	71.4 %	51.3 %	61.3 %	14%	N/A- Charter
West Lane Technology Learning Ctr	Fern Ridge	102	47.5 %	11.1 %	27.5 %	35.0 %	23%	N/A- Charter

* All data from 2015-16 school year unless otherwise noted. Enrollment is for all grades, not just high school grades.

** School closed for 2016-17 School Year.

*** Historically Underserved Race/Ethnicity: Students are included in this student group if their race/ethnicity is Black/African American, Hispanic/Latino, American Indian/Alaska Native or Native Hawaiian/Pacific Islander.

**** Online charter list does not include Fossil Charter School or Paisley School, whose online programs end in grade 8.

Oregon
Kate Brown, Governor

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EDUCATION
Oregon achieves . . . together!

Colt Gill
Acting Deputy Superintendent of Public Instruction

December 14, 2017

Kip Memmott, Director
Secretary of State, Audits Division
255 Capitol St. NE, Suite 500
Salem, OR 97310

Dear Mr. Memmott,

This letter provides a written response to the Audits Division's final draft audit report titled "Stronger Accountability, Oversight and Support Would Improve Results for Academically At-Risk Students in Alternative and Online Education."

The numbers of online, charter, virtual schools, and online credit recovery programs are growing quickly across the country and Oregon's numbers and growth are consistent with this national trend. Because of this, ODE appreciates the Secretary of State's Audit and the opportunity to examine - with this external assistance - how Oregon students in these environments are faring.

Oregon's Consolidated State Plan Under ESSA guides much of ODE's work with alternative education schools and programs as evidenced in our responses to the SOS Recommendations included next. It is important to ODE that students enrolled in these programs are taught by skilled teachers, using curricula available in Oregon's traditional schools with high achievement, academic success and graduation rate outcomes at or above our state averages for all students.

With help from the targeted recommendations of this audit we have nearly completed the building and implementation of a definition of alternative education schools and programs, identifying each entity and including all such schools and programs in our public performance reports. This includes developing appropriate outcome measures and using these to select any charter, online, virtual and online schools and credit recovery programs that might need improvement.

Much of this work has begun. ODE reports alternative education information on school and district report cards and other agency performance reports. A toolkit is being developed to support the work of alternative education programs. It features best practices and charter schools that achieve strong success outcomes.

Below is our detailed response to each recommendation in the audit.

RECOMMENDATION 1		
ODE should develop a clear definition of alternative education schools and programs, make accurate lists of these schools and programs, and identify them in public performance reporting.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Definition for alternative schools is drafted and is pending approval from relevant committees by 3-30-18 Accurate lists will be collected by 5-1-18 Public performance reporting will be available by 11-30-18	Isabella Jacoby 503-947-5878

Narrative for Recommendation 1

ODE is in the final stages of developing an alternative education definition. It will be approved by the relevant committees by mid-March, 2018. ODE will then verify and/or update the status of all accountable schools, including the four identified by the auditors as having discrepancies, by contacting each district using existing update processes. This will be completed prior to the opening of the Achievement Data Insight validation for institution information, in May 2018. Alternative education status will now be added to the data validation process to further confirm data accuracy. As part of the ongoing report card redesign process the mechanism for identifying these schools as alternative will be developed and included on the 2017-18 report cards, which will be published in October 2018.

RECOMMENDATION 2		
ODE should add an alternative designation for performance reporting purposes for charter schools that focus on at-risk students.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Spring 2018	Kate Pattison 503-947-5691

Narrative for Recommendation 2

ODE will convene a stakeholder group to review and make recommendations for alternative school reporting and accountability. This stakeholder group would include district staff, alternative school staff, parents, community organizations, and education partners across the state. This group could develop recommendations for measures that can be used to better evaluate alternative schools, and

Narrative for Recommendation 2 cont.

how this work could align and support existing school improvement efforts in the state. These recommendations will need to align with the Oregon Plan under ESSA and with the ESSA law itself, which has specific language regarding accountability for schools serving at-risk youth.

This group would also make recommendations for any new data collections that would be required. These recommendations would be presented to ODE, the State Board, and the legislature for consideration. ODE staff will review the impact of proposed collections on school and district staff, and on ODE staff resources. Implementation of proposed collections would likely require funding from the Legislature. If such funding is obtained, ODE would convene a stakeholder group to determine the scope and specific data elements for these collections.

RECOMMENDATION 3		
ODE should develop publicly reported measures for alternative schools and for alternative programs that allow for more meaningful performance evaluation. Focusing on a limited set of additional measures – such as student growth, credit accumulation rates, and attendance improvement – could help address district workload concerns.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Develop publicly reported measures for alternative schools and for alternative programs for meaningful performance evaluation by 6-30-2018	Jon Wiens 503-947-5764

Narrative for Recommendation 3

ODE will convene a stakeholder group to review and make recommendations for alternative school reporting and accountability. This stakeholder group would include district staff, alternative school staff, parents, community organizations, and education partners across the state. This group could develop recommendations for measures that can be used to better evaluate alternative schools, and how this work could align and support existing school improvement efforts in the state. This group would also make recommendations for any new data collections that would be required. These recommendations would be presented to ODE, the State Board, and the Legislature for consideration.

RECOMMENDATION 4		
ODE should use the more meaningful metrics identified in response to Recommendation 3 to identify schools and programs that need improvement.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Fall 2018	Kate Pattison 503-947-5691

Narrative for Recommendation 4

After the process described in Recommendation 3's response is completed, the chosen metrics will be used to identify schools and programs in need of improvement.

RECOMMENDATION 5		
ODE should evaluate methods to increase accountability for traditional high schools that transfer students to alternative schools and programs.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Investigate options from national resources and review cross-state comparisons 4-1-18 Recommend Oregon option 6-30-18	Isabella Jacoby 503-947-5878 Jon Wiens · 503-947-5764

Narrative for Recommendation 5

When students transfer to non-accountable alternative programs, Oregon uses a method to "track" students back to their last accountable high school for graduation rate purposes. We will evaluate the feasibility of expanding this method to other accountability reporting in order to hold specific high schools accountable for as many students as is possible.

RECOMMENDATION 6		
ODE should evaluate the adequacy of its staffing for the alternative education program and how other departments and staff, such as school improvement staff and data analysts, can best support that function.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	8-1-18	Theresa Richards 503-947-5992

Narrative for Recommendation 6

ODE will be evaluating the adequacy of ODE staffing for the alternative education program including evaluating how other department and staff can best support that function.

RECOMMENDATION 7		
ODE should establish standards and guidance for key alternative education practices, including district annual evaluations, referrals to alternative education schools and programs, credit standards, monitoring of student progress, and student-teacher ratios.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	6-29-18	Bob Salazar 503-947-5981

Narrative for Recommendation 7

Using state comparisons provided in the SOS Alternative Education audit, ODE will begin with an analysis of proven policies working elsewhere for standards to guide alternative education schools and programs. (5-1-18). Using the findings from the policy analysis, ODE will assemble a stakeholder advisory group of current alternative education programs and educational policy experts from Oregon to develop processes for annual evaluations, credit standards and recommendations for shared monitoring of student progress and student-teacher ratios between ODE and the alternative schools and programs. (2-15-19).

RECOMMENDATION 8		
ODE should confirm that districts with alternative schools and programs are following the standards developed in response to Recommendation 6 by reviewing efforts at districts and schools. Reviews could focus on low-performing schools.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	6-30-18	Bob Salazar 503-947-5981

Narrative for Recommendation 8

Once policies, procedures and written professional development materials from ODE have been created and distributed to the districts with alternative schools and programs (Spring 2019), ODE will develop a monitoring system to evaluate the alternative schools and programs using student success measures via data collections. ODE proposes examining the effectiveness of developing a separate annual report for student success outcomes for alternative schools and programs or including these measures in a section of ODE's annual reporting measures (starting 2019-2020 academic year).

RECOMMENDATION 9		
ODE should work with districts and schools to identify successful alternative education approaches that other districts and schools can emulate.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	6-30-18	Bob Salazar 503-947-5981

Narrative for Recommendation 9

As part of the advisory group of stakeholders described in the response to Recommendation #7, ODE will include Oregon experts in that group who can help ODE identify successful alternative education programs. Once identified, ODE will engage administrators and staff from those alternative education schools and programs in creation of the professional development materials described in the response to Recommendation #8. By doing so, other districts and schools will have these materials as guides in their own design of new, or redesign of existing, alternative education programs and schools. ODE anticipates that with proven strategies widely available, schools and districts will have guidance from ODE and the stakeholder advisory group as they develop alternative education models across Oregon.

RECOMMENDATION 10		
ODE should work with online schools and other stakeholders to strengthen attendance and funding standards for virtual schools.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	ODE will convene online school leaders and other stakeholders and make revisions to the Student Accounting Manual to take effect for the 2019-20 school year.	Kate Pattison 503-947-5691 Carla Wade 503-947-5631

Narrative for Recommendation 10

ODE staff will begin working with Online School Leaders to discuss attendance standards. Quarterly meetings currently scheduled, next date is January 5, 2018. Additional Stakeholder input will be gathered starting spring of 2018.Staff will draft revisions to manual for public comment and incorporate input to a revised manual by Fall 2018. Data Governance Committee will review and approve proposed revisions. State Board of Education will review proposed revisions by March 2019.Updated manual with revisions will be used in the implementation during the 2019-20 school year.

RECOMMENDATION 11		
ODE should improve public reporting of online school performance and student engagement. Options include reporting teacher-student loads, student turnover, and credit accumulation rates, and including virtual schools in new alternative school accountability systems when appropriate.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	Plan developed by 6-30-18 Initial Public reporting implemented by 10-15-18	Jon Wiens 503-947-5764

Narrative for Recommendation 11

ODE has begun reporting information on virtual schools in data briefs and in the statewide report card. ODE will leverage the stakeholder group formed under Recommendation #3 and have this group review and make recommendations for improved reporting of online schools. Improved public reporting using existing data elements could begin in Fall of 2018, but some would require ODE to collect additional data elements. Recommendations for additional data collections would be reviewed by ODE, the State Board and the Legislature.

RECOMMENDATION 12		
ODE should verify the quality and suitability of online credit recovery options used by Oregon schools.		
Agree or Disagree with Recommendation	**Target date to complete implementation activities** **(Generally expected within 6 months)**	**Name and phone number of specific point of contact for implementation**
Agree	6-20-19	Kate Pattison 503-947-5691 Carla Wade 503-947-5631

Narrative for Recommendation 12

ODE will develop strategies to include credit recovery materials in the instructional materials review process. This will require working with the legislature to amend the Instructional Materials statutes to include "materials used for credit recovery" in the language and definitions. Following the revision of statute, ODE would work with stakeholders to develop OARs to support the changes in statute. The documentation requirements and review process would follow the same format that is already established for core content. Those materials that pass the review will be placed on an approved list to be adopted by the State Board of Education. Districts or programs choosing to adopt credit recovery resources that are not on the adopted list would follow the established independent review process. The independent review requires the district to evaluate the materials against the state instructional materials review criteria and make a plan for how the materials would be supplemented with something else to cover the identified gaps.

It is expected this new work would require additional staffing to:
a. Develop suggested language for the statutory revisions
b. Develop associated OARs to support the revised statutes
c. Work with publishers to disseminate information about the review of credit recovery instructional materials
d. Work with the staff and stakeholders to establish review criteria for credit recovery materials
e. Run the credit recovery instructional materials process
f. Work with other staff to coordinate this work with the core content areas adoption process

This would only cover credit recovery instructional materials. It would not address those online programs that are run external to the local school district. This would require a totally new review process that would include instructional practices, delivery, content, student and parent communications and other factors.

RECOMMENDATION 13
ODE should develop standards for district reviews of online programs and charter agreements with online schools, and ensure districts are following them.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	Fall 2018	Bob Salazar 503-947-5981

Narrative for Recommendation 13

ODE staff will review the impact of such a collection on school and district staff, and on ODE staff resources. Implementation of such a collection would likely require funding from the Legislature. If such funding is obtained, ODE would convene a stakeholder group to determine the scope and specific data elements for this collection. ODE is in the beginning stages of developing legislative concepts and policy options for the 2019 legislative session. Over the next three months, ODE's management team will review concepts submitted by ODE staff, the Governor's Office, our sister agencies, and will work to identify legislative concepts for the 2019 legislative session. ODE's legislative request will be submitted to DAS no later than April 9, 2018. DAS and the Governor's Education Policy Advisor will review our request. By July of 2019, ODE will know which of our legislative requests have been approved for the 2019 legislative session. Within this legislative request, ODE would require a new staff position with substantial program evaluation experience to conduct the analysis of the data collection and work with the stakeholder group to set standards for what would reflect acceptable quality and suitability for such programs.

RECOMMENDATION 14

ODE should work with the Legislature to require upgrades to accountability and oversight for alternative education, as some other states have done. Possibilities include:

a) Developing a more precise statutory definition of alternative education.
b) Upgrading public performance reporting for alternative schools and programs.
c) Requiring publicly available annual improvement plans.
d) Requiring ODE review of plans for low-performing schools and programs.

Establishing performance requirements that statewide and regional online schools must meet before they can grow.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	Legislative concepts and policy options are being explored by ODE. We will submit all of our legislative request DAS no later than April 9, 2019	Jessica Nguyen-Ventura 503-378-5156

Narrative for Recommendation 14

ODE is the beginning stages of developing legislative concepts and policy options for the 2019 legislative session. We will explore recommendation #14 with ODE's management Team. Over the next couple of months, ODE's management team will review concepts submitted by ODE staff, the Governor's Office, our sister agencies, and will work to identify legislative concepts for the 2019 legislative session. ODE's legislative request will be submitted to DAS no later than April 9, 2018. DAS and the Governor's Education Policy Advisor will review our request. By July of 2019, ODE will know which of our legislative request have been approved for the 2019 legislative session.

RECOMMENDATION 15

ODE should work with the Legislature to increase standards for sponsors of statewide and regional virtual charter schools. Options that ODE and the Legislature could explore include spelling out individual district responsibilities in detail, increased ODE oversight of districts, and shifting sponsorship of the schools to a central body.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	Legislative concepts and policy options are being explored by ODE. We will submit all of our	Jessica Nguyen-Ventura 503-378-5156

	legislative request DAS no later than April 9,2019	

Narrative for Recommendation 15

ODE is the beginning stages of developing legislative concepts and policy options for the 2019 legislative session. Over the next couple of months, ODE's management team will review concepts submitted by ODE staff, the Governor's Office, our sister agencies, and will work to identify legislative concepts for the 2019 legislative session. ODE's legislative request will be submitted to DAS no later than April 9, 2018. DAS and the Governor's Education Policy Advisor will review our request. By July of 2019, ODE will know which of our legislative request have been approved for the 2019 legislative session.

Please contact Colt Gill at 503-947-5652 with any questions.

Sincerely,

Colt Gill
Acting Deputy Superintendent

cc: Cindy Hunt
    Acting Chief of Staff

Office of the Secretary of State

Dennis Richardson
Secretary of State

Leslie Cummings, Ph.D.
Deputy Secretary of State

Audits Division

Kip R. Memmott, MA, CGAP, CRMA
Director

255 Capitol St. NE, Suite 500
Salem, OR 97310

(503) 986-2255

January 18, 2018

Colt Gill, Acting Deputy Superintendent
Department of Education
255 Capitol Street NE
Salem, OR 97310

Dear Mr. Gill:

We have completed audit work of selected financial accounts at your department for the year ended June 30, 2017. This audit work was not a comprehensive financial audit of the department, but was performed as part of our annual audit of the State of Oregon's financial statements. We audited accounts that we determined to be material to the State of Oregon's financial statements.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements of the State of Oregon as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, we considered the department's internal control over financial reporting as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements of the State of Oregon, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. Accordingly, we do not express an opinion on the effectiveness of the department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this letter is solely to describe the scope of our testing of internal control and the result of that testing, and not to provide an opinion on the effectiveness of the department's internal control. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the department's internal control. Accordingly, this letter is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Kelly Olson, Audit Manager or Michelle Rock, Lead Auditor at (503) 986-2255.

Sincerely,

Office of the Secretary of State, Audits Division

cc: Rick Crager, Assistant Superintendent of Finance and Administration
Kristie Miller, Interim Financial Services Director
Charles R. Martinez, Jr., Chair, Oregon State Board of Education
Katy Coba, Director, Department of Administrative Services

March 9, 2018

Colt Gill, Deputy Superintendent
Oregon Department of Education
255 Capitol Street NE
Salem, Oregon 97310

Dear Mr. Gill:

We have completed audit work of selected federal programs at the Oregon Department of Education (department) for the year ended June 30, 2017.

CFDA Number	Program Name	Audit Amount
84.287	Twenty-First Century Community Learning Centers (21st CCLC)	$ 10,239,900.47
84.048	Career and Technical Education (CTE)	$ 12,277,969.17

This audit work was not a comprehensive audit of your federal programs. We performed this federal compliance audit as part of our annual Statewide Single Audit. The Single Audit is a very specific and discrete set of tests to determine compliance with federal funding requirements, and does not conclude on general efficiency, effectiveness, or state-specific compliance issues. The Office of Management and Budget (OMB) Compliance Supplement identifies internal control and compliance requirements for federal programs. Auditors review and test internal controls for all federal programs selected for audit and perform specific audit procedures only for those compliance requirements that are direct and material to the federal program under audit. For the year ended June 30, 2017, we determined whether the department substantially complied with the following compliance requirements relevant to the federal programs.

Compliance Requirement	General Summary of Audit Procedures Performed	Federal Program
Activities Allowed or Unallowed	Determined whether federal monies were expended only for allowable activities.	21st CCLC CTE
Allowable Costs/Cost Principles	Determined whether charges to federal awards were for allowable costs and that indirect costs were appropriately allocated.	21st CCLC CTE
Eligibility	Determined whether only eligible individuals and organizations received assistance under	21st CCLC

Compliance Requirement	General Summary of Audit Procedures Performed	Federal Program
	federal programs, and amounts provided were calculated in accordance with program requirements.	
Matching, Level of Effort, Earmarking	Determined whether the minimum amount or percentage of contributions or matching funds was provided, the specified service or expenditure levels were maintained, and the minimum or maximum limits for specified purposes or types of participants were met.	21st CCLC CTE
Period of Performance for Federal Funds	Determined whether federal funds were used only during the authorized performance period.	21st CCLC CTE
Reporting	Verified the department submitted financial and performance reports to the federal government in accordance with the grant agreement and that those financial reports were supported by the accounting records.	CTE
Subrecipient Monitoring	Determined whether the state agency monitored subrecipient activities to provide reasonable assurance that the subrecipient administers federal awards in compliance with federal requirements.	21st CCLC CTE
Special Tests and Provisions	Determined whether the department complied with the additional federal requirements identified in the OMB Compliance Supplement.	21st CCLC CTE

Noncompliance

The results of our auditing procedures disclosed instances of noncompliance with respect to the Twenty-First Century Community Learning Centers and Career and Technical Education programs, which are required to be reported in accordance with the Uniform Guidance and which are described below. Our opinion on each federal program is not modified with respect to these matters.

Internal Control Over Compliance

Department management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirement referred to above. In planning and performing our audit of compliance, we considered the department's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance

with Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the department's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described below, that we consider to be significant deficiencies.

Audit Findings and Recommendations

Improve Subrecipient Monitoring Procedures

Federal Awarding Agency:	U.S. Department of Education
Program Title and CFDA Number:	Twenty-First Century Community Learning Centers (84.287)
Federal Award Numbers and Year:	S287C160037; 2017, S287C150037; 2016, S287C140037; 2015
Compliance Requirement:	Subrecipient Monitoring
Type of Finding:	Significant Deficiency, Noncompliance
Prior Year Finding:	N/A
Questioned Costs:	N/A

Criteria: 2 CFR 200.331(d) through (f)

Federal regulations require pass-through entities to monitor the activities of subrecipients to ensure subawards are used for authorized purposes, comply with the terms and conditions of the subaward, and achieve performance goals.

During fiscal year 2017, the department expended $9.8 million in program funds to 22 subrecipients. The department has established a risk-based monitoring process, which includes

desk monitoring and on-site visits. We reviewed six subrecipients that received $2.5 million in program funds during fiscal year 2017 to determine if monitoring had occurred. The department could not provide evidence of desk or on-site monitoring for program compliance for five of the six subrecipients. Management indicated this oversight was due primarily to its efforts to understand new federal regulations, including implementation of the risk based monitoring process.

Without adequate desk monitoring and on-site verification, there is a risk subrecipients may not be complying with all applicable program requirements, and noncompliance may be overlooked.

We recommend department management ensure that subrecipients are monitored to verify compliance with federal requirements. **We further recommend** management retain documentation of the monitoring reviews performed.

Improve Accuracy of Maintenance of Effort Calculations

Federal Awarding Agency:	U.S. Department of Education
Program Title and CFDA Number:	Twenty-First Century Community Learning Centers (84.287)
Federal Award Numbers and Year:	S287C160037; 2017, S287C150037; 2016, S287C140037; 2015
Compliance Requirement:	Level of Effort – Maintenance of Effort
Type of Finding:	Significant Deficiency; Noncompliance
Prior Year Finding:	N/A
Questioned Costs:	N/A

Criteria: 34 CFR section 299.5

Federal regulations provide that a subrecipient may receive program funds if the state determines the combined fiscal effort per student or the total expenditures of the subrecipient from state and local funds for free public education for the prior year was not less than 90% of the combined fiscal effort or total expenditures for the second prior year. Federal requirements specify a subrecipient's Maintenance of Effort (MOE) expenditures include expenditures such as instruction, attendance services, health services, and other support services. The requirements further specify MOE expenditures are not to include any expenditures for community services, capital outlay, debt services, and expenditures from federally-provided funds.

We reviewed the department's MOE calculations for six subrecipients that received program funds during fiscal year 2017. Out testing was designed to verify that expenditures used in the calculations agreed to audited financial statements and included only allowable expenditure categories. The expenditures for all six of the selected subrecipients included capital outlay expenditures, contrary to federal regulations. We verified that the six subrecipients met MOE requirements in spite of this error.

We recommend department management ensure MOE calculations include only those financial expenditures allowed by federal regulations.

<u>**Ensure Desk Reviews Are Fully Documented**</u>
Federal Awarding Agency: U.S. Department of Education
Program Title and CFDA Number: Career and Technical Education (84.048)
Federal Award Numbers and Year: V048A160037-16B; 2017, V048A150037-15B; 2016,
                                       V048A140037-14A; 2015
Compliance Requirement: Subrecipient Monitoring
Type of Finding: Significant Deficiency, Noncompliance finding
Prior Year Finding: N/A
Questioned Costs: N/A
Criteria: 2 CFR 200.331(d) through (f)

Federal regulations require pass-through entities to monitor the activities of subrecipients to ensure subawards are used for authorized purposes, comply with the terms and conditions of the subaward, and achieve performance goals.

During fiscal year 2017, the department expended more than $11 million in program funds to 26 subrecipients. Annually, the department completes a risk analysis to identify subrecipients at greater risk of noncompliance. The analysis is based on issues noted and resolved by staff during the year-end reporting process. Subrecipients identified as higher risk are subject to a desk review. During fiscal year 2017, four subrecipients were identified as higher risk and received desk reviews.

We reviewed supporting documentation for each subrecipient, and found the desk reviews were not fully documented. For example, the review files contained a monitoring checklist of areas to be reviewed and included columns to check if the subrecipient was in compliance or not. However, checklists for three of the four subrecipients reviewed were not completed and none indicated compliance or noncompliance. In addition, the documentation in the review files identified questions and other areas of concern for the respective subrecipient, but did not include evidence of how the questions/concerns were resolved, and no findings were issued.

The department has not developed written procedures related to performance of desk reviews. Without clear procedures and consistent documentation of desk reviews, there is a risk subrecipients may not be complying with all applicable program requirements, and noncompliance may be overlooked.

We recommend department management ensure written procedures are developed to guide the desk review process. **We further recommend** management ensure that the monitoring checklists are completed, desk reviews are thoroughly documented, and findings are prepared and communicated to subrecipients when necessary.

The audit findings and recommendations above, along with your responses, will be included in our Statewide Single Audit Report for the fiscal year ended June 30, 2017. Including your responses satisfies the federal requirement that management prepare a <u>Corrective Action Plan</u> covering all reported audit findings. Satisfying the federal requirement in this manner,

however, can only be accomplished if the response to the each significant deficiency includes the information specified by the federal requirement, and only if the responses are received in time to be included in the audit report. The following information is required for each response:

1) Your agreement or disagreement with the finding. If you do not agree with an audit finding or believe corrective action is not required, include in your response an explanation and specific reasons for your position.

2) The corrective action planned for each audit finding.

3) The anticipated completion date.

4) The contact person(s) responsible for corrective action.

Please provide a response to Dale Bond by March 16, 2018 and provide Rob Hamilton, Statewide Accounting and Reporting Services (SARS) Manager, a copy of your Corrective Action Plan.

The purpose of this communication is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Alan Bell or Dale Bond at (503) 986-2255.

Sincerely,

Office of the Secretary of State, Audits Division

cc: Rick Crager, Assistant Superintendent of Finance and Administration
         Theresa Richards, Interim Assistant Superintendent Office of Teaching, Learning and
                  Assessment
         Joni Gilles, Interim Director of Federal Systems
         Laura Foley, Director
         Donna Brant, Program Manager
         Kristie Miller, Senior Accountant
         Latham Stack, Internal Auditor
         Charles Martinez, Jr., Chair, Oregon State Board of Education
         Katy Coba, Director, Department of Administrative Services

March 12, 2018

Colt Gill, Deputy Superintendent
Oregon Department of Education
255 Capitol Street NE
Salem, OR 97310-0203

Dear Mr. Gill:

We have completed audit work of a selected federal program at the Department of Education (department) for the year ended June 30, 2017.

CFDA Number	Program Name	Audit Amount
93.575, 93.596	Child Care Development Fund Cluster	$ 18,868,947

This audit work was not a comprehensive audit of your federal program. We performed this federal compliance audit as part of our annual Statewide Single Audit. The Single Audit is a very specific and discrete set of tests to determine compliance with federal funding requirements, and does not conclude on general efficiency, effectiveness, or state-specific compliance issues. The Office of Management and Budget (OMB) Compliance Supplement identifies internal control and compliance requirements for federal programs. Auditors review and test internal controls over compliance for all federal programs selected for audit and perform specific audit procedures only for those compliance requirements that are direct and material to the federal program under audit. For the year ended June 30, 2017, we determined whether the department substantially complied with the following compliance requirements relevant to the federal program under audit.

Compliance Requirement	General Summary of Audit Procedures Performed
Activities Allowed or Unallowed	Determined whether federal monies were expended only for allowable activities.
Allowable Costs/Cost Principles	Determined whether charges to federal awards were for allowable costs and that indirect costs were appropriately allocated.
Cash Management	Confirmed program costs were paid for before federal reimbursement was requested, or federal cash drawn in advance was for an immediate need.

Management Letter No. 581-2018-03-02

Compliance Requirement	General Summary of Audit Procedures Performed
Matching, Level of Effort, Earmarking	Determined whether the minimum amount or percentage of contributions or matching funds was provided, the specified service or expenditure levels were maintained, and the minimum or maximum limits for specified purposes or types of participants were met.
Period of Performance for Federal Funds	Determined whether federal funds were used only during the authorized performance period.
Reporting	Verified the department submitted financial and performance reports to the federal government in accordance with the grant agreement and that those financial reports were supported by the accounting records.
Subrecipient Monitoring	Determined whether the state agency monitored subrecipient activities to provide reasonable assurance that the subrecipient administered federal awards in compliance with federal requirements.
Special Tests and Provisions	Determined whether the department complied with the additional federal requirements identified in the OMB Compliance Supplement.

Internal Control Over Compliance

Department management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the department's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major program and to test and report on internal control over compliance in accordance with Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the department's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type

of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this communication is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Michelle Rock or Kelly Olson at (503) 986-2255.

Sincerely,

Office of the Secretary of State, Audits Division

cc: Miriam Calderon, Early Learning Systems Director
        Dawn Woods, Child Care Director
        Rick Crager, Assistant Superintendent, Office of Finance & Administration
        Sue Miller, Chair, Early Learning Council
        Katy Coba, Director, Department of Administrative Services

Office of the Secretary of State   **Audits Division**

Dennis Richardson   Kip R. Memmott, MA, CGAP, CRMA
Secretary of State   Director

Leslie Cummings, Ph.D.   255 Capitol St. NE, Suite 500
Deputy Secretary of State   Salem, OR 97310

                                                                                                (503) 986-2255

March 15, 2018

Colt Gill, Deputy Superintendent
Oregon Department of Education
255 Capitol Street NE
Salem, Oregon 97310

Dear Mr. Gill:

We have completed audit work for the following federal program at the Oregon Department of
Education (department) for the fiscal year ended June 30, 2017.

CFDA Number	Program Name	Audit Amount
84.011	Migrant Education Program (MEP)	$ 10,147,830

This audit work was not a comprehensive audit of your federal program. We performed this
federal compliance audit as part of our annual Statewide Single Audit. The Single Audit is a very
specific and discrete set of tests to determine compliance with federal funding requirements,
and does not conclude on general efficiency, effectiveness, or state-specific compliance issues.
The Office of Management and Budget (OMB) Compliance Supplement identifies internal
control and compliance requirements for federal programs. Auditors review and test internal
controls for all federal programs selected for audit and perform specific audit procedures only
for those compliance requirements that are direct and material to the federal program under
audit. For the year ended June 30, 2017, we determined whether the department substantially
complied with the following compliance requirements relevant to the federal program.

Compliance Requirement	General Summary of Audit Procedures Performed
Activities Allowed or Unallowed	Determined whether federal monies were expended only for allowable activities.
Allowable Costs/Cost Principles	Determined whether charges to federal awards were for allowable costs and that indirect costs were appropriately allocated.
Matching, Level of Effort, Earmarking	Determined whether the minimum amount or percentage of contributions or matching funds was provided, the specified service or expenditure levels were maintained, and the

Compliance Requirement	General Summary of Audit Procedures Performed
	minimum or maximum limits for specified purposes or types of participants were met.
Period of Performance for Federal Funds	Determined whether federal funds were used only during the authorized performance period.
Reporting	Verified the department submitted financial and performance reports to the federal government in accordance with the grant agreement and that those financial reports were supported by the accounting records.
Subrecipient Monitoring	Determined whether the state agency monitored subrecipient activities to provide reasonable assurance that the subrecipient administers federal awards in compliance with federal requirements.
Special Tests and Provisions	Determined whether the department complied with the additional federal requirements identified in the OMB Compliance Supplement.

Noncompliance

The results of our auditing procedures disclosed instances of noncompliance with respect to the Migrant Education Program, which are required to be reported in accordance with the Uniform Guidance and which are described below. Our opinion on the federal program is not modified with respect to these matters.

Internal Control Over Compliance

Department management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirement referred to above. In planning and performing our audit of compliance, we considered the department's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major program and to test and report on internal control over compliance in accordance with Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the department's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal*

control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described below, that we consider to be significant deficiencies.

Audit Findings and Recommendations

Improve Subrecipient Monitoring Procedures

Federal Awarding Agency: U.S. Department of Education
Program Title and CFDA Number: Migrant Education Program (84.011)
Federal Award Numbers and Year: S011A140037-14A, 2015; S011A150037, 2016; S011A160037, 2017
Compliance Requirement: Subrecipient Monitoring
Type of Finding: Significant Deficiency, Noncompliance
Prior Year Finding: N/A
Questioned Costs: N/A
Criteria: 2 CFR 200.331(d) through (f); Sections 5142 and 9501 of ESEA

Federal regulations require pass-through entities to monitor the activities of subrecipients to ensure subawards are used for authorized purposes, comply with the terms and conditions of the subaward, and achieve performance goals. The Elementary and Secondary Education Act stipulates that subrecipients receiving MEP funds must provide eligible private school children and teachers with equitable services under the program.

During fiscal year 2017, the department expended $8.7 million in program funds to 20 subrecipients. ODE has an established monitoring process that is designed to ensure subrecipients are monitored on-site every three years. We reviewed a sample of three subrecipients that received a combined total of $2.1 million in program funds during fiscal year 2017 to determine whether appropriate monitoring had occurred. For all tested subrecipients, evidence could not be obtained documenting ODE's monitoring of compliance with the Special Tests and Provisions - Participation of Private School Children compliance requirement. Program management indicated documentation was not available because review of this requirement was not included in the program's established monitoring procedures.

Without review of compliance with all applicable compliance requirements, there is a risk subrecipients may not be in compliance with some program requirements.

We recommend management ensure subrecipient monitoring procedures include review of compliance with all applicable federal compliance requirements.

Subrecipient Risk Assessment Not Documented

Federal Awarding Agency:	U.S. Department of Education
Program Title and CFDA Number:	Migrant Education Program (84.011)
Federal Award Numbers and Year:	S011A140037-14A, 2015; S011A150037, 2016; S011A160037, 2017
Compliance Requirement:	Subrecipient Monitoring
Type of Finding:	Significant Deficiency, Noncompliance
Prior Year Finding:	N/A
Questioned Costs:	N/A
Criteria:	2 CFR 200.331(b)

Federal regulations stipulate that pass-through entities must evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward.

The department was unable to provide documentation that they evaluated each subrecipient's risk of noncompliance as part of their determination of the nature and extent of monitoring procedures or that internal controls over this requirement were implemented and effective for fiscal year 2017. Based on staff inquiries, the department did perform procedures to evaluate subrecipients' risk of noncompliance, but did not document their determination of subrecipient monitoring procedures based on such evaluations. As such, we were unable to test whether the department was in compliance with subrecipient risk assessment requirements.

We recommend department management establish effective internal controls to ensure that the assessment of each subrecipient's risk of noncompliance is performed and adequately documented.

Strengthen Controls over State per Pupil Expenditure Reporting

Federal Awarding Agency:	U.S. Department of Education
Program Title and CFDA Number:	Migrant Education Program (84.011)
Federal Award Numbers and Year:	S011A140037-14A, 2015; S011A150037, 2016; S011A160037, 2017
Compliance Requirement:	Reporting
Type of Finding:	Significant Deficiency, Noncompliance
Prior Year Finding:	N/A
Questioned Costs:	Unknown
Criteria:	Section 9101(14) of ESEA; 20 USC 7801(14)

Each year, the department must submit its average state per pupil expenditure (SPPE) data to the National Center for Education Statistics. SPPE data are used by the U.S. Department of Education to make state allocations for Elementary and Secondary Education Act (ESEA)

federal programs, including MEP. Federal guidance directs that expenditures from funds received under Title 1 should be excluded from the SPPE calculation (Section 9101(14) of ESEA; 20 USC 7801(14)).

During fiscal year 2017, the department reported total Title I expenditures from all subrecipients of $150.7 million. We reviewed a sample of subrecipient expenditure totals to verify they agreed to audited SEFA totals. Of the 21 subrecipients reviewed, we found 4 instances where reported Title I expenditures were incomplete. Our review identified a total of $2.16 million in Title 1 expenditures that were not excluded, resulting in a $4 overstatement of the SPPE for Oregon. According to department management, the errors were due to incomplete implementation of changes in reporting procedures during fiscal years 2016 and 2017.

We recommend department management strengthen controls to ensure all Title 1 program expenditures are excluded from its annual SPPE calculation results. **We also recommend** management submit a corrected report to the U.S. Department of Education if required.

The audit findings and recommendations above, along with your responses, will be included in our Statewide Single Audit Report for the fiscal year ended June 30, 2017. Including your responses satisfies the federal requirement that management prepare a Corrective Action Plan covering all reported audit findings. Satisfying the federal requirement in this manner, however, can only be accomplished if the response to each significant deficiency includes the information specified by the federal requirement, and only if the responses are received in time to be included in the audit report. The following information is required for each response:

1) Your agreement or disagreement with the finding. If you do not agree with an audit finding or believe corrective action is not required, include in your response an explanation and specific reasons for your position.
2) The corrective action planned for each audit finding.
3) The anticipated completion date.
4) The contact person(s) responsible for corrective action.

Please provide a response to Dale Bond by the end of business Thursday, March 22, 2018 and provide Rob Hamilton, Statewide Accounting and Reporting Services (SARS) Manager, a copy of your Corrective Action Plan.

The purpose of this communication is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Austin Moore or Dale Bond at (503) 986-2255.

Sincerely,

Office of the Secretary of State, Audits Division

Colt Gill, Acting Deputy Superintendent
Oregon Department of Education
Page 6

cc: Rick Crager, Assistant Superintendent of Finance and Administration
Theresa Richards, Interim Assistant Superintendent, Office of Teaching, Learning, and Assessment
Jonathan Fernow, Migrant Education Program Manager
Kristie Miller, Senior Accountant
Latham Stack, Internal Auditor
Charles R. Martinez, Jr., Chair, Oregon State Board of Education
Katy Coba, Director, Department of Administrative Services

COLT GILL
DEPUTY SUPERINTENDENT OF PUBLIC INSTRUCTION
255 CAPITOL STREET NE
SALEM, OREGON 97310
(503) 947-5600

AUGUST 31, 2018

Affirmative Action Plan

2019 – 2021 Biennium

AFFIRMATIVE ACTION PLAN
2019-2021 BIENNIUM

A. Diversity and Inclusion Steering Committee Charter
B. Agency Policy 581-210 – Promotion and Maintenance of a Respectful Workplace
C. Agency Policy 581-208 – Support of Employee Involvement in Schools and Learning
D. Agency Policy 581-501 – Payment of Tuition for Accredited Higher Education

I.   AGENCY DESCRIPTION

A.   Mission and Objectives

The Oregon Department of Education (ODE) functions under the direction and control of the State Board of Education, with the Deputy Superintendent of Public Instruction serving as an administrative officer for public school matters and as agency administrator. Administrative functions of the State Board of Education are exercised through ODE, and ODE exercises all administrative functions of the state relating to the supervision, management, and control of schools not conferred by law on another agency.

The Deputy Superintendent of Public Instruction exercises, under the direction of the State Board of Education, a general superintendence of public schools, and acts as an administrative officer of the State Board of Education and the executive head of ODE. As such, the Deputy Superintendent directs and supervises all agency activities.

Colt Gill was appointed by Governor Kate Brown as the Deputy Superintendent of Instruction and confirmed by the Senate effective February 12, 2018. As Deputy Superintendent, he provides leadership for all elementary and secondary students in Oregon's public schools and education service districts. He is responsible for statewide standards and instruction programs, school improvement efforts, and Oregon's statewide assessment system. His leadership also extends to the Early Learning Division, the Youth Development Division, the state School for the Deaf, regional programs for children with disabilities and education programs in Oregon's youth correctional facilities. In addition, ODE acts as a liaison and monitors implementation for a variety of state and federal programs.

Deputy Superintendent Gill's priority is to focus the state's efforts on ensuring all students, regardless of background, graduate from high school prepared for college, career, and citizenship. Oregon's legislatively adopted goal is that by the year 2025, 100 percent of Oregonians will earn a high school diploma or its equivalent, 40 percent will earn a post-secondary credential, and 40 percent will obtain a bachelor's degree or higher.

The Deputy Superintendent, working with the Office of the Chief Education Officer, the State Board of Education and ODE staff, has set the following goals for Oregon students and the performance of the agency:

Goal 1 – Start Strong
Every student enters school ready to learn and is academically successful by fourth grade.

Goal 2 – Be Proficient and Transition Successfully

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Every student is supported and on track to meet expected grade level outcomes through a well-rounded education.

Goal 3 – Graduate College and Career Ready
Every student graduates from high school ready for college, career, and civic life.

Goal 4 – Experience Outstanding Customer Service
Every student, district, and agency employee is supported through highly functioning ODE business operations.

To accomplish the goals listed above, the Oregon Department of Education has established the following mission, vision, and values:

Mission

The Oregon Department of Education fosters equity and excellence for every learner through collaborations with educators, partners, and communities.

Vision

Ensure all students have access to and benefit from a world-class, well-rounded, and equitable education system.

Values

Integrity, Accountability, Excellence and Equity

B.   Agency Administrator

Colt Gill, Deputy Superintendent of Public Instruction
255 Capitol Street NE
Salem, Oregon 97310
(503) 947-5600

C.   Governor's Policy Advisor for the Oregon Department of Education

Lindsey Capps, Governor's Education Policy Advisor
900 Court Street NE, Suite 160
Salem OR 97301

(503) 373-1283

D. Agency Affirmative Action Representative

Krista Campbell, Director of Employee Services
255 Capitol Street NE
Salem, Oregon 97310
(503) 947-5885
krista.campbell@ode.state.or.us

The Affirmative Action Representative is located in the Employee Services section in the Office of Finance and Administration.

E.   Positions Designated by Working Title as Related to "Diversity", "Inclusion", "Access", or "Equity"

The Department of Education has a number of positions in the agency, in addition to the Affirmative Action Representative listed above, that are dedicated in whole or part to protecting and promoting the rights of underrepresented groups. These positions include:

Office of the Deputy Superintendent –Equity Unit

Assistant Superintendent
    Dr. Darryl Tukufu
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5750

Director
    Markisha Smith
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5669
    markisha.smith@ode.state.or.us

Education Program Specialist
    Taffy Carlisle
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5688
    taffy.carlisle@ode.state.or.us

Civil Rights Specialist
    Winston Cornwall
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5675
    winston.cornwall@ode.state.or.us

Education Program Specialist
    Kelly Slater
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5978
    kendra.hughes@ode.state.or.us

Education Program Specialist
    Dawnnesha Lasuncet
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5793
    Dawnnesha.lasuncet@ode.state.or.us

Civil Rights Specialist
    Karin Moscon
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5706
    karin.moscon@ode.state.or.us

Office of the Deputy Superintendent

Advisor to the Deputy State Superintendent on Indian Education

Indian Education Specialist

    April Campbell
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5810
    april.campbell@ode.state.or.us

    Ramona Halcomb
    255 Capitol Street NE
    Salem, Oregon 97310
    (503) 947-5695
    ramona.halcomb@ode.state.or.us

Early Learning Division

Early Education Equity Director

    Lillian Green
    775 Summer St NE
    Salem, Oregon 97301
    (503) 947-2516
    lillian.green@ode.state.or.us

F.   Organization Chart

State Superintendent of Public Instruction – Governor Kate Brown

Early Learning Division – Miriam Calderon

Youth Development Division – Serena Stoudamire Wesley

Deputy Superintendent of Public Instruction – Colt Gill

- Office of Finance & Administration – Rick Crager
    - Financial Services
    - Budget Services
    - Procurement Services
    - School Finance and Facilities
    - Employee Services
- Office of Student Services – Candace Pelt
    - Early Intervention-Early Childhood Special Education
    - Child Nutrition Programs
    - Regional Programs/Best Practices
    - Education Programs & Assessment
    - Pupil Transportation & Fingerprinting
    - Oregon School for the Deaf
- Office of Teaching, Learning, and Assessment – Jennifer Patterson
    - Federal Systems
    - Secondary/Post-Secondary Transitions
    - District and School Effectiveness
    - Standards and Instructional Support
    - Data, Operations, and Grant Management
    - Assessment
- Office of Equity, Diversity, and Inclusion – Darryl Tukufu
- Office of Accountability, Research, and Information Services – Vacant
    - Accountability and Reporting
    - Information Services
- Office of Research and Data Analysis – Brian Reeder
    - NAEP

OREGON DEPARTMENT OF EDUCATION
Organization Overview 2018

Office of the Chief Education Officer
Lindsey Capps

State Superintendent of Public Instruction
Governor Kate Brown

State Board of Education

Higher Education Coordinating Commission (HECC)
Ben Cannon

Early Learning Division (ELD)
Miriam Calderon

Deputy Superintendent
Colt Gill

Youth Development Division (YDD)
Serena Stoudamire

Chief of Staff
Cindy Hunt

Deputy Director
Carmen Urbina

Office of Finance & Administration
Rick Crager

- Financial Services
- Budget Services
- Procurement Services
- School Finance and School Facilities
- Employee Services

Office of Student Services
Candace Pelt

- Early Intervention-Early Childhood Special Education
- Child Nutrition Programs
- Regional Programs/ Best Practices
- Education Programs & Assessment
- Pupil Transportation & Fingerprinting
- Oregon School for the Deaf

Office of Teaching, Learning, and Assessment
Jennifer Patterson

- Federal Systems
- Secondary/Post-Secondary Transitions
- District and School Effectiveness
- Standards and Instructional Support
- Data, Operations, and Grant Management
- Assessment

Office of Equity, Diversity and Inclusion
Darryl Tukufu

Office of Accountability, Research and Information Services
Vacant

- Accountability & Reporting
- Information Services

Office of Research and Data Analysis
Brian Reeder

- NAEP

_01 DEP SUPT.vsd   Edited 8/14/2018

II.   AFFIRMATIVE ACTION PLAN

A.   Administrator's Equal Employment Opportunity/Affirmative Action (EEO/AA) Policy Statement

The Oregon Department of Education's 2019-2021 Affirmative Action Plan has been prepared to provide a specific program to promote equal opportunities for all individuals to seek employment, to work, and to be promoted on the basis of merit, ability, and potential. It is the policy of the State Board of Education and a priority of the Oregon Department of Education and the Deputy State Superintendent of Public Instruction that there will be no discrimination or harassment on the grounds of race, color, sex, marital status, sexual orientation, religion, national origin, age, mental or physical disability, or any reason prohibited by state statute or federal regulation. ODE recognizes that a passive prohibition of discriminatory acts is not enough. The directives and guidelines of the Governor's Statewide Affirmative Action Plan will be approached with a positive attitude and purposeful effort by all ODE employees.

ODE's plan provides the umbrella for (1) assessing diversity efforts within ODE; (2) creating an inclusive work environment that encourages employees to reach their full potential; and (3) guiding ODE to become an "Employer of Choice."

It is the policy of the Oregon Department of Education to provide an environment for each employee and each applicant that is free from sexual harassment, as well as harassment and intimidation because of an individual's race, color, religion, gender, sexual orientation, national origin, age, or disability.

To achieve this inclusive work environment, ODE will carry out an Affirmative Action program that provides procedures for the consideration of protected class candidates in all aspects of human resource management. The Affirmative Action Policy is provided on ODE's Human Resources website. All ODE employees have access to the internet.

B. Policy

Affirmative Action Representative

Our Affirmative Action Representative, Krista Campbell, is located in the Employee Services section of the Office of Finance and Administration. She can be reached by telephone at (503) 947-5885 or by email at krista.campbell@ode.state.or.us. In accordance with Executive Order 16-09, we will ensure our Affirmative Action Representative attends the Governor's Diversity and Inclusion/Affirmative Action/Equal Employment Opportunity (DI/AA/EEO) meetings as well as trainings provided by the US Equal Employment Opportunity Commission (EEOC). Our Affirmative Action Representative shall encourage a

workplace that is polite, courteous and respectful and advocate the state's policy for the maintenance of discrimination and harassment free workplace.

All employees are notified that the agency's affirmative action plan is permanently posted at each work site as well as on the agency internet and intranet sites, with additional copies available upon request. Alternative formats such as large print or audio tape are also made available upon request. The agency's affirmative action plan and policy is presented to the agency's management team on a biennial basis. The plan and policy is also an annual agenda item for the agency's Service Employees International Union Labor-Management Committee to solicit the union's cooperation and involvement in meeting the goals.

State and Federal employment law documents are published on the ODE intranet and internet. All employees have access to the internet, and copies of all documents can be made available upon request to ODE's Employee Services unit.

Individuals with Disabilities

The Oregon Department of Education will not discriminate, nor tolerate discrimination, against any applicant or employee because of physical or mental disability in regard to any position for which the known applicant for employment is qualified.

ODE is committed to engage in an interactive discussion with all employees who request an accommodation.

Additionally, we agree to take affirmative action to seek to employ, advance in employment, and otherwise treat known qualified individuals with disabilities without regard to their physical or mental disabilities in all employee services selection and decision practices. This includes advertising, benefits, compensation, discipline, layoff, employee facilities, performance evaluations, recruitment, and training. We will continue to administer these practices without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.

Reasonable Accommodation

It is the policy of the Oregon Department of Education to provide reasonable accommodation to any qualified person with a disability. The agency will make every reasonable effort to ensure that qualified applicants and employees are able to continue to perform the essential job functions of the position, including modifications or adjustments to the job application process, the work environment, and/or the manner in which a job is performed.

"Reasonable accommodation" is defined as a modification or an adjustment to the job or the work environment that will enable a qualified applicant or employee with a disability to perform essential job functions. This includes adjustments to ensure that a qualified individual with a disability has rights and privileges in employment equal to those of non-

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disabled employees. Reasonable accommodation is required unless it would cause the agency undue hardship.

"Undue hardship" is defined as an action requiring significant difficulty or expense when considered in light of factors such as an employer's size, financial resources, the nature and structure of its operation, and the cost and nature of the accommodation.

Employees may request reasonable accommodation at any time during employment. It is the responsibility of the individual seeking accommodation to inform the agency of the need for accommodation.

Members of the Uniformed Services

The Oregon Department of Education will not discriminate, or tolerate discrimination, against any employee because they are a member, or apply to be a member, or perform, have performed, applied to perform or have an obligation to perform service in a uniformed service.

The term "uniformed services" means the Armed Forces; the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty; the commissioned corps of the Public Health Service; and any other category or persons designated by the President in time of war or national emergency.

Veterans applying for positions with ODE are given preference during the recruitment process.

Performance Evaluations

It is the responsibility and expectation of all agency managers and supervisors, under the guidance of the agency's Affirmative Action Representative, Krista Campbell, to successfully implement the 2019-2021 Affirmative Action Plan. Managers and supervisors are held accountable for successful implementation and administration of the plan through the agency's annual performance evaluation process for managers and supervisors. All performance evaluations are reviewed by Human Resources, to ensure managers and supervisors are held accountable. EEO/AA statistical progress and claim information related to discrimination and/or harassment will be monitored and addressed in the performance evaluation process.

Training and Career Growth

ODE is committed to providing broad and culturally enriched training, career growth and developmental opportunities to all employees on an equal basis, enabling them to further advance and promote their knowledge, skills, and abilities, and their values of diversity.

Finally, any training that is undertaken incorporates proven adult learning techniques to affect the behavioral changes required to truly progress the organization toward its goals.

Our Employee Services staff regularly engages in individual coaching for both supervisory and classified staff.

The agency maintains a copy of the Affirmative Action Plan on the website for all employees to access. Managers shall participate and encourage others to participate in the activities designed to promote diversity and inclusion. The agency's Management Team will make necessary decisions and monitor the accomplishment of this plan on an ongoing basis and make plan adjustments as necessary. This includes reviewing personnel practices, procedures, and the work climate to identify possible roadblocks to diversity and inclusion, and then taking appropriate remedial action.

Complaint Procedures

All applicants and employees are protected from coercion, intimidation, interference, or discrimination for filing a complaint or assisting in an investigation under this policy. Complaint procedures are addressed in DAS Statewide policy 50.010.01, Discrimination and Harassment Free Workplace (Appendix A).

Employees who feel they have been harassed or discriminated against are encouraged to bring such behavior to the attention of the Affirmative Action Representative and/or management via the procedures outlined DAS Statewide policy 50.010.01 Employees who feel they are being harassed or employees who are aware of harassing behavior should report this to the Affirmative Action Representative, Krista Campbell, a manager or union representation. The agency's Affirmative Action Representative, Krista Campbell, is located in the Employee Services section in the Office of Finance and Administration. She can be reached by telephone at (503) 947-5885 or by email at krista.campbell@ode.state.or.us.

This message is communicated to employees in numerous ways. For example: all-staff emails, agency and individual unit newsletters and various internal meetings held throughout the agency. Because of our excellent working relationship with our labor leaders we have been assisted in carrying that message to represented staff at additional times.

The agency policy also spells out external agencies that can receive complaints from employees such as the Governor's Affirmative Action Office which can be reached by telephone at (503) 378-6833; the United States Equal Employment Opportunity Commission (EEOC) which can be reached by telephone at (800) 669-4000, (800) 669-6820 (TTY), or by email at info@eeoc.gov; or the Civil Rights Division of the Oregon Bureau of Labor and Industries which can be reached by telephone at (971) 673-0764 or by email at crdemail@boli.state.or.us. Additionally, employees may contact their union or the Department of Administrative Services (DAS).

Diversity & Inclusion Statement

Diversity is understood as a fundamental paradigm shift and systemic change in workplace culture. It requires the conscious management of diversity, with the aim of fostering and retaining a qualified and productive workforce. By supporting open and respectful environments, and by offering a spectrum of approaches, the organization as a whole, as well as individual potential, will be strengthened.

The Department of Education defines diversity in its broadest context to include all that makes us unique: race, color, gender, religion, national origin, age, disability status, culture, sexual orientation, gender identity, parental status, educational background, socioeconomic status, intellectual perspective, organizational level, and more. By doing so, we are able to harvest the full performance advantages our diversity offers. Inclusion is the means by which we harvest this talent. It is the deliberate effort to leverage diversity and empower all voices to contribute to the mission.

Inclusion helps to ensure that employees from diverse backgrounds are able to contribute, remain with the agency, and flourish.

The ultimate goal of having a diverse workforce and an inclusive work environment is to deliver better services to our customers (internal and external) and meet the needs of our stakeholders. We see with stark clarity that our effectiveness in providing responsive public services is dependent on our ability to rapidly adapt to the changing dynamics of our global environment. The transformation of an organization's culture to this end requires a long-term commitment. Effective leadership and accountability are critical to sustaining this organization-wide commitment. The following strategies and objectives are aimed at facilitating and sustaining the effort to achieve the ultimate goal of diversity and inclusion.

ODE must have conditions in place to ensure that diverse perspectives are heard and all contributors are empowered. To achieve this, we must look internally at our organizational cultures and the institutional processes that impact employees' ability to fully participate and contribute to the mission. The aim is to build an inclusive organization as characterized by equal access to opportunity, culturally competent norms, transparent communications, participatory work processes and decision-making, constructive conflict management, leadership development, equitable rewards systems, and shared accountability. These inclusion characteristics are drivers of our committee's engagement and organizational performance. We believe that inclusion holds the key to actualizing the performance potential of workforce diversity.

Diversity and Inclusion Representative

Our Diversity and Inclusion Representative, Krista Campbell, is located in the Employee Services section of the Office of Finance and Administration. She can be reached by

telephone at (503) 947-5885 or by email at krista.campbell@ode.state.or.us. In accordance with Executive Order 16-09, we will ensure our Diversity and Inclusion Representative attends the Governor's Diversity and Inclusion/Affirmative Action/Equal Employment Opportunity (DI/AA/EEO) meetings as well as trainings provided by the US Equal Employment Opportunity Commission (EEOC). Our Diversity and Inclusion Representative shall encourage a workplace that is polite, courteous and respectful and advocate our policy for the Promotion and Maintenance of a Respectful Workplace. (Appendix A)

Diverse Workforce

It is the policy of ODE to strive to eliminate the effects of past and present discrimination, intended or unintended, that are evident by analysis of present employment patterns and practices. We are committed to establishing and maintaining a diverse workforce reflective of the diverse population within the state of Oregon.

Inclusion programs are developed, crafted, and implemented with regard to employees at all levels of the organization.

C. Employment

Recruitment Activities

The Oregon Department of Education is an equal-opportunity employer that is committed to a proactive role in the recruitment and selection process. We use diverse recruitment strategies to identify and attract candidates, and establish interview panels that represent protected class groups.

Our agency has offered informational presentations to students at universities regarding navigating the state recruitment system and other application process tips and tricks. In the past, ODE has presented this material at Oregon State University, the Oregon Institute of Technology, and at a Government-to-Government meeting with Oregon's nine tribes. In addition, our agency will be presenting this information to Portland State University, Lewis and Clark College, Pacific University, University of Oregon, Willamette University, George Fox University, Western Oregon University, Corban University, South Salem High School, North Salem High School, McKay High School, and McNary High School in the future. The purpose of these presentations is to help eliminate any barriers that may exist for future applicants throughout the application and interview processes.

ODE uses an extensive advertising guide and strategy. Jobs are posted on various platforms including LinkedIn, Twitter, Glassdoor, Handshake, iMatch, and the League of Oregon Cities. In addition, ODE sends job advertisements to diversity and inclusion-focused groups including the Equity in Oregon listerv, Partners in Diversity, the Hispanic Metropolitan Chamber, and Urban League of Portland. ODE strives to attend the job and career fairs offered by these organizations on an annual basis.

ODE executing a project to ensure all web content is fully accessible to people with disabilities. This includes ensuring our public-facing careers page is accessible, and that job postings are accessible documents. In addition, the launch of the Workday system will increase the accessibility of the entire job application process. This accessibility initiative also includes ensuring this Affirmative Action Plan is published on the public website and fully accessible. These efforts should result in greater numbers of people with disabilities applying for and receiving jobs with ODE.

Succession Planning

While a formal succession plan has not been developed, the agency has access to a database of information and statistics on staff training, education, and development. Our agency is bound by a Collective Bargaining Agreement and DAS policies which dictate the recruitment and hiring process. Data is being tracked and analyzed to assist with identifying staff members who are ready now, or may soon be ready, to assume key positions. Processes have

been implemented to ensure that opportunities for training and advancement are provided to all employees in an equitable manner. For example, when able to work employees out of their classification as promotional, developmental and learning opportunities, we have implemented a process that requires managers to communicate the work out of class opportunity to all qualified staff and meet with all interested individuals prior to determining which employee will be given the higher level work experience and pay differential.

All staff members are afforded the opportunity for advancement. Employee Services staff members are available to provide career counseling and developmental planning for employees, including exploring the possibility of job rotations, opportunities to work out of classification, tuition reimbursement, and informational interviews. Deb Skiles, an ODE senior Human Resource Analyst, sends out an informational communication, titled HR Corner, twice a month to provide information to agency employees and managers regarding various HR topics. HR Corner topics during the 2017-2019 biennium have included work out of class and lead work assignments, application tips, telecommuting, Public Employee Retirement System (PERS) information, payroll procedures, HR functions, and HR staff assignments.

Wherever possible, the agency has established career ladders to provide advancement opportunities for employees, and to attract applicants interested in career opportunities. Historically there has been a sizable gap between the agency's administrative positions and positions classified as Education Program Specialists (EPS). It is difficult for employees in the lower administrative classifications to move into the higher EPS series because the EPS minimum qualifications require a Master's degree in an education-related field and five years of classroom experience. To provide more career ladders, the agency has increasingly made use of the Program Analyst (PA) and Operations and Policy Analyst (OPA) classification series. Both the PA and OPA series have four levels and accept a wider range of degrees and experience that can be gained in lower administrative classifications. That provides more opportunity for advancement to those employees in the lower administrative classifications.

D.   Training, Education and Development Plan
Overview

To further advance ODE's commitment towards developing employees and maximizing the workforce, a Learning and Organizational Development Specialist position was established within the Employee Services department at the start of the 2015-2017 biennium. The person in this position is dedicated to ensuring relevant development opportunities are made accessible to employees. The addition of this position has allowed the agency to increase internal trainings. However, there are still budgetary barriers to external training in some offices within the agency. Training budgets are administered on an office-by-office basis with varied types of funding that range from general funds, other funds, and/or federal funds.

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The barrier results from the type of funding playing a determining factor in whether or not funds are available for external training.

To help address this and help provide consistent professional learning opportunities for staff across the agency, HR is developing Professional Learning Resource Guides for various career paths in the agency. By the end of the biennium, employees will use these guides as a basic blueprint to develop individualized learning plans. Employees will have the opportunity for one-on-one sessions to develop these plans. These efforts should result in more equitable access to learning opportunities for the 2019-2021 biennium.

Employees

Although training dollars are limited, we continue to provide in-house training opportunities to help our employees enhance their skills. ODE is a sponsor of the annual Diversity and Inclusion Conference which allows for 92 of our employees to attend. Our in-house training programs are offered in person and through iLearnOregon, an online learning management system. Training topics include performance evaluation, progressive discipline, recruitment, interviewing, writing position descriptions, and leadership. These trainings help ensure employees understand and implement processes and practices with consistency and effectiveness. iLearnOregon allows us to create and manage our own agency trainings, providing the opportunity to tailor trainings specifically to our agency and create them in-house, resulting in better accuracy and cost savings. Additionally, iLearnOregon is accessible to both state and non-state employees, requires nothing more than an internet connection and an email address, and the system keeps a record of each individual's trainings. The Child Nutrition Programs, Pupil Transportation, and Early Learning Division units conduct many of their trainings via iLearnOregon with excellent results thus far. In their experience, iLearnOregon has meant less overtime due to travel to training sites throughout the state, as well as better satisfaction on the part of their sponsors who were able to receive their required certification at their place of work, rather than traveling to a specific location. The use of this program allows people from all areas of the state to attend required training without the barriers of travel and additional expenses.

In December of 2017, ODE leadership required all employees to complete a core set of required training that includes:

- Maintaining a Discrimination and Harassment Free Workplace
- Oregon Government Ethics
- Workplace Effects of Domestic Violence, Sexual Assault, and Stalking
- Drug-Free Workplace

All employees had completed these requirements in 2018, and all new hires are required to complete the above courses within 60 days of hire. During the 2019-2021 biennium, ODE will continue to review training requirements and expand online training opportunities.

Our Leadership Team, which is composed of Directors and managers across the agency, meets monthly. At each meeting, we conduct a professional learning opportunity. In the first half of 2018, presenters conducted a 3-part series on the 2017-2019 Affirmative Action Plan. During this series, ODE managers discussed ODE's affirmative action goals, inclusive hiring practices, implicit bias, equitable and inclusive interview techniques, and choosing candidates. ODE will continue to offer professional learning opportunities that target equity, diversity, and inclusion topics at Leadership Team meetings.

In 2018, ODE formally began requiring all managers to attend the Department of Administrative services Foundational Training program. This program covers critical foundational skills for managers that can be applied immediately in the workplace. The program includes sessions on diversity, inclusion, and equity, enhancing team cohesion, coaching, emotional intelligence, and addressing conflict. Employees interested in furthering their career in the management service are encouraged to attend the DAS Emerging Manager program.

In addition, agency staff will continue to have the opportunity to take advantage of the various training sessions provided by the Oregon Department of Justice and the Oregon Department of Administrative Services. These training opportunities are posted through iLearn, which is available to all employees. ODE Employee Services regularly sends out email notifications to employees when relevant trainings are added to iLearn by other agencies.

Department of Justice sessions include, but are not limited to:

● Americans with Disabilities Act

● Core Mediation

● Public Records

● Social Media in the Workplace

Department of Administrative Services sessions include, but are not limited to:

● Emerging Manager

● Foundational HR Curriculum

● Foundational Training Program

● How to Write Position Descriptions

● Maintaining a Harassment Free and Professional Workplace

- New to Public Management

- Overview of Pay Equity

We look at the employee as a whole, and encourage their development in all areas. We support employees through our tuition reimbursement policy (Appendix C). The agency has employees actively involved in the Leadership Oregon Program, which is the executive leadership development program for the state of Oregon, as well as the Certificate of Public Management (CPM) program through Willamette University, using these programs to develop possible managers and supervisors. The agency also has representatives from Willamette University's MBA program provide information to employees on the value of the program by setting up informational booths and hosting Lunch and Learn forums at the Public Service Building. This program is offered at a discounted tuition rate from the University of $15,000. We have sent employees to Executive Forum's Leadership Lab and other trainings sessions such as Influencing without Authority, and we encourage use of the Pacific Program. Two employees recently completed state government's Aspiring Leader Program through ASCENT, both of which were from historically underrepresented groups. Participation in this program will continue through 2019-2021.

Supervisors must develop an equitable process to distribute available funds to staff interested in attending training and conferences, or obtaining more formal education related to their work. The differing budgets available across ODE present a unique challenge in ensuring employees on different teams have equitable access to the same developmental opportunities. ODE remains committed to employee development and will continue to offer or facilitate training opportunities when possible.

The agency has regular labor/management committee meetings. The committee consists of an equal number of labor and management representatives. The management representatives are from the Management Team. The committee meets quarterly or sooner if needed to discuss issues that may concern either group. The vision statement of the group is "A quality and productive workplace." The goals of the committee are to (1) facilitate early resolution of worksite concerns, (2) develop recommendations for improved workplace quality and productivity, (3) build mutual respect, and (4) communicate outcomes. The committee is committed to treating all with dignity and respect. Any employee of ODE, whether management or represented, may bring an issue to the labor/management committee. This information is posted on the agency's website. ODE's Diversity, Inclusion, and Affirmative Action Representative serves the committee in an advisory capacity.

Every newly hired employee receives a letter with a written confirmation of the job offer. In addition, ODE has developed an onboarding process that will be instrumental to agency efforts to successfully integrate new employees in a collaborative and proactive manner that will foster and encourage inclusion. Hiring managers are provided with an employee

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onboarding checklist to help their preparation for when an employee arrives on their first day through their first few months. ODE is revising this checklist to ensure employees are on boarded effectively, and ODE is developing a New Hire Guidebook to ensure our new hires given the opportunity to succeed.

As planned in the 2017-2019 Affirmative Action Plan, ODE created a survey process to evaluate and understand the effectives of our onboarding efforts. Survey results led to the launch of an Onboarding Workgroup tasked to develop recommendations to revamp the agency's onboarding process. The Workgroup has published recommendations to provide a consistent and effective onboarding program for ODE. These recommendations include expanding training related to the mission of the agency and equity and inclusion training as part of New Employee Orientation.

An in-person New Employee Orientation (NEO) is offered monthly to all new hires. NEO training consists of an overview of ODE, equity and inclusion, important travel, budget, procurement, and IT processes, and an overview of policies and benefits. We provide employees with information on parking, carpool programs, Smart Commuter programs, and bus passes. We fully explain sick and vacation leave, holidays, and personal leave. We provide links to our policies. Individual units within ODE also provide orientation specific to the employee's work program. During orientation, we discuss our policy on affirmative action and provide a link to the policy. The new employees also receive information on our employee assistance program. Ten speakers from various offices with expertise in the particular presentation area present all of this information. We have received positive feedback from new employees on NEO's applicability. Individual units within ODE also provide orientation specific to the employee's work program.

The agency comes together for all-staff meetings twice each year. These meetings are held to bring agency employees together for information sharing and training, and to provide a forum to build inclusivity and support for ODE's mission and goals.

ODE is very proactive in conducting ergonomic assessments so that we can accommodate employees should they have any specific physical needs. To keep employees comfortable and productive in the workplace we have purchased special chairs and work surfaces that are adjustable. In the coming fiscal year, multiple staff will be trained to offer ergonomic assessments to employees.

Volunteers

Volunteers are utilized in various areas throughout the agency. In addition to unpaid interns working in agency operations, the Oregon School for the Deaf regularly uses volunteers for their programs. All volunteers have access to the agency's Affirmative Action Plan through ODE's public website and may receive a paper copy upon request. Agency coordinators will

inform individuals about the agency's affirmative action plan when they begin volunteering and will provide information to them on how to access the plan. Training is provided both initially to volunteers and on an as-needed basis; the type of activity they are assigned to perform determines the nature or need for training.

Due to the varied nature of the services provided, meetings with volunteers to discuss the Affirmative Action Plan in detail are not feasible. Efforts are made to ensure volunteers know where and how to access ODE's Affirmative Action Plan.

Contractors/Vendors

The 2019-2021 Affirmative Action Plan will be made available to all providers and vendors through the agency's public website, and a paper copy of the plan will be available to them upon request. Due to the varied nature of the agency's work, group meetings with providers and vendors to discuss the Affirmative Action Plan in detail are not feasible. Efforts are made ensure all providers and vendors know where and how to access ODE's Affirmative Action Plan.

E. Leadership Development/Training Program

During the 2017-2019 biennium, ODE provided leadership development and training activities during monthly Directors' Training meetings to agency managers and supervisors. These activities included training on implicit bias, interviewing techniques, recruiting a diverse candidate pool, and data and research initiatives.

Leadership development and training opportunities will continue to be provided in the 2019-2021 biennium. We require all managers to attend the Department of Administrative Services' Management Development Series Foundational Training Program and encourage our future leaders to attend the Emerging Managers Program, which will provide skill building in various areas of management and leadership. In addition, ODE will continue to develop and offer training opportunities to employees in leadership positions, including directors, supervisors, and lead workers. ODE has begun tracking EEO data of participants in these types of leadership development programs, and for the 2019-2021 biennium, ODE will have EEO data of participants for an entire biennium.

Six employees in the upper and middle management job groups have attended the DAS Foundational Training Program. Of these six, four were from underrepresented groups. Fifteen employees are currently enrolled and either progressive in the program or awaiting to start. Eight of these employees are from underrepresented groups.

Since July 1, 2017, eleven employees have completed the DAS Emerging Manager training program. Six of these employees are from underrepresented groups. Another eight employees are enrolled in the program, with seven of these from underrepresented groups. The job groups represented in this cohort include employees from the teacher/educator,
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administrative support, financial, social science/planner/researcher, compliance/investigator, and computer analyst. The job data for this cohort is tracked, and already one employee has promoted to the middle management job group during the biennium and one is on job rotation in a higher-level classification since completing the training.

Six employees have promoted or transferred from classified service to management service in the period July 1, 2017 to June 30, 2018. Five of these promotions were women, and two were people of color. These employees, as well as existing managers, will continue to benefit from ongoing efforts to provide development and training activities specific to leadership and managing people.

F.   Programs

Internship Programs

ODE provides formal internship opportunities that are designed to provide experience for students in the areas of educational policy and administration, political science and public administration, communications/marketing, information technology, community schools, and finance and accounting. The program allows students a chance to apply textbook theories to real world problems while developing an understanding of the agency and its mission. Internships are available to high school, undergraduate, and graduate students of all majors or disciplines who are interested in state government. Many internship opportunities are posted publicly as open recruitments where candidates go through an interview process prior to selection. This program has benefited both the student interns and ODE, and several past interns have been selected for permanent positions within the agency following their internships.

ODE supports exposure to state service in a variety of informal ways, including "Take Your Child to Work Day" and supporting employee involvement in schools.

Mentorship Programs

ODE is developing a New Manager Mentorship program utilizing resources from the Department of Administrative Services. The program will include metrics for success including retention of diverse managers and development of the Statewide Enterprise Values and Management Competencies.

Externally, the Oregon Beginning Teacher and Administrator Mentorship Program is an important component of the state's Network for Quality Teaching and Learning, which provides funding for a comprehensive system of support for educators that creates a culture of leadership, professionalism, continuous improvement, and excellence for teachers and leaders across the education enterprise.

Diversity Awareness Programs

ODE has established a new goal in the Strategic Plan. Goal 5 is to interrupt and transform historically inequitable systems. As part of this goal, the agency will form a new Diversity, Equity, and Inclusion Employee Committee.

ODE continues to be a sponsoring agency for the State Diversity Conference and will have over 90 staff members in attendance at the September 2018 conference. ODE is also a sponsoring partner in the Oregon Leadership Network (OLN) at Education Northwest. OLN represents a partnership among state agencies, school districts, national affiliations, and nongovernmental organizations, and is the only statewide educational leadership network in the nation with equity at its core. The mission of the OLN is to expand and transform the knowledge, will, skill, and capacity of educational leadership to focus on issues of educational equity so each student achieves at the

highest level.

While ODE does not have any formally established employee resource groups (ERGs) or affinity groups at the current time, several informal groups have formed and we will continue exploring the possibility of transitioning them to more formally established groups.

Current diversity initiatives are designed to encourage multicultural and diversity awareness, acknowledgement, and inclusion. In support of this, ODE continues to review and update policies and procedures to enhance the diversity of the workforce and accommodate diverse needs, and to study the work environment to determine what changes are needed to ensure a welcoming environment for current and future employees. We look for training opportunities to expose all employees to diverse cultures. Related efforts include examining recruitment trends from a diversity perspective in order to improve recruitment and retention of a diverse workforce. ODE sponsors Lunch and Learn presentations each month with presenters from inside and outside the agency. Previous presentations have included a number of equity, diversity, and inclusion topics such as LGBTQ issues in education, and barriers and dynamics of sexual assault and domestic violence facing youth.

The agency recognizes the importance of family and community involvement in children's success in school and learning. (Appendix C – ODE Policy 581-208) ODE encourages staff to participate in school and learning activities by providing flexibility in work schedules. Staff members are allowed to develop telecommuting schedules with their managers, work flexible schedules, and participate in agency-wide training. The agency is committed to promoting and maintaining a work environment that is respectful, positive, productive, and free of discrimination or work place harassment.

The Office of Student Services devotes its time to ensuring students with disabilities are afforded every educational opportunity they are entitled to under state and federal law. The employees are individuals who have devoted their careers to this mission. This devotion permeates not only the Student Services unit, but the entire agency. Other employees in the agency serve on special interest groups or committees at a local, state, or national level.

Because ODE operates the School for the Deaf, we are particularly sensitive to employees with special needs. We make sure students and staff members get all learning opportunities possible.

G. Community Outreach Programs

Starting in the spring of 2013, the agency increased the scope of advertising and conducted other outreach initiatives such as participating in job fairs and increasing and diversifying where we place our job announcements. Since the Spring of 2015 ODE has actively participated in college and career fairs with local educational institutions and increased our community engagement efforts which has connected our agency with diverse stakeholder groups such as Partners in Diversity, the Urban League, Incite, OHSU's night for networking, Hispanic Chamber, and Kairos PDX, and many others. These initiatives were strategically targeted to increase awareness of the

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agency's inclusive work environment and our commitment to hiring diverse and highly qualified talent.,

Additionally, we advertise with iMatch Skills, the Employment Department's job board, Partners in Diversity, Oregon Urban League, and Education Networks within Oregon. The recruitment team also routes all openings to the Nine Tribes of Oregon's job board. The agency will continue strategies such as these as well as explore additional strategies.

Effectiveness is measured by gathering data on the applicant pools to determine the number of qualified applicants from underrepresented groups. The Employee Services department tracks the percentage of people of color throughout the application process including the number of diverse candidates upon initial application, the number of diverse candidates who meet the minimum qualifications, the number of diverse candidates who move through each step of the interview process and finally the number of diverse candidates who are finally hired. The Employee Services department will review applicant matriculation data at least quarterly.

Interview panels are created and used to reflect the diversity of the agency's workforce and stakeholder base. Interview panel members can be from outside agencies, from stakeholder and partner groups, and from both represented and management service employee groups regardless of the status of the recruited position. The agency is actively seeking highly qualified candidates from historically underrepresented groups as we move toward our goal that the diversity of our workforce match the diversity of the student population in Oregon. We have created "Interview Panel Guidelines" that are reviewed with the interview panel prior to interviews. It clarifies our expectations and includes a statement above the signature line stating that, "The Oregon Department of Education is an affirmative action equal opportunity employer and encourages qualified women, persons of color, persons with disabilities and any other classification protected under state or federal law to apply for this opening."

The outreach efforts and opportunities described above benefit the agency's recruitment efforts by providing valuable exposure and information about the agency and its mission to a diverse group of potential applicants.

In addition, each year ODE recruits people from all over Oregon to participate in the development of statewide assessments, serve on advisory boards, and provide input on proposed changes to education policy or programs. Community outreach and statewide participation in these activities provides opportunities for greater representation for diverse populations. For example, the Office of Assessment and Accountability conducts sensitivity panels composed of citizens from diverse groups to review test questions to make sure the questions do not disproportionately affect members of underrepresented groups.

Deputy Superintendent Gill has set specific goals for ODE as part of a strategic plan to move the agency forward. To accomplish these goals, ODE prioritizes building and maintaining partnerships

with historically underserved communities, and providing clear and timely information to customers and stakeholders.

For example, ODE believes community engagement and collaboration are key to developing a strong state plan as required by the federal Every Student Succeeds Act (ESSA), which replaces No Child Left Behind (NCLB). ESSA will establish a framework for preparing Oregon's students for life beyond K-12 and reflects many of our state's education priorities including:

- Ensuring students graduate high school ready for college and the workplace
- Reducing gaps among student groups in achievement, opportunity, and graduation
- Supporting and improving struggling schools
- Expanding access to high-quality early learning opportunities for our youngest learners
- Keeping the focus on high-quality classroom instruction through professional development and meaningful feedback for educators

ODE staff members frequently attend trade-specific events in the course of their attendance at various local, state and federal education-related conferences and activities. Participation in these events provides excellent outreach and recruiting opportunities.

H.　　Executive Order 16-09 Updates

Respectful Leadership Training (Diversity, Equity, and Inclusion)

Consistent with the Governor's Executive Order 16-09 relating to affirmative action and diversity , which strongly encourages agencies to utilize cultural competency assessment and implementation services, ODE will continue to explore opportunities to access these services during the 2019-21 biennium for purposes of identifying training needs and options for agency managers and employees.

Actions taken during the 2017-2019 biennium include conducting a 3-part series on the agency's Affirmative Action Plan. This training included discussion on the agency's goals and management's role, inclusive hiring practices, and implicit bias.

The Oregon Department of Education remains committed to the goals of enriching the diversity of the organization and increasing the level of cultural competency, both internally and throughout the statewide education enterprise. Further information is provided above in Section D (Training, Education and Development).

Statewide Exit Interview Survey

The agency uses the exit interview survey developed and maintained by DAS. The agency regularly reviews the survey results to determine what changes are necessary to make the agency more welcoming for all employees. Our survey results have not included any identifiable trends to date, but we will continue to review them on a regular basis to identify developing trends or themes in a timely manner.

Employees are offered an additional feedback mechanism through exit interviews with the HR Director. Employees meet with HR to discuss both concerns and

Performance Evaluations of All Management Personnel

ODE ensures managers understand their work performance is evaluated based on affirmative action and diversity efforts in conjunction with other assigned responsibilities. Program activities, practices, and procedures to remove impediments to achieving a diverse workforce are periodically reviewed. It is our practice that managers regularly discuss ODE's affirmative action and reasonable accommodations policies with their staff, and provide and support opportunities for diversity training and education for their staff.

I. Status of Contracts to Minority Businesses (ORS 659A.015)

ODE's Procurement Services work unit produces quarterly reports in accordance with Executive Order No. 12-03 for the Director of Economic and Business Equity, who is also known as the Advocate for Minority, Women, and Emerging Small Business (MWESB). The reported information is available upon request from the Governor's Office of Economic and Business Equity. From July 1, 2016 through June 30, 2018, ODE had 359 contracts in place; however, none was awarded to MWESB. It is possible that many of the firms ODE contracts with could be certified through the MWESB application process if they chose to apply. ODE provides notice to certified firms for all competitive solicitations through the Oregon Procurement Information Network (ORPIN). Contract dollars from January 1, 2017 to May 31, 2018 totaled $4,674,215. No contracts have been registered with COBID because many of the services we need are not furnished by COBID vendors.

During the period July 1, 2014 through June 30, 2016 ODE had 17 contracts with MWESB. ODE will need to examine the data further and determine why recent contracts have not been awarded to MWESB. Further outreach is likely needed to MWESB to ensure not only that they are certified, but are also engaged in the RFP process.

III. ROLES FOR IMPLEMENTATION OF AFFIRMATIVE ACTION PLAN
A. Responsibilities and Accountabilities
Administrator

The agency's Administrator is Deputy Superintendent of Public Instruction Colt Gill who was appointed February 12, 2018. Deputy Superintendent Gill has committed and directed the Department of Education to take the necessary affirmative action steps to increase equal employment and promotional opportunities toward establishing and maintaining a diverse workforce to carry out the goals of the Office of the Chief Education Officer and the State Board of Education. Affirmative action statistics and trends specific to ODE are evaluated and analyzed quarterly, and form the basis of the Deputy Superintendent's direction to the agency. As the executive head of the agency, Deputy Superintendent Gill is accountable to oversee the implementation of the plan.

As the agency Administrator, Deputy Superintendent Gill's role is to:

- set the overall direction and goals of ODE's affirmative action efforts;

- promote a positive climate throughout the agency; and

- ensure ODE Management Team members understand their work performance is evaluated based on affirmative action and diversity efforts in conjunction with other assigned responsibilities.

Office of Equity, Diversity, and Inclusion:

Pursuant to the provisions of a variety of initiatives related to increased efforts around education equity and culturally responsive pedagogy and practice, House Bill 3233 provided the funding to create and support a twelve employee Office of Equity, Diversity, and Inclusion in the 2013-2015 biennium. This has enabled the Oregon Department of Education to provide increased resources and professional development to school districts, community-based organizations, and post-secondary institutions focused on increasing academic and social outcomes for traditionally marginalized student populations, specifically students of color, English Learners, and students experiencing poverty.

Office of Equity, Diversity, and Inclusion Mission:

The mission of the Office of Equity, Diversity, and Inclusion is to support our educators, students, families, community members, and colleagues to be reflective and self-critical about designing, developing, and implementing culturally responsive systems that value academic excellence for all students and promote social and emotional well-being, while maintaining high expectations and creating safe and supportive space for each student to thrive.

Value Statements

Social Justice

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We honor the **tenets of Social Justice Education**, recognizing that creating and maintaining systemic reform includes changing laws, policy, and larger social conditions. Our goals are about eliminating racism, transforming institutions for equity and justice, and demanding the eradication of barriers for culturally and linguistically diverse students and their families.

Critical Examination of Power

We understand the **power of White Privilege**, recognizing that dominant society often carries an invisible knapsack of unearned assets, which widen opportunity gaps between culturally, and linguistically diverse students and their White peers, socially and academically.

Combating Discrimination and Disparities

We value diversity, recognizing that different backgrounds, perspectives, and ideas bring strength. We have a commitment to equitable treatment and elimination of discrimination in all forms, at all levels, and across all institutions and programs. We work to create and maintain an environment that respects diverse traditions, heritages and experiences. We challenge obstacles to respectful and inclusive learning environments and act in solidarity to prevent discrimination or harassment based on race, color, sex, sexual orientation, marital status, religion, national origin, age, or disability.

Building Capacity for Education Equity

We value supporting educators and our colleagues in developing equitable teaching and learning processes to promote the development of educators that acknowledge and promote equity within education for each student regardless of the student's race, color, sex, sexual orientation, marital status, religion, national origin, age, or disability. We value supporting the Oregon Equity Lens' vision for educational equity and excellence to close the achievement and opportunity gaps for students of color and low-income students.

Multicultural Education

We support **Multicultural Education,** recognizing that multicultural education includes a wide variety of programs and practices related to educational equity for gender, ethnic groups, English Learners, socioeconomics, exceptionalities, religion, and learning styles. We understand that Multicultural Education goes beyond a "Heroes and Holidays" approach and encompasses systemic reform in content, knowledge, pedagogy, prejudice reduction, and empowering school culture and social structure. Multicultural Education reflects culturally responsive pedagogy and practices that use cultural knowledge, prior experiences, and performance styles of diverse students to make learning more appropriate and effective for them; it teaches to and through the strengths of these student groups.

The Equity Unit's work specifically includes monitoring and addressing Civil Rights issues, efforts to close the achievement and opportunity gaps for students of color and English Learners, and addressing the cultural and academic needs of English Learners and immigrant students. The

Equity Unit has distributed funding to school districts, community based organizations, post-secondary institutions, and other educational stakeholder organizations in the form of grants to support collaborative efforts to design, implement, improve, expand, or otherwise infuse culturally responsive pedagogy and practices to increase student academic outcomes, successful dual language programs, high school completion, and successful engagement in post-secondary educational opportunities.

Key Functions

The Equity Unit in the Oregon Department of Education works to provide robust access to a high quality education so that each student in Oregon can reach their highest potential and succeed regardless of their race/ethnicity, color, sex/gender, sexual orientation, marital status, religion, language, national origin, age, disability, familial status, source of income, and socio-economic status.

- Promotes policies and advocates for students who may not have access to quality educational opportunities by preventing discrimination to ensure equal access through technical assistance and vigorous enforcement of civil rights laws.

- Provides specific guidance, leadership, and support to educators, schools, districts, and regions on closing opportunity gaps for historically marginalized student groups, specifically students of color and English Learners by providing research-based, historically accurate, and culturally responsive resources and best practice models for educators, schools, districts, and communities.

- Provides leadership both inside and outside the agency in the understanding and facilitation of education equity by providing targeted support and professional development to create safe, supportive working and learning environments through the implementation of culturally responsive pedagogy and practice to staff and educators in early learning, PK-12 and post-secondary institutions, tribes and other education partners and community members.

- Provides pathways for engaging communities of color, parents, and students in key equity focused education initiatives through guidance, leadership, and support to educators, schools, districts, and through the use of equity driven strategic investments and grant opportunities.

- Collaborates with tribes, community, and higher education partners to identify and research promising practices on pressing equity issues to advance our thinking and the effectiveness of educational programs and services for students of color and English Learners.

Additional examples of agency work in the area of education equity and diversity includes but is not limited to direct contact with the nine Oregon Confederated Tribes and their leadership; participation in the Oregon Tribal Government-to-Government process; formation of the

Community Advisory Group; participation on various House and Senate Bill committees related to education equity; participation in the Interagency Council for Hunger and Homelessness; and membership on the Governor's Diversity and Inclusion Task Force; and participation in the Oregon Leadership Network, to name a few.

Examples of initiatives that ODE participates in to reach this goal include:

- Partnering with nine Confederated Tribes to preserve and teach Native American indigenous language and culture in schools;
- Awards for the Oregon Minority Educator Pipeline Models Grant and the Oregon Minority Educator Retention Grant. Each project focuses specifically on the recruitment and retention of educators of color and those who are linguistically diverse.
- Awards for the Culturally Responsive Pedagogy and Practices Grant. Each project focuses on professional development for in-service and pre-service educators related to culturally responsive systemic change.
- Supports for the transition to the new ELP Standards and the ELPA 21 assessment.
- HB 3499 English Learner Strategic Plan Bill
- HB 2016 African American/Black Student Success Plan Bill
- TAP Grant Tribal Attendance Policy
- Biliteracy Seal Awards
- Visiting Teachers Program in collaboration with the Mexican Consulate
- Facilitation of a Spanish language assessment – Logramos
- Showcasing best practices around K-12 Biliteracy Pathways programs across the state.

Information regarding education equity and cultural responsiveness is currently available to school district personnel, as well as members of the general public. This includes specific professional development resources and information about education equity and cultural responsiveness on the ODE Equity Unit website. Periodic scheduled professional development opportunities provided by the ODE Equity Unit cover various education equity topics including English Learners, creating access and opportunity for racially, culturally, and linguistically diverse students, the dynamics of White privilege, exploring education equity in a broad context, and addressing issues of civil rights. Training on these topics is currently offered to ODE staff as needed.

In May of 2017, ODE hired Dr. Darryl Tukufu to lead the Office of Equity, Diversity, and Inclusion as Assistant Superintendent.

Office of Equity, Diversity, and Inclusion

Managers and Supervisors

Managers and supervisors within the agency's Early Learning Division have spearheaded equity breakthrough projects in conjunction with the goals of the Early Learning Council. Below is some background and a summary of their ongoing work.

The Early Learning Council adopted the Oregon Equity Lens in July 2013 to guide policy recommendations and community engagement as the state took on the ambitious task of concurrent state system transformations to better support each and every child. The purpose of the Oregon Equity Lens is to clearly articulate the shared goals of our state, the intentional investments we must make to reach our goals of an equitable educational system, and to create clear accountability structures to ensure that we are actively making progress and correcting where there is no progress, such as disparities in our graduation rates. The core beliefs around equity, an essential part of the Equity Lens, were created to recognize the institutional and systemic barriers and discriminatory practices that have limited access for many children in the Oregon educational system. 2 The Oregon Equity Lens shall assure kindergarten readiness of Oregon's underserved children through implemented strategies that align programs, systems and funding in early childhood with a focus on children of color and children living in poverty.

The Oregon Equity Lens makes a case for leading with race, which is how the ELD proceeded. The ELD recognizes that there are multiple forms of inequity and oppression that must be addressed in our educational system: racism, sexism, classism, ableism and many more. While leading with race, the ELD also recognizes the intersectionality between all systems of oppression. Addressing one, stimulates a need to address another and to continue to chip away at systemic inequity until we have transformed ourselves into a culturally responsive Early Learning System. Ultimately, the main recommendation to the Early Learning Council is that more time and continued work is needed to fully align all early learning policies and practice with the Oregon Equity Lens, and develop an equity toolkit that contains tools and resources addressing all underserved populations.

Early Learning Division: Overarching Equity Goal

The Early Learning Division's equity goal is to create a state- and regional-wide culture that demands and supports the eradication of systemic oppression, while developing a framework that will conscientiously interrupt systems of oppression by creating equitable policies, practices, and procedures that produce the outcomes needed to narrow the current and predictable racial achievement gap by:

- Improving the Divisions capacity to design and deliver equity-centered professional development for staff.
- Improving equity-centered child care, preschool and home visiting leadership and support.
- Implementing equity-centered policies, practices, and procedures, and outcomes to create antiracist, anti-bias environments within the early learning system in the state.

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The Scope of Equity Work within the Early Learning Council and Early Learning Division
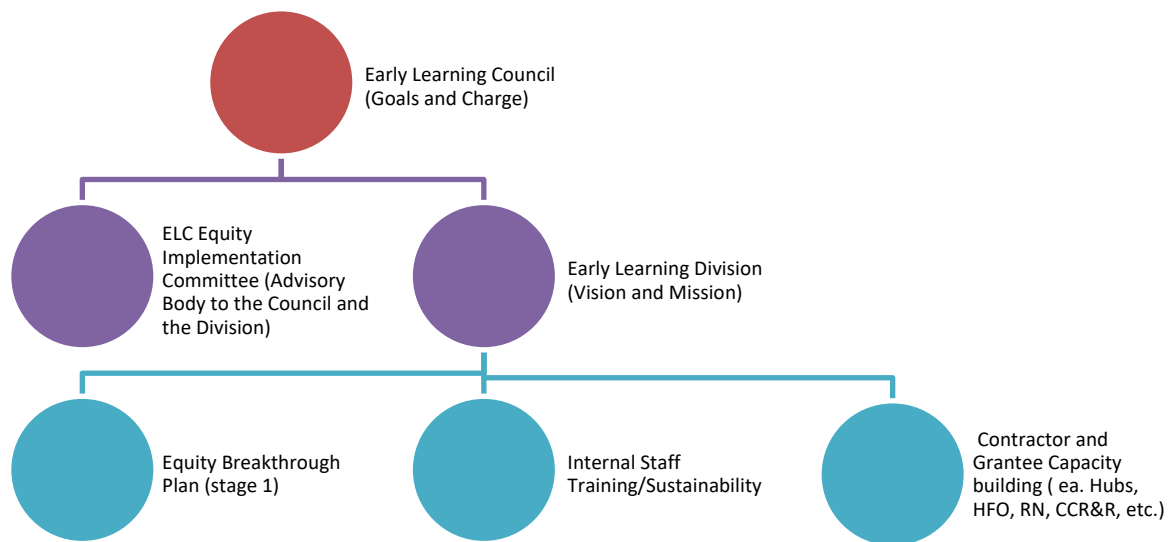
Layer 1 (Red):
- Adoption of Oregon Equity Lens as policy
- Approval of rules, policies, and recommendations
- Alignment of ELC strategic plan with equity goals
- Alignment with Governor's office strategic plan

Layer 2 (Purple):
- ELC Equity Implementation Committee (advisory body to the council and division)
- ELD: Vision and mission aligned/guides all of the work of the division
- ELD: Executive Equity Leadership
- Staff Onboarding: Staff introduction to the equity principles that are the foundation of the division's work.

Layer 3 (Blue):
- 4 Division wide Equity Breakthrough Projects
- Internal staff equity training and Sustainability Efforts
    - Phase 1: A year long professional development series for all staff members.
- Contractors and Grantees Equity Capacity Building
    - Specified equity contract deliverables
        - Completion of the self assessment related to racial equity
        - Structural racialism training
        - Disparity analysis
- Targeted Team Level Staff Training
- Policies and Practices Development

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Information regarding equity and cultural responsiveness is currently available to all early learning programs and personnel, as well as members of the general public. This includes specific professional development resources and information about equity and cultural responsiveness on the [Early Learning Division](#) website. Periodic scheduled professional development opportunities provided by ELD and contractors to cover various diversity topics around the state of Oregon.

Framework and Intended Outcomes

FRAMEWORK FOR BUILDING CAPACITY WITHIN THE EARLY LEARNING DIVISION
The Framework for building capacity within the Early Learning Division is built upon a Theory of Action, a cyclical process beginning with awareness building followed by acknowledgement (goal setting) and action. The process is based upon the following:

1. Build capacity within the Early Learning Division staff to:
   a. Deepen understanding about how and why systems of oppressions are developed within our society and how they create inequities within our society.
   b. Implement a framework to productively interrupt how those systems of oppressions are impacting the practices, polices, and procedures that to turn those patterns around.
   c. Develop the skills, expertise, and capacity to respond to student needs in culturally appropriate and effective ways.
   d. Increase the visibility and awareness throughout the Early Learning Division about the needs our targeted populations of children and families.
   e. Develop higher expectations, positive attitudes, will, and ownership throughout the division for the education of each student.
   f. Design and implement more responsive programs and structures.
   g. Build internal accountability and capacity to support current and future work of the division.

2. Provide equity-focused leadership to division's planning efforts; i.e., improvement and strategic plans.

3. Increase the impact of equity-driven practices in everyday outcomes for children and families.

4. As a result, the following achievement and participation patterns will occur:
   a. Achievement will improve across the division.
   b. Steady and significant progress will be made in closing the opportunity and access gaps.
   c. Predictability of who is less likely to receive access to our programs will be reduced.

5. Cycles of Inquiry that deepen an understanding of patterns of underachievement and inequities are used to support and monitor the progress toward meeting the equity goal.

In addition, all agency managers and supervisors are accountable for:

- promoting and fostering a positive, non-discriminatory work environment;
- ensuring subordinate managers and supervisors are familiar with ODE's Affirmative Action Plan and their role in supporting the plan;
- ensuring subordinate managers and supervisors are evaluated on their effectiveness in implementing the Affirmative Action Plan;
- periodically reviewing program activities, practices, and procedures to remove impediments to achieving a diverse workforce;
- regularly discussing ODE's affirmative action and reasonable accommodations policies with their staff;
- providing and supporting opportunities for diversity training and education for their staff; and
- being evaluated based on affirmative action and diversity efforts in conjunction with other assigned responsibilities through an annual performance evaluation.

In addition, all ODE managers and supervisors have been formally assigned responsibility for maintaining a respectful workplace that is free from discrimination and harassment, and in which diverse viewpoints and cultures are welcomed. To monitor the success of these efforts, managers and supervisors are evaluated annually in this area. Managers and supervisors are encouraged to attend training as it becomes available to increase and enhance the successful implementation of the plan.

Deputy Superintendent Gill has delegated responsibility to the ODE Diversity, Inclusion, and Affirmative Action Representative, Krista Campbell, who plays a vital role in developing, implementing, and maintaining the agency's Affirmative Action Plan, and provides input at upper-level management meetings on a regular basis. The Diversity, Inclusion, and Affirmative Action Representative ensures that issues such as affirmative action, diversity, and cultural competency are continuing topics of discussion and training at upper-level management meetings.

Affirmative Action Representative

The evaluation of the Diversity, Inclusion, and Affirmative Action Representative's job performance is based on successful performance of the assigned responsibilities, which are:

- coordinating the biennial development, maintenance, and updating of the agency's Affirmative Action Plan, including policy and content recommendations;
- successfully implementing and disseminating the agency's Affirmative Action Plan;
- continuously evaluating the agency's affirmative action and diversity efforts and recommending changes or refinements to the Affirmative Action Plan as necessary;

- developing and monitoring recruitment and retention procedures and practices for compliance with affirmative action policies including outreach, development of hiring criteria, and promotion;

- ensuring compliance with accessibility and accommodation requirements;

- training agency management and staff in the areas of affirmative action, diversity, and cultural competency;

- assisting in and ensuring the provision of accommodations such as alternate formats of documents for applicants, employees, and visitors;

- coordinating the investigation of internal and external discrimination complaints;

- responding to internal and external discrimination complaints and recommending appropriate action;

- keeping agency management informed of progress under the Affirmative Action Plan;

- regularly attending the Statewide DI/AA/EEO meetings facilitated by the Governor's Affirmative Action Office;

- meeting weekly with the agency Management Team;

- developing, coordinating, and participating in activities aimed at creating a welcoming environment for all employees including those from diverse backgrounds to enhance efforts to recruit and retain members of protected groups; and

- Participating in or overseeing activities aimed at creating a welcoming environment for all workers of all backgrounds, including activities aimed at improving retention of members of the protected classes.

Consistent with Deputy Superintendent Gill's commitment to affirmative action and diversity, the Diversity, Inclusion, and Affirmative Action Representative has the necessary resources and support from upper management to ensure the successful and effective implementation of ODE's Affirmative Action Plan.

The agency's directors and human resource analysts are responsible for providing equal opportunity for applicants and employees. ODE job announcements and employment ads initiated by ODE include an EEO/AA statement. The Oregon School for the Deaf actively recruits workers with disabilities, and gives preference to all applicants who are skilled in sign language. An effort is made to include diverse representation on employment interview panels. Agency human resource analysts work closely with ODE managers to ensure that decisions made regarding hiring, promotion, demotion, transfer, termination, layoff, training, compensation, benefits, and performance evaluations are arrived at in a non-discriminatory manner. All contracts initiated by ODE include a "Standard Contract Provisions" statement requiring compliance with federal and state civil rights and rehabilitation statutes, rules, and regulations.

IV.   JULY 1, 2017 to JUNE 30, 2018
Accomplishments
During the period from July 1, 2017 through June 30, 2018, ODE sustained representation above parity for women and people with disabilities, and increased representation of people of color. The agency will continue to focus on increasing the representation of people of color in all groups, especially in the teacher/educator category of the professionals job group, which consists of approximately half of our workforce and carries the greatest responsibility for direct services to students and other educators throughout Oregon. In addition, the agency will continue to work to increase the number of women in the computer analyst and trades/maintenance categories. The overall representation of people with disabilities in the agency is 11.55%, which is 5.55 percentage points over parity.

One recruitment factor that has been, and continues to be, a challenge for the agency is the minimum qualifications for the professionals job group, particularly the teacher/educator category. These positions generally require a bachelor's degree and classroom experience at the lower ranges, and a master's degree or doctorate with additional classroom experience and two years of program coordination or leadership experience in the higher salary ranges. The agency's career ladder historically provided very little opportunity for internal promotion between administrative support and professional classifications, resulting in professional positions typically being filled through external recruitment. The strongest competitors for qualified external applicants were Oregon's public and private schools and education agencies, and the agency was finding it increasingly difficult to offer a compensation package that was competitive in the education job market.

To help address broader concerns with career ladders and professional learning opportunities, ODE HR is working to develop Professional Learning Resource Guides for career paths across the agency. Once these Resource Guides are published, they will provide a basic blueprint for employees to use to develop individual learning plans based on their career goals. Once this project is complete, ODE expects more employees to be ready for promotional opportunities.

The previous DI/AA/EEO workgroup has been attended by the Diversity, Inclusion, and Affirmative Action Representative and other Employee Services staff. It has helped our agency by an exchange of ideas and best practices. ODE expects this work to continue and improve once the Diversity, Equity, and Inclusion Employee Committee is formed.

In an effort to continue to capture accurate data, ODE's revised new employee orientation program incorporated an instrument to gather more comprehensive self-reported affirmative action data.

The State Advisory Council for Special Education (SACSE) is a continuing advisory group for ODE and represents a diverse group. This group reviews aspects of statewide programs in special education, advises the Deputy Superintendent and the State Board of Education on unmet needs in the area of special education, and assists the State in developing and reporting data and evaluation concerning special education. Members of this group include individuals with disabilities, parents

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or guardians of children and youth with disabilities, educators of children and youth with disabilities, state and local education officials, administrators of programs for children and youth with disabilities, and other persons associated with or interested in special education.

Advisory committees and/or councils related to underrepresented groups have been established to meaningfully engage parents, stakeholders, and the larger community to make Oregon's schools the best in the country. They include the African American/Black Student Success Plan Advisory Group, the Oregon American Indian/Alaska Native Advisory Panel, the English Language Learners (ELL) Program Advisory Group, and various Content and Assessment advisory panels.

B.   Progress Made or Lost Since Previous Biennium

The affirmative action goals for the Oregon Department of Education are based on an analysis of employment patterns and practices, with particular attention given to the representation/ underrepresentation of women, people of color, and people with disabilities as it relates to parity. Parity is a condition that is achieved in an organization when the protected class composition of its workforce is equal to that in the relevant available work force. The parity figures used in this analysis were established by the Governor's Affirmative Action Office for EEO-4 job categories. An analysis of summary data provided by the Department of Administrative Services for the period July 1, 2017, through June 30, 2018, which weights the job group parity percentages based on the number of employees within each job group, reveals the following:

- The agency's *gender representation* consists of 68.59% women and 31.40% men, a decrease of 0.21 percentage points for women from the July 1, 2017, baseline of 68.81%. The agency continues to exceed parity in its gender representation of women in upper and middle management, and also meets or exceeds parity in the gender representation of women in most middle and lower salary ranges. An area of opportunity to increase gender representation for women may be in the skilled craft workers job group, which does not have any female incumbents. Positions in the skilled craft workers job group within ODE include Facility Operations Specialists, Facility Energy Technicians, and Electricians.

- The agency's representation of *people of color* is 16.25% an increase of 1.88 percentage points from the July 1, 2017, baseline of 14.37% With this increase in representation of people of color, ODE now meets or exceeds parity in many key job groups, such as middle management and upper management, inspector/compliance/investigation, and accounting/financial/revenue. Representation in the computer analyst job group increased by 3.12%; however, there is still room for improvement in this group in order to exceed parity. The agency would also benefit from a continued focus on recruitment efforts within underrepresented groups in the paraprofessional and technical job groups, including service maintenance workers and skilled craft workers.

- Representation of *people with disabilities* is 11.55%, a decrease of 0.14 percentage points from the July 1, 2017, baseline of 11.69%. ODE continues to exceed parity and increase

representation of people with disabilities in many job groups. However, representation in the professionals and skilled craft worker job group are areas where improvement may be possible.

Of the 41 employees promoted during the period of July 1, 2017, through June 30, 2018, 21.42% were people of color and 82.82% were women. These promotions varied within job groups, but primarily included upper and middle management, social science/planner/researcher, program coordinator/analyst, computer analyst, inspector/compliance/investigator, and accounting/financial/revenue. Although people of color and women were promoted within the agency during the period of July 2017 through June 2018, the agency will continue to monitor recruitment statistics to seek ways to increase the promotion rate of people in underrepresented groups.

Of the six employees that have promoted or transferred from classified service to management service in this period, five were women and two were people of color.

The charts on the next page summarize a comparison of the makeup of the ODE workforce from July 1, 2017 to June 30, 2018.

Affirmative Action Analysis – Women Representation in Workforce as of July 1, 2017

EEO Categories	Total Employees	Women Actual	Women Percentage	Women Parity	Women Goal
A01 Middle Management	1	0	0	43.00%	0
A02 Upper Management	40	26	65.00%	36.60%	16.8
B02 Communication/Editor	2	1	50.00%	41.70%	0.8
B03 Teacher/Education	115	72	62.61%	59.40%	64.2
B04 Nurse/Health	1	1	100.00%	70.40%	0.7
B06 Food Service Manager	17	13	76.47%	52.90%	10.6
B07 Purchasing Agency/Analyst	6	5	83.33%	43.20%	3
B09 Social Science/Planner/Researcher	18	11	61.11%	43.70%	6.6
B10 Personnel/Employment	3	3	100.00%	57.60%	3.5
B11 Inspector/Compliance/Investigator	57	49	85.96%	48.10%	23.1
B12 Computer Analyst	39	13	33.33%	32.40%	13.3
B15 Accounting/Financial/Revenue	17	13	76.47%	53.00%	9
B16 Program Coordinator/Analyst	56	32	57.14%	41.10%	21
C01 Health	5	4	80.00%	75.50%	3.8
C05 Audio Visual	1	1	100.00%	40.60%	0.4
E01 Non-Supervisory Paraprofessionals	42	29	69.05%	58.10%	26.1
F00 Administrative support	86	80	93.02%	70.30%	59.8
G03 Trades/Maintenance repair	1	0	0.00%	13.40%	0.1
G05 Mechanic/Boiler Operator	4	0	0.00%	12.50%	0.5
G06 Trades	1	0	0.00%	11.50%	0.1
H00 Service Maintenance Worker	17	11	64.71%	37.80%	6.8

Affirmative Action Analysis – Women Representation in Workforce as of June 30, 2018

EEO Categories	Total Employees	Women Actual	Women Percentage	Women Parity	Women Goal
A01 Middle Management	9	7	77.78%	43.00%	3.8
A02 Upper Management	36	21	58.33%	36.60%	13.1
B02 Communication/Editor	1	0	0.00%	41.70%	0.4
B03 Teacher/Education	118	73	61.86%	59.40%	70
B04 Nurse/Health	1	1	100.00%	70.40%	0.7
B06 Food Service Manager	18	15	83.33%	52.90%	9.5
B07 Purchasing Agency/Analyst	6	5	83.33%	43.20%	2.5
B09 Social Science/Planner/Researcher	20	13	65.00%	43.70%	8.7
B10 Personnel/Employment	6	4	66.67%	57.60%	3.4
B11 Inspector/Compliance/Investigator	64	56	87.50%	48.10%	30.7
B12 Computer Analyst	37	12	32.43%	32.40%	11.9
B15 Accounting/Financial/Revenue	17	14	82.35%	53.00%	9
B16 Program Coordinator/Analyst	61	38	62.30%	41.10%	25
C01 Health	5	4	80.00%	75.50%	3.7
C05 Audio Visual	0	0	0	40.60%	0.4
E01 Non-Supervisory Paraprofessionals	44	28	63.64%	58.10%	25.5
F00 Administrative support	86	79	91.86%	70.30%	60.4
G03 Trades/Maintenance repair	2	0	0.00%	13.40%	0.2
G05 Mechanic/Boiler Operator	3	0	0.00%	12.50%	0.3
G06 Trades	1	0	0.00%	11.50%	0.1
H00 Service Maintenance Worker	19	10	52.63%	37.80%	7.1

Affirmative Action Analysis – People of Color Representation in Workforce as of July 1, 2017

EEO Categories	Total Employees	People of Color Actual	People of Color Percentage	People of Color Parity	People of Color Goal
A01 Middle Management	1	1	100.00%	13.60%	0
A02 Upper Management	40	8	20.00%	12.20%	5.6
B02 Communication/Editor	2	1	50.00%	9.00%	0.2
B03 Teacher/Education	115	11	9.57%	9.60%	10.4
B04 Nurse/Health	1	0	0.00%	11.30%	0.1
B06 Food Service Manager	17	3	17.65%	6.10%	1.2
B07 Purchasing Agency/Analyst	6	1	16.67%	5.30%	0.4
B09 Social Science/Planner/Researcher	18	1	5.56%	10.00%	1.5
B10 Personnel/Employment	3	0	0.00%	11.60%	0.7
B11 Inspector/Compliance/Investigator	57	19	33.33%	10.70%	5.1
B12 Computer Analyst	39	3	7.69%	13.00%	5.3
B15 Accounting/Financial/Revenue	17	4	23.53%	13.00%	2.2
B16 Program Coordinator/Analyst	56	7	12.50%	9.50%	4.8
C01 Health	5	1	20.00%	13.80%	0.7
E01 Non-Supervisory	1	0	0.00%	9.20%	0.1
F00 Administrative support	42	0	0.00%	9.80%	4.4
G03 Trades/Maintenance repair	86	15	17.44%	9.70%	8.2
G05 Mechanic/Boiler Operator	1	0	0.00%	9.70%	0.1
G06 Trades	4	1	25.00%	7.50%	0.3
H00 Service Maintenance Worker	1	0	0.00%	7.10%	0.1

Affirmative Action Analysis – People of Color Representation in Workforce as of June 30, 2018

EEO Categories	Total Employees	People of Color Actual	People of Color Percentage	People of Color Parity	People of Color Goal
A01 Middle Management	9	2	22.22%	13.60%	0
A02 Upper Management	36	9	25.00%	12.20%	5.6
B02 Communication/Editor	1	0	0.00%	9.00%	0.2
B03 Teacher/Education	118	11	9.32%	9.60%	10.4
B04 Nurse/Health	1	0	0.00%	11.30%	0.1
B06 Food Service Manager	18	3	16.67%	6.10%	1.2
B07 Purchasing Agency/Analyst	6	2	33.33%	5.30%	0.4
B09 Social Science/Planner/Researcher	20	2	10.00%	10.00%	1.5
B10 Personnel/Employment	6	1	16.67%	11.60%	0.7
B11 Inspector/Compliance/Investigator	64	20	31.25%	10.70%	5.1
B12 Computer Analyst	37	4	10.81%	13.00%	5.3
B15 Accounting/Financial/Revenue	17	3	17.65%	13.00%	2.2
B16 Program Coordinator/Analyst	61	5	8.20%	9.50%	4.8
C01 Health	5	1	20.00%	13.80%	0.7
E01 Non-Supervisory	44	7	15.91%	9.80%	4.4
F00 Administrative support	86	19	22.09%	9.70%	8.2
G03 Trades/Maintenance repair	2	0	0.00%	9.10%	0.1
G05 Mechanic/Boiler Operator	3	1	33.33%	7.50%	0.3
G06 Trades	1	0	0.00%	7.10%	0.1
H00 Service Maintenance Worker	19	0	0.00%	11.60%	2.1

Affirmative Action Analysis – People with Disabilities Representation in Workforce as of July 1, 2017

Total Employees	Parity	Total People with Disabilities	Percentage Actual
522	6.00%	61	11.69%

Affirmative Action Analysis – People with Disabilities Representation in Workforce as of June 30, 2018

Total Employees	Parity	Total People with Disabilities	Percentage Actual
554	6.00%	64	11.55%

V.   JULY 1, 2019 – JUNE 30, 2021

A.   Affirmative Action Plan Goals

ODE's affirmative action plan goal is to increase the diversity of the agency so that it mirrors the diversity in Oregon's classrooms. This goal is an integral component of our strategic plan, which is summarized below. Following the strategies of our Strategic Plan will be critical to ensure we are meeting Affirmative Action goals.

ODE STRATEGIC PLAN SUMMARY

At the Oregon Department of Education, we are guided by the following mission, vision, and values:

<u>Mission</u>

The Oregon Department of Education fosters equity and excellence for every learner through collaborations with educators, partners, and communities.

<u>Vision</u>

Ensure all students have access to and benefit from a world-class, well-rounded, and equitable education system.

<u>Values</u>

Integrity, Accountability, Excellence, and Equity

The goals, which will help us achieve our mission, were developed through an equity lens and encompass not only our agency values, but also our commitment to achieving a diverse and inclusive environment throughout Oregon's education enterprise so that every student reaches their full potential.

This commitment is evidenced by the following goals:

<u>Goal 1 – Start Strong</u>

Every student enters school ready to learn and is academically successful by fourth grade.

<u>Goal 2 – Be Proficient and Transition Successfully</u>

Every student is supported and on track to meet expected grade level outcomes through a well-rounded education.

<u>Goal 3 – Graduate College and Career Ready</u>

Every student graduates from high school ready for college, career, and civic life.

<u>Goal 4 – Experience Outstanding Customer Service</u>

Every student, district, and agency employee is supported through highly functioning ODE business operations.

ODE revised its Strategic Plan during the 17-19 biennium to include a fifth goal:

Goal 5 – Interrupt and Transform Historically Inequitable Systems

B.   Strategies and Timelines for Achieving Goals

To successfully achieve ODE's goals, we will continue to work toward achieving the following goals:

Goal 1 – Start Strong
Every student enters school ready to learn and is academically successful by fourth grade.

Goal 2 – Be Proficient and Transition Successfully
Every student is supported and on track to meet expected grade level outcomes through a well-rounded education.

Goal 3 – Graduate College and Career Ready
Every student graduates from high school ready for college, career, and civic life.

Goal 4 – Experience Outstanding Customer Service
Every student, district, and agency employee is supported through highly functioning ODE business operations.

1. As part of Goal 4, ODE will develop, pilot, and launch a revised New Employee Orientation that connects new employees to the mission, vision, values of the agency, and equity, diversity, and inclusion.
2. ODE will develop and publish Professional Learning Resource Guides and develop individual learning plans for all employees.
3. ODE will develop a new Recruitment Strategy for the agency that encompasses equity, diversity, and inclusion.

Goal 5 – Interrupt and Transform Historically Inequitable Systems

1. Through Goal 5, ODE is forming the ODE Diversity, Equity, and Inclusion Employee Committee. This committee will coordinate diversity, equity, and inclusion activities and information shared internally with the Agency's Affirmative Action goals.

2. ODE's objectives as part of this goal also include updating the Oregon Equity Lens and increasing professional training and guidance for Oregon Educators. This will involve developing an internal shared understanding across ODE staff of educational equity.

VI.   APPENDIX A

A. State Policy Documentation
All State Policy Documents

A. ADA and Reasonable Accommodation Policy (Statewide Policy 50.020.10)
B. Discrimination and Harassment Free Workplace (Statewide Policy 50.010.01)
C. Employee Development and Implementation of Oregon Benchmarks for Workforce Development (Statewide Policy 50.045.01)
D. Veterans Preference in Employment (105-040-0015)
E. Equal Opportunity and Affirmation Action Rule (105-040-0001)
F. Executive Order 17-11

VII.   APPENDIX B

B. Federal Documentation
All Federal Policy Documents

A. Age Discrimination in Employment Act of 1967 (ADEA)
B. Disability Discrimination Title I of the Americans with Disability Act of 1990
C. Equal Pay and Compensation Discrimination Equal Pay Act of 1963, and TitleVII of the Civil Rights Act of 1964
D. Genetic Information Discrimination Title II of the Genetic Information/Nondiscrimination Act of 2008 (GINA)
E. National Origin Discrimination Title VII of the Civil Rights Act of 1964
F. Pregnancy Discrimination Title VII of the Civil Rights Act of 1964
G. Race/Color Discrimination Title VII of the Civil Rights Act of 1964
H. Religious Discrimination Title VII of the Civil Rights Act of 1964
I. Retaliation Title VII of the Civil Agency Affirmative Action Policy
J. Sex-Based Discrimination Title VII of the Civil Rights Act of 1964
K. Sexual Harassment Title VII of the Civil Rights Act of 1964

VIII. APPENDIX C

C.   Agency Documentation in Support of its Affirmative Action Plan

AGENCY POLICY 581-214
Effective Date: 07-19-2017

AUTHORIZED SIGNATURE: Signature on file at ODE

RE: Support of Employee Involvement in Wellness Activities PURPOSE:

ODE is committed to promoting an environment that contributes to employee wellness. Healthy, empowered and engaged employees are integral to the effective delivery of ODE services to our education partners. Prompted by Governor's Executive Order No. 17-01 State Agency Employee Wellness, ODE recognizes the benefits to both employers and employees of workplace programs that promote and support health and wellness.

POLICY:

ODE supports employee requests for approved time away from regular duties to participate in wellness activities. Examples of such activities include but are not limited to participation in the agency's wellness committee and wellness activities and events. Employees seeking to participate in these activities must present a request to their manager in writing or in an email and allow a minimum of two weeks for their manager to review and respond. When considering an employee's request for time off, managers will consider the needs of the office, whether services can be adequately maintained, the frequency of requests, and the level of disruption to the office in their decision.

With manager approval, employees are permitted to attend agency and state sponsored wellness events during work hours, for a reasonable amount of time, without the need to utilize personal leave. For other wellness activities, the manager and employee may mutually agree to flex schedules, or the manager may approve the use of vacation leave, comp time, personal business or leave without pay as appropriate in accordance with applicable collective bargaining agreements and/or Statewide HR Policy 10.030.01 Support of Employee's Work and Family Needs. Management and executive service employees will follow the same basic principles as represented staff in requesting time to participate in wellness activities.

A wellness committee established by charter will advise management on and assist with carrying out initiatives that promote wellness. This wellness committee shall be comprised of employees who provide balanced and broad representation of ODE. A specified number of hours and length of commitment will be determined and included in the committee's charter, and members will be allowed time to participate during their normal work hours. Wellness-related educational opportunities shall not be utilized by event sponsors, hosts, or attendees to sell, promote, or solicit products or services.

AGENCY POLICY 581-501

Effective Date: 06-27-2006

APPROVED: Signature on File at ODE

RE: Payment of Tuition for Accredited Higher Education

PURPOSE: The purpose of the program is to provide a structured and equitable system for Permanent Classified, Management and Executive Service staff to obtain needed education, advance employee skills and to recognize that benefits of education are portable and therefore shared by ODE and the individual.

POLICY:
This Policy is specific to Agency payment for tuition expenses for ODE employees attending courses at credit granting institutes of higher education accredited by an agency approved by the U.S. Secretary of Education. This Policy does not apply to conference, workshop or trade-specific trainings that do not grant higher education credit to individual students. This policy does not change written agreements entered into prior to the effective date of this policy. This policy does not supersede any collective bargaining agreement and is intended to be implemented within available resources.

1. When Management Directs Attendance in a Course or Program
In a case where the specific education is a unique and specialized job requirement not normally found in job applicants, or became a requirement of a current position after an employee was hired, the Agency may direct an employee to attend the course and make payment directly to a provider best suited for Agency needs.

2. Considerations When Employee Requests Tuition Payment for Attendance in a Course or Program

   a. Permanent employees may request tuition payment using a form prescribed by the Unit Coordinators. The form provides space for all required justifications and agreements. The employee shall include a description of the program and how it will be of benefit to the State. The employee's Assistant Superintendent, or written delegate, must approve each course or program of study in advance.

   b. Assistant Superintendents, or written delegates, must consider the requesting employee's impact and potential benefit to the Agency in making any decision grant

tuition payment under this policy. The Course or program must be relevant to current career field and of benefit to the agency.

   c. The employee must present proof of grade and proof of payment for reimbursement. Reimbursement can only be made upon completion of the course with a course grade of at least a C (2.0), a "Pass" in the case of a Pass/Fail course, or meet the minimum requirements of the program.

3. Considerations for Selection of Education Program and Location

   a. Every effort should be taken to maximize the use of public community colleges or state university courses or programs.

   b. Private institutions should only be used when the course or program of instruction is deemed necessary and there is no equivalent program available within 35 miles of the employee's place of business.

   c. Distance Learning is an acceptable delivery method in this policy.

   d. The Assistant Superintendent, or written delegate, shall provide a justification of the education program selected and describe the balance of the benefit to the state and the employee. Assistant Superintendent, or written delegate, may consider any relevant factors in this justification such as quality of the program, timing, availability, and impact on employee's schedule.

4. Limitations

   e. It is not the intent of this policy to give unlimited access to ever increasing levels of education, such as gaining advanced degrees, without due consideration to the benefit to the Agency. Requests should not be approved for courses in programs significantly above or unrelated to the employee's current position.

   f. Each request must be reviewed by the employee's Assistant Superintendent. After completion of education, the employee must agree to continue in state service for a period of six months or twice the period of training, whichever is greater. The employee shall also agree to reimburse to the state an amount of tuition proportionate to the unfulfilled portion of the commitment in the event he/she does not fulfill this commitment. Under extenuating circumstances, such commitments may be modified or waived by the agency appointing authority.

   g. Reimbursement for tuition at private institutions will be limited to the comparable tuition costs for comparable program or level of education at the nearest State University. This policy may be used to reimburse Tuition and course fees only. This policy may not be used to reimburse parking, student activity fees, elective fees or books.

   h. Employees enrolled in Distance Learning programs may not use ODE computers during work hours to complete coursework.

i. This policy shall not be used for Educational Leave with Pay. This Policy is limited to specific courses or programs of study that support employees to continue in performance of their duties.

5. Benefits

j. The Assistant Superintendent, or written delegate, may approve individuals to take classes during normal work hours in a paid status, and/or;

k. Reimbursement of up to 100% of tuition cost, based on their assessment of the balance of benefit to the employee and the Agency.

l. Agency will not pay for overtime, compensatory time, employee travel or travel related expenses except when course is required as in paragraph 1.

Reference/Authority
DAS/SEIU 2007-2009 Collective Bargaining Agreement, Article 121.5, Section 2

PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, (_Oregon Department of Education_) presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2019-2021 biennium.

Supervisory Ratio for the last quarter of 2017-2019 biennium

The agency actual supervisory ratio as of _6/30/2018_ is 1: _9.39_

                                                    (Date)   (Enter ratio from last Published DAS CHRO Supervisory Ratio)

The Agency actual supervisory ratio is calculated using the following calculation;

_61_	=	_57_	+	_5_	- (_1_)
(Total supervisors)		(Employee in a supervisory role)		(Vacancies that if filled would perform a supervisory role)	(Agency head)

_573_	=	_523_	+	_50_
(Total non-supervisors)		(Employee in a non-supervisory role)		(Vacancies that if filled would perform a non- supervisory role)

The agency has a current actual supervisory ratio of-

1: _9.39_   =   **_573_**   /   **_61_**

(Actual span of control)   (Total non - Supervisors)   (Total Supervisors)

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.

⬅ Narrow Span		Wide Span ➡
High	RISK TO PUBLIC/EMPLOYEE SAFETY	Low
Dispersed	GEOGRAPHIC LOCATION(s) OF SUBORDINATES	Assembled
Complex	COMPLEXITY OF DUTIES/MISSION	Not complex
Low	BEST PRACTICES/INDUSTRY STANDARDS	High
Small	AGENCY SIZE/HOURS OF OPERATION	Large
Many	NON AGENCY STAFF/TEMPORARY EMPLOYEES	Few
High	FINANCIAL RESPONSIBILITY	Low
⬅ More Supervisors		Fewer Supervisors ➡

1
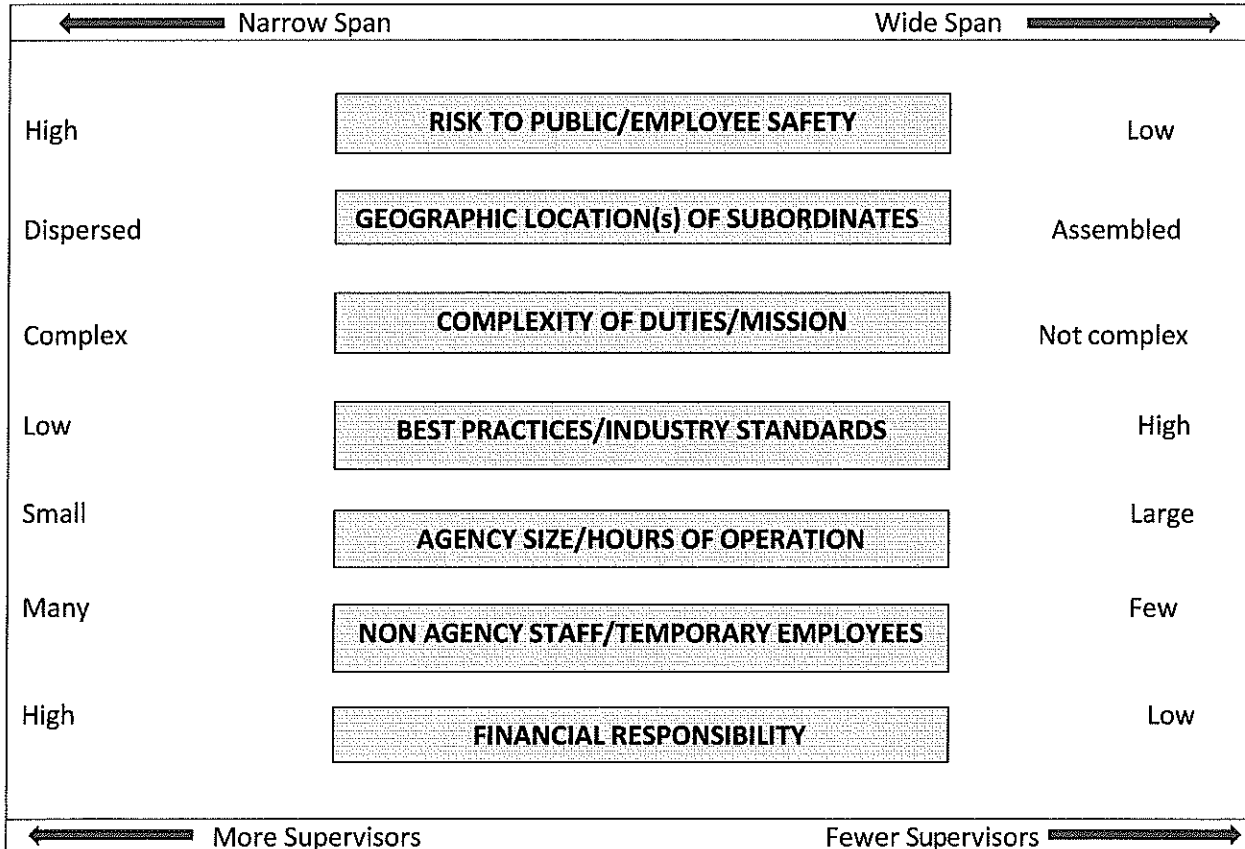
Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio?

(Y)N

> Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-
>
> The Office of Child Care within the Oregon Department of Education's Early Learning Division is responsible for regulatory oversight (licensing and compliance) of child care facilities across the State of Oregon, supporting child care providers through technical assistance and professional development, and providing information to both providers and parents. Licensing specialists make decisions on a daily basis that impact the quality, safety, and availability of child care in Oregon. Decisions are made regarding health and safety practices, developmentally appropriate child care, appropriate discipline practices, nutrition, materials and equipment, space planning and capacity, and provider/staff training and qualifications.
>
> This work affects the health and safety of more than 48,000 children being cared for in Oregon certified childcare centers, and certified and registered family childcare homes. The complexity of the work often requires consultation between licensing specialists and managers to produce the best decisions and outcomes for children. Because this type of consultation becomes more difficult with a larger supervisory ratio, a narrower supervisory ratio is needed.

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? (Y)N

> Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-
>
> The Oregon Department of Education is comprised of ten worksite locations across the state. Three of our worksites are located in Salem. The other worksites are located in Eugene, Gresham, Medford, Milton-Freewater, Redmond, The Dalles, and Tualatin.
>
> The challenges of supervising employees in locations spread out over several geographic locations would be lessened with a narrower span of control.

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? (Y)/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Department of Education is responsible for work that is large in scope and complexity. The agency oversees the education of over 560,000 students in Oregon's public Kindergarten-12th grade (K-12) education system, and encompasses early learning, public preschool programs, the Oregon School for the Deaf, regional programs for children with disabilities, and education programs in Oregon youth corrections facilities.

Federal and state laws, rules, and policies govern the work, and cover a wide range of complex areas such as:

Elementary and secondary education programs
- 1,200 public schools organized into 197 school districts and 19 education service districts

Equity-Related Programs
- Civil Rights, including Title IX
- English Language Learner Initiatives
- African American/Black Student Education
- American Indian/Alaska Native Education
- Migrant Education

Federal Programs
- Every Student Succeeds Act (ESSA)
- Elementary & Secondary Education Act (ESEA)
- Title I-A (Improving Basic Programs)
- Title I-C (Migrant Education)
- Title I-D (Neglected and Delinquent or At-Risk Children
- Title II-A (Supporting Effective Instruction
- Title III (English Learners and Immigrant Youth
- Title IV-A (Student Support and Academic Enrichment Grant
- Title IV-B (21st Century Community Learning Centers)
- Title IV-C (Charter Schools)
- Title V-A (Funding Flexibility)
- Title V-B (Rural Education Achievement Program)
- Title VI-A (Indian, Native Hawaiian, and Alaska Native Education)
- McKinney-Vento Act (Education of Homeless Children and Youth Program)

Student Services
- Special Education Data Collection & Compliance
- Child Nutrition
- Early Intervention & Early Childhood Special Education
- Education Programs and Secondary Transition
- Hospital Programs
- School Nurses
- Fingerprinting of all classified staff in school districts
- Regulating Pupil Transportation for all schools
- Regional Programs/Best Practices

District and School Effectiveness
- School Improvement Grants
- Continuous Improvement Planning
- System Performance Review and Improvement
- Support for Low Performing Title I Schools

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? *(CONTINUED FROM PREVIOUS PAGE)*

Standards and Instructional Support
- Academic Content Standards

Student Assessment
- Statewide Assessments
- Essential Skills
- Test Administration

Career and Technical Education (CTE)
- Carl D. Perkins IV Federal Grant
- CTE Revitalization Grant
- CTE Civil Rights

Early Learning Division
- Child Care
- Early Learning Programs
- Cross Systems Integration
- Policy and Research
- Equity

Youth Development Division
- Student Supports and Graduation Readiness
- Reengaging Dropout Youth
- Youth Workforce & Training
- Juvenile Justice
- Youth Gang Prevention & Intervention

School Facilities
- Oregon School Capital Improvement Matching Program (OSCIM)
- Technical Assistance Program
- School Facilities Database

The agency must have supervisors with the technical and educational knowledge required in each of these areas to effectively supervise and collaborate with educational professionals as they carry out the work. A narrower span of control would allow a tighter focus on highly complex education programs, and effective relationships with a wide variety of stakeholder groups.

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? Y/(N)

> Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio? (Y)/N

> Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-
>
> The Oregon Department of Education operates the Oregon School for the Deaf (OSD), which provides an educational program for Oregon students who are Deaf or Hard of Hearing, and whose educational needs can appropriately be met in this setting. OSD offers a full range of classes and extra-curricular activities for students in kindergarten through grade 21.
>
> The programs and departments of OSD include Administration, Clerical, Education, Dormitory/Recreation, Adult Transition Program, Athletics, Student Guidance, Maintenance/Custodial, Student Health Services, Student Nutrition Services, Evaluation/Support Services, and Library Media Center.
>
> Residential services are available to students who live beyond a distance feasible for daily transportation or for students whose Individual Education Plan (IEP) requires additional time or alternative settings resulting in OSD providing 24-hour service, care, and education for students.
>
> OSD's 24-hour operations require a narrower supervisory ratio in order to provide sufficient oversight for employees on all shifts who are educating and ensuring the safety and well-being of students.

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? Y/(N)

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? (Y)/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Department of Education's total budget is $12.65B, including the State School Fund's $8.77B. The State School Fund represents approximately *40% of the state's general fund budget overall*. Distribution of the State School Fund is highly complex and a critical factor in the successful operation of all Oregon school districts and education service districts.

The agency administers approximately $230M of complex bond-related programs targeted for improving school facilities, as well as the Oregon School for the Deaf.

The agency must have supervisors with the technical and educational knowledge required to administer and distribute the State School Fund, and complex bond-related programs. A narrower span of control would allow a tighter focus on these highly complex funding systems.

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: _9_ .

Unions Requiring Notification__Service Employees International Union (SEIU), State Teachers Education Association (STEA)

Date unions notified_____8.27.18_____

Submitted by: ___Kirta Campbell_____   Date:____8.27.18____

Signature Line ___RKG_____   Date ___8-27-18___

Signature Line _____   Date ___8-27-18___

Signature Line _____   Date _____

Signature Line _____   Date _____

OREGON DEPARTMENT OF EDUCATION

10% REDUCTION OPTIONS (ORS 291.216)

The Oregon Department of Education's (ODE) 2019-21 Current Service Level (CSL) Budget is $12,015,069,941. This includes $32,497,290 of General Fund obligated for Debt Service of State General Obligation Bonds, as well as $692,870 of Lottery Funds for Debt Service of Lottery Backed Revenue Bonds. For the purposes of providing agency reduction options, Debt Service is not required; therefore, the total 2019-21 CSL Budget for reduction purposes is $11,981,897,781. The table below provides the targeted CSL by fund type, as well as the calculation of both 5% and 10% reductions.
:

Fund Type	2019-21 Current Service Level	2019-21 5% Reduction	2019-21 10% Reduction
General Fund	$9,131,301,206	$456,565,061	$913,130,121
Lottery Funds	$535,719,907	$26,785,995	$53,571,991
Other Funds	$697,185,529	$34,859,276	$69,718,553
Federal Funds	$1,090,210,472	$54,510,524	$109,021,047
Other Funds – Non-Limited	$120,364,721	$6,018,236	$12,036,472
Federal Funds – Non - Limited	$407,115,946	$20,355,797	$40,711,595
Total Funds	**$11,981,897,781**	**$599,094,889**	**$1,198,189,778**

General Fund and Lottery Funds - 10% reduction target for General Fund is $913,130,121 and Lottery Funds is $53,571,991.
The table below provides information on what reductions how ODE would target (in ranking order) reductions should an up to 10% reduction be required by the agency.

ACTIVITY OR PROGRAM	DESCRIBE REDUCTION	AMOUNT AND FUND TYPE	RANK AND JUSTIFICATION
(WHICH PROGRAM OR ACTIVITY WILL NOT BE UNDERTAKEN)	(DESCRIBE THE EFFECTS OF THIS REDUCTION. INCLUDE POSITIONS AND FTE IN 2017-19 AND 2019-21)	(GF, LF, OF, FF. IDENTIFY REVENUE SOURCE FOR OF, FF)	(RANK THE ACTIVITIES OR PROGRAMS NOT UNDERTAKEN IN ORDER OF LOWEST COST FOR BENEFIT OBTAINED)
Department Operations	2.11% REDUCTION RELATED TO ELIMINATING INFLATIONARY INCREASES FOR ALL SERVICES AND SUPPLIES AND ADDITIONAL $800K IN VACANCY FACTOR TO BE ARRIVED AT THROUGH ATTRITION AND ADMINISTRATIVE ACTIONS. YDD WILL MAINTAIN STANDARD INFLATION. THE IMPACT WILL BE REDUCED LEVELS IN AGENCY CUSTOMER SERVICE AND EFFICIENCY.	$1,878,341 – GF	1-GENERAL ADMINISTRATION, INDIRECT PROGRAM SUPPORT, AND DIRECT PROGRAM SUPPORT. REDUCTIONS TO BE PRIORITIZED AND APPLIED WITH LEAST IMPACT TO STUDENTS AND CHILDREN.

Grant in Aid – Nutrition Programs	17.93% REDUCTION TO BREAKFAST AND SUMMER LUNCH PROGRAM. THIS REDUCTION REPRESENTS THE AMOUNT OF ESTIMATED FUNDS NOT NEEDED TO MEET CURRENT NEEDS. NO IMPACT.	$300,000 – GF	2 SEE DESCRIBE REDUCTION FOR ACTIVITIES.
Grant In Aid – Student Success Grants: Reach Out to Read/SMART/Accelerated Learning Opportunities.	ELIMINATION OF THREE PROGRAMS THAT HAVE BEEN REDUCED TO THE POINT OF A VERY LOW COST/BENEFIT. THE IMPACT WILL BE REDUCED EFFECTIVENESS IN TEACHING LITERACY SKILLS TO YOUNG CHILDREN AND REDUCED TRAINING FOR EDUCATOR OF ACCELERATED LEARNING CLASSES.	$597,308 – GF	3-SEE "DESCRIBE REDUCTION" FOR ACTIVITIES. REDUCTIONS TO BE PRIORITIZED AND APPLIED WITH LEAST IMPACT TO STUDENTS AND CHILDREN.
Grant In Aid – Student Success Grants: Supporting Accelerated Learning, Physical Education Grants and Regional Promise Grants.	10% REDUCTION – REDUCTION TO THREE STUDENT SUCCESS GRANT PROGRAMS. IMPACT WILL BE REDUCED NUMBER OF STUDENTS TO RECEIVE OPPORTUNITIES FOR COLLEGE CREDITS CLASSES; REDUCED ABILITY TO MEET STATE PHYSICAL EDUCATION STANDARDS; AND REDUCED ABILITY TO DECREASE COST OF LOW-INCOME STUDENTS TO TAKE AP EXAMS..	$696,094 – GF	4-SEE "DESCRIBE REDUCTION" FOR ACTIVITIES. REDUCTIONS TO BE PRIORITIZED AND APPLIED WITH LEAST IMPACT TO STUDENTS AND CHILDREN.
Grant In Aid – Student Success Grants: Chronic Absenteeism Grants and Vision Screening Reimbursements	10% REDUCTION – REDUCTION TO TWO STUDENT SUCCESS GRANT PROGRAMS. IMPACT WILL BE REDUCED ABILITY FOR SCHOOLS TO DECREASE CHRONIC ABSENTEEISM OF STUDENTS AT RISK OF NOT GRADUATING; AND A DECREASE IN NUMBER OF REIMBURSEMENTS ODE CAN OFFER TO SCHOOL DISTRICTS FOR STUDENT EYE EXAMS.	$752,128 – GF	5-SEE "DESCRIBE REDUCTION" FOR ACTIVITIES. REDUCTIONS TO BE PRIORITIZED AND APPLIED WITH LEAST IMPACT TO STUDENTS AND CHILDREN.
Grant In Aid – Student Success Grants: High School Success Grants	37.72% REDUCTION TO HIGH SCHOOL SUCCESS GRANT PROGRAM. THIS REDUCTION WILL STILL ENABLE THE LEVEL OF FUNDING PROVIDED IN 2017-19 TO HELP IMPLEMENT SCHOOL STRATEGIES THAT WORK COLLECTIVELY TO IMPROVE HIGH SCHOOL GRADUATION RATES AND COLLEGE AND CAREER READINESS, HOWEVER, REDUCTION WILL NOT PROVIDE OPPORTUNITY TO FURTHER EXISTING EFFORTS AND ACCELERATE OUTCOMES..	$114,375,521 GF	6-SEE "DESCRIBE REDUCTION" FOR ACTIVITIES.
Grant in Aid – Youth Development Division	ELIMINATION OF COMMUNITY SCHOOLS PROGRAM THAT WILL RESULT IN AN ESTIMATED FIVE SCHOOLS IN OREGON NOT RECEIVING SERVICES THAT FOCUS ON PROVIDING BEST PRACTICES THAT REMOVE EDUCATIONAL BARRIERS FOR AT-RISK STUDENTS. REDUCTION OF 45.95% TO THE YOUTH AND INNOVATION GRANT PROGRAM THAT WILL RESULT IN APPROXIMATELY 15 LESS GRANTS TO ORGANIZATIONS THAT FOCUS ON IMPROVING EDUCATION OR WORKFORCE SUCCESS FOR YOUTH AGES 6-24.	$1,615,751 – GF	7-SEE "DESCRIBE REDUCTION" FOR ACTIVITIES. REDUCTIONS TO BE FIRST TAKEN IN COMMUNITY SCHOOLS PROGRAM AND THEN BALANCE OF REDUCTION IN YOUTH AND INNOVATION GRANT PROGRAM.

Grant in Aid – Early Learning Division	10.40% REDUCTION IN TOTAL PROGRAMS APPLIED BY HOLDING HARMLESS THE GF CONTRIBUTION TO THE OFFICE OF CHILD CARE, AND ALL REMAINING PROGRAMS EVENLY REDUCED AT 10.49%. IMPACT WILL RESULT IN AN ESTIMATED 2,533 CHILDREN NOT RECEIVE EARLY LEARNING PROGRAM SUPPORTS THROUGH PRESCHOOL OR HEALTHY FAMILY VISITS; 273 LESS CHILDREN AND FAMILIES AT RISK OF CHILD ABUSE AND NEGLECT NOT SERVED; AN ESTIMATED 2,080 CHILDREN IMPACTED WITH LESS SUPPORT FOR EARLY TRANSITION TO K-12; AND REDUCED CAPACITY IN REGIONAL HUBS TO PROVIDE SERVICES.	$26,770,939 GF	8-SEE DESCRIBE REDUCTION ACTIVITIES. CUTS TO BE TAKEN EVENLY TO ALL PROGRAMS WITH THE EXCEPTION OF THE OFFICE OF CHILD CARE WHICH WILL BE HELD HARMLESS.
Grant in Aid – Nutrition Programs	10% REDUCTION – REDUCTION TO AFTER SCHOOL MEAL/SNACK PROGRAM AND FARM TO SCHOOLS PROGRAM. IMPACT WILL BE REDUCED SUPPORT IN PROVIDE STUDENT WITH HEALTHY FOOD.	$516,795 – GF	9-SEE DESCRIBE REDUCTION FOR ACTIVITIES. REDUCTIONS TO BE PRIORITIZED AND APPLIED WITH LEAST IMPACT TO STUDENTS AND CHILDREN.
State School Fund	9.43% - REDUCTION IN GENERAL PURPOSE GRANT TO SCHOOL DISTRICTS RESULTING IN DISTRICT REDUCTIONS AND LESS SUPPORT FOR ACADEMIC SUCCESS OF STUDENTS,	$765,627,244 – GF $53,571,991 – LF	10-SCHOOL DISTRICTS WILL DECIDE HOW REDUCTIONS WILL BE APPLIED FOR EACH DISTRICT.
Total General Fund and Lottery Funds		**$913,130,121– GENERAL FUND** **$53,571,991 – LOTTERY FUNDS**	

Other Funds - *10% reduction target for Other Funds is $69,718,553*
Should up to 10% reduction be required by the agency in Other Funds, the reductions will be applied in the ranking order described below.

1. Operations - $925,478 will result 1.93% reduction resulting from an elimination of inflationary growth in all offices with exception of YDD. This will reduce Department's ability to provide effective customer service while maintaining all existing programs.
2. Technical Assistance Program - $507,526: 10% reduction to Technical Assistance Program administered by Office of School Facilities resulting in 20 less school districts provided with support to conduct school facility assessments.
3. Oregon School Capital Matching Program - $1,300,000: 10% reduction to Matching Program reducing ability to match local school bonds that result in leveraging additional resources for new school facilities and deferred maintenance.   .
4. Grant In Aid Programs - $3,622,620 – 10% reduction to NTQL for educator effectiveness and professional development
5. Grant In Aid Programs - $63,362,929 – 20.90% reduction in High School Success Grant (results in an equal reduction to General Fund) which will result in missed opportunities to further existing efforts increasing high school graduation rates and preparing students for college and career readiness.

Federal Funds *- 10% reduction target for Federal Funds is $109,021,047*
Should up to 10% reduction be required by the agency in Federal Funds, all program areas will be reduced proportionately by the percentage of the cut up to the maximum identified below.

Operations and Grant-In-Aid Programs - $92,439,564
Operations and Early Learning Division Grant-In-Aid - $14,937,922
Operations and Youth Development Division Grant-In-Aid - $1,396,382
Oregon School for the Deaf - $247,179

Other Funds (Non Limited) *- 10% reduction target for Other Funds – Non Limited is $12,036,472*
The programs funded from this budget limitation are the Common School Fund and the Commodity District School Revolving Fund. Should up to 10% reductions be required in Other Funds – Non-Limited, the reduction percentage would be applied equally up to $410,445 for the Commodity District School Revolving Fund and $11,626,027 for the Common School Fund.   Any reduction to the Common School Fund will result in school district reductions that reduce the effectiveness in supporting student in academic success.

Federal Funds (Non-Limited) *- 10% reduction target for Federal Funds – Non Limited is $40,711,595*
The programs funded from the budget limitation include a variety of nutrition programs that provide support to both school and community based programs that ensure children are provided with nutritional balanced and low cost meals. Should up to 10% reductions be required for Federal Funds – Non-Limited, the reduction percentage would be applied equally up to $40,711,595 and result in a reduction in the number of children that can be provided with meals at a low cost

UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2017-19 & 2019-21 BIENNIA

Agency: Oregon Department of Education
Contact Person (Name & Phone #): Becky Frederick 503-947-5847

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2017-19 Ending Balance		2019-21 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
Limited	58100-100-00-00000 - Department Operations	0401 - Education Cash Account	Operations/Grants	ORS 326.115/327.485/ 345.080/337.065/326.6 07(2)/326.603/338.155, Various Federal Statutes	1,427,135	1,282,573			Textbook Review, LEDS, Fingerprinting fees; Teacher of the Year grant funds; and state operated Charter School revenues. $337,384 is related to charges for using Studio A prior to finding out that it is not allowed by DAS and is not dedicated to expenditures.
Limited	58100-100-00-00000 - Department Operations	0401 - Education Cash Account	Operations		2,264,455	4,233,203			Indirect Federal Funds expended as Other Funds. The indirect rate is recalculated each 1-2 years and negotiated with USDOE. Additional costs anticipated in the 2017-19 budget will not be recovered by the indirect rate prior to the 2021-23 indirect rate application. Increase in projected 17-19 ending balance due to larger than anticipated.
Limited	58100-100-00-00000 - Department Operations	1184 - Oregon Virtual School District	Operations	ORS 329.842	0	3,557			Program plans to expend funds available.
Limited	58100-100-00-00000 - Department Operations	1363 - Speech-Language Pathologist Trng Fund	Operations	ORS 327.008 (16), 348.406	296,833	285,949			Funds available for grants and Stipends. Recent history shows expended between $70-$90,000 per biennium.
Limited	58100-100-00-00000 - Department Operations	1474 Youth Development Division Fund	Operations/Grants	ORS 417.854 (2015)	0				Program added to the agency in the 2013-15 biennium; leaves less than 1 month of operating expenses.
Limited	58100-100-00-00000 - Department Operations	1477 Early Learning Division Fund	Operations/Grants	ORS 329.170-200	19,631	104,793			Program added to the agency in the 2013-15 biennium; leaves less than 1 month of operating expenses.
Limited	58100-100-00-00000 - Department Operations	1478 Child Care Fund	Operations/Grants	ORS 657A.310	199,186	187,254			Program added to the agency in the 2013-15 biennium; leaves about 1 month of operating expenses.
Limited	58100-100-00-00000 - Department Operations	1486 - Network of Quality Teaching and Learning Fund	Operations	HB 3233 (2013) ORS 342.953	343,330	16,801			Balance represents less than a month of operating expenditures 1 month expenditures = $321,270
Limited	58100-100-00-00000 - Department Operations	1542 - English Language Learners	Operations	ORS 327.016, 336.079	0	704,429			New program added in the 2015-17 biennium. Implementation delayed due to rule writing process and other start up activities. Estimated ending balance is less than two months' operating expense.
Limited	58100-100-00-00000 - Department Operations	1548 -OR School Capital Improvement Matching Acct	Operations	SB 447 (2015) Sec 4	476,520	408,482			New program added in the 2015-17 biennium. Implementation of TAP contracts delayed due to rule writing process and other start up activities. Balance represents about 1.5 months of operating expenditures.

UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2017-19 & 2019-21 BIENNIA

Agency: Oregon Department of Education
Contact Person (Name & Phone #): Becky Frederick 503-947-5847

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2017-19 Ending Balance		2019-21 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
Limited	58100-100-00-00000 - Department Operations	1659 -ART XI-P Bond Admin Fund 2016I	Operations - COI	SB 447 (2015) (2), COI 2016I XI-P GO Bond	0	0			New program added to the agency in the 2015-17 biennium. Cost of Issuance (COI) costs will never have ending balance.
Limited	58100-100-00-00000 - Department Operations	1660 - XI-P 2016I Go Bond-Sch Cap Imp Match FND	Grants	SB 447 (2015) Sec 4-2016I XI-P GO Bond	10,591,176	106,233,512			New program added to the agency in the 2015-17 biennium. This balance represents General Obligation Bond revenues that are granted to SDs and ESDs over 3-year grant period (reimbursement basis). Approx. $100 million in bond revenues is projected for the end of the 2017-19 biennium, the majority of which will most likely will not get expended until the 2019-21 biennium or beyond.
Limited	58100-200-00-00000 - Special Schools	0401 - Education Cash Account	Operations/Grants	ORS 326.115/327.485/ 343.243-343.247/HB 5054 (2011)	791,411	1,698,061			The estimates are based on revenue/expenditure patterns and includes remainder of proceeds from the sale of a parcel of OSD property. Assumes OSD proceeds will be spent down on outstanding deferred maintenance projects during the 2017-19 biennium. Remaining balance covers less than 1 month operating expenses.
Limited	58100-300-00-00000 - Grant in Aid	0401 - Education Cash Account	Operations/Grants - YCEP/JDEP	ORS 326.115/327.026/ 327.485	1,400,439	570,954			Balance needed to offset fluctuations in ADMw. Represents less than 1 month operating expenditures.
Limited	58100-300-00-00000 - Grant in Aid	0401 - Education Cash Account	Operations/Grants	ORS 326.115/327.485 327.008(13)/348.406	1,009,616	2,938,451			The majority of the carryover balance is for the Hospital and Long Term Care and Treatment programs funded by the State School Fund.
Limited	58100-300-00-00000 - Grant in Aid	1321 - Blind and Visually Impaired Student Fund	Operations/Grants	ORS 346.315	887,210	663,810			Administration of these funds are through a contractual arrangement with an ESD. It is difficult to project how much they will spend on this program, because funding is specifically for students who were at OSB. Projection is based on best estimate by program fiscal staff. It is anaticipated that these funds will be fully expended, including biennial appropriations by the end of the 2019-21 biennium. Funding is expended on all blind students who need assistance, not just former OSB students.

UPDATED **OTHER FUNDS ENDING BALANCES FOR THE 2017-19 & 2019-21 BIENNIA**

Agency: Oregon Department of Education
Contact Person (Name & Phone #): Becky Frederick 503-947-5847

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or Statutory reference	2017-19 Ending Balance		2019-21 Ending Balance		Comments
					In LAB	Revised	In CSL	Revised	
Limited	58100-300-00-00000 - Grant in Aid	1486 - Network of Quality Teaching and Learning Fund	Grants	HB 3233 (2013) ORS 342.953	1,588,234	4,451,670			Represents one month carryover of operating expenditures. Funds have been committed.
Limited	58100-300-00-00000 - Grant in Aid	1542 - English Language Learners	Grants	HB 3499 (2015) Section 9	2,570,509	3,697,882			Ending balance represents 4th year of first 4-year cohort that will be distributed in FY 2019-20 due to delayed start of program.
Limited	58100-400-00-00000 - School Funding	0401 - Education Cash Account	Operations	ORS 326.115/327.485 321.751/321.754	0	0			Funds transferred from the Department of Revenue are fully allocated to districts.
Limited	58100-500-00-00000 - ELD GIA	1477 - Early Learning Division Fund	Grants	HB 3234 (2013) SECT 1, 7	397,751	0			New program added in the 2015-17 biennium. Funds will be fully expended during the biennium.
Limited	58100-500-00-00000 - ELD GIA	1478 - Child Care Fund	Grants	HB 3234 (2013) SECT 37, 51, 55	518,108	0			Due to decrease in donations, available funds are expected to be fully expended in the current biennium.
Limited	58100-550-00-00000 YDD GIA	1474 - Yourth Development Division Fund	Grants	HB 3231 (2013) SECT 6	56,196	131,024			New program added in the 2015-17 biennium. Balance represents less than 1 month of program expenditures
Nonlimited	58100-100-00-00000 - Department Operations	0547 - Education Training Revolving Fund (Fund 3000)	Operations	ORS 326.340	130,346	9,729			ORS Title "Advanced Tech Ed & Training Fund" - diff than Treasury Fund title. The estimates are based on revenue and expenditure patterns, and represent less than 1 month of operating expenditures.
Nonlimited	58100-100-00-00000 - Department Operations	0577 - School Lunch Revolving Fund	Operations	ORS 327.525/327.520	833,888	415,376			Reimbursed cost of storage and distribution of government supplied bulk dairy products. May not exceed 3x the highest month's expenditure in the past 12 months.
Nonlimited	58100-450-00-00000 - Common School Fund	0401 - Education Cash Account	Operations	ORS 326.115/327.410/ 327.485	0	0			Funds transferred from the Department of State Lands are fully allocated to districts.
Nonbudgeted- NL	58100-200-00-00000 - Special Schools	0401 - Education Cash Account	Trust Fund	ORS 326.115/327.485	70,063	70,063			Student transportation costs
Nonbudgeted- NL	58100-200-00-00000 - Special Schools	0675 - OSD Trust	Trust Fund	ORS 346.055	130,753	130,753			Balance comprised of donated funds to be used for individual OSD students or for specific student programs.
Nonbudgeted- NL	58100-400-00-00000 - School Funding	0977 - Small School District Supplement Fund	Operations	ORS 327.360/327.008(9)	0	0			Small school districts that qualify receive supplemental funding.
Nonbudgeted- NL	58100-400-00-00000 - School Funding	0983 - School Improvement Fund	Operations	ORS 327.294/327.297	47,246	47,246			Balance represents accumulation of small amounts of interest not expended over multiple biennia.
Debt Service Limited	58100-850-00-00000 - Debt Related Costs	9999	Debt Service	ORS 286A	0	0			DAS calculations