

1) General Introduction

- a) Background; brief review of QSIC and previous litigation; progress report on previously identified issues; Constitutional framework
- b) SB 128
- c) Members
- d) Timeline
- e) Survey
- f) Main topics: Recruitment and Retention, School Facilities, Special Populations, and Other
- ~~f) Main topics~~

2) Recruitment and retention

- a) **Review and summarize commission work/provide links where appropriate**
 - (1) ECS memo on R&R
 - (a) Nationally, enrollment in teacher prep programs has declined in recent years (MT data shows fluctuating enrollment but steady completion numbers 2009-2013)
 - (b) Studies conflict on whether or not an overall teacher shortage exists, though regional and specific content area shortages are evident
 - (c) States are exploring a number of different recruitment and retention strategies
 - (2) Dr. Ingersoll presentation (Jan 2016)
 - (a) The group of degreed teachers who are currently not employed in education reserve pool is potentially a large source of teacher hires
 - (b) Schools suffer from a revolving door largely due to job dissatisfaction
 - (c) Turnover is costly in dollars and achievement
 - (d) New teacher induction can be effective in plugging “leaky bucket”
 - (3) QSIC study on Teacher Recruitment and Salaries
 - (a) Non-salary factors play large role in R&R
 - (b) Smaller, isolated districts have greater R&R problems
 - (c) MT ranking for average teacher salaries has improved; starting salaries still lowest in nation
 - (d) Some Montana school districts pay high premiums for health insurance; others provide a health stipend and teachers have to purchase health insurance on their own
 - (4) Education community efforts to improve R&R

Comment [SM1]: Can we be more explicit here?
I recall induction and mentorship, but not healthcare.

- (a) [RISE4MT](#) is a collaborative effort of education stakeholders to improve teacher recruitment in Montana
- (b) [SAM Leaders Professional Learning Program](#) aims to provide effective and quality induction/mentorship for new school administrators
- (5) K-12 health benefits (panel presentations January 12 and April 5, 2016)
 - (a) Benefit costs are consuming a larger chunk of school budgets
 - (b) There is great variability in health plans among districts
 - (c) Smaller districts are at a disadvantage because they have such a small pool of employees; they would benefit from being part of a larger pool—perhaps even a statewide health insurance plan
 - ~~(b)~~(d) There have been previous, narrowly defeated efforts to create statewide pool for K-12 employees
 - (e) The federal health care landscape is uncertain There have been previous, narrowly defeated efforts to create statewide pool for K-12 employees uncertain

Comment [SM2]: I see this as a separate issue affecting school funding, not as a recruitment and retention issue.

- ~~(e)~~ #
- (6) [The Quality Educator Loan Assistance Program](#) (QELP)
 - (a) Federal classifications of rurality/isolation not a good match for Montana
 - (b) QELP current structure allows teachers in some urban schools to benefit while preventing teachers in some rural schools from benefitting This is not a factual statement. We learned that teachers were more likely to take advantage of loan forgiveness in larger communities. We did not have data on why teachers failed to take rural teaching jobs. There was speculation that the loan forgiveness was not enough of an incentive to overcome other problems like housing, health insurance, and social isolation.

Comment [SM3]: Are these factual statements or a finding of our commission?

b) Commission findings (TBD by commission in June)

- (1) Schools across Montana struggle with recruitment and retention in specific content areas, particularly special education, math, and career/technical education.
- (2) Schools that are geographically isolated from population centers struggle with recruitment and retention regardless of content area.
- (3) QELP needs revision/better targeting/increased effectiveness.
- (4) Salary is only one factor contributing to recruitment and retention difficulty.
- (5) The topic of health benefits for school employees is complex, in flux, and requires in-depth study, but it is evident that larger districts or districts in insurance groups have a better opportunity than smaller districts to offer affordable health insurance..

Comment [SM4]: I think it goes beyond geographical isolation, to include reservation schools, state-level special schools, and co-ops.

c) Commission recommendations (TBD by commission in June)

- (1) LC QELP—bill draft to revise Quality Educator Loan Assistance Program

Comment [SM5]: Again, this has been presented to us more as a funding problem than a R&R problem.

- (2) LC HLTH—bill draft to create study on K-12 health benefits
- (3) OPI, BPE, MUS, and education community should continue coordination to ensure quality induction programs and update -the LEG on efforts.
- (4) Teacher prep programs should encourage rural preservice experience.
- (5) The MUS should examine offering/expanding teacher prep programs in locations that benefit recruitment in rural MT as well as online programs.

Comment [SM6]: I'd like to bring a bill draft to committee based on Colorado model.

3) District structure and equity

a) Review and summarize commission work/provide links where appropriate

- (1) [ECS presentation on consolidation](#)
 - (a) Consolidation does not always result in cost efficiencies
 - (b) Forced consolidation has mixed results and is controversial
 - (c) Montana's blend of EL, HS, and K-12 districts is unusual and complicates consolidation
- (2) [Presentation on RESAs](#) ; while regional educational service areas are not statutorily created, OPI supports them as vehicles for professional development, increased efficiency, and collaboration. [Having RESAs is one way of bringing evidence-based best practices to every public school in the state.](#)
- (3) Tax equity issues
 - (a) The commission examined [current law related to district structure and reorganization](#)
 - (b) The commission explored the [decrement](#), [GTB aid](#), [Impact Aid](#), and the role of [nonlevy revenue](#) in district general fund budgets
 - (c) Nonlevy revenues, including block grants, along with property tax wealth contribute to disparity in mills levied for BASE budgets, and the commission explored several ways of [equalizing BASE mills](#)
- (4) [Tuition laws](#)—the commission examined current statute regarding out-of-district attendance
- (5) Technology as a means to create efficiencies and ensure equality of educational opportunity and the commission received presentations on:
 - (a) the EducationSuperHighway initiative; and
 - (b) the Montana Digital Academy

b) Commission findings (TBD by commission in June)

- (1) District consolidation is not necessarily tied to higher student achievement or cost savings. [What is the factual basis for this statement?](#)
- (2) The needs of all schools, and particularly small, isolated schools, in developing the full educational potential of all children warrants continuous monitoring. [This statement doesn't seem to say much.](#)

Comment [SM7]: If there is a factual basis for this, it should appear in the section above our findings.

Comment [SM8]: This seems like wadding. What are we really saying here? The argument can be made that it's the larger districts that have a greater challenge in individualizing instruction than the smaller, isolated schools.

Comment [SM9]: (1) Given all the things we explored and talked about, I'm surprised by the paucity of our findings. Is this all there is?

- (3) Historical evidence shows that consolidation occurs “naturally” when the student enrollment declines to single digits.
- (4) Some very small schools may be necessary because transporting children to a different district would result in unacceptably long bus rides (over one hour one-way).

c) Commission recommendations (TBD by commission in June)

- (1) Further study should be conducted on the needs of isolated schools and children, MT’s isolation definition, and demographic changes.
- (2) Technology should be leveraged for effective, efficient instruction and to support equality of educational opportunity.
- (3) When school districts voluntarily merge, the new merged district should benefit from retaining the more favorable financial status of the two merged districts.

4) Facilities

a) Review and summarize commission work/provide links where appropriate

- (1) [ECS presentation on facilities](#)
 - (a) State support around the country ranges from none to full with a variety of levels and mechanisms
 - (b) Considerations include predictability, equity, prioritization, flexibility
 - (c) Several states conduct regular reassessment of facilities to ensure prioritized rankings of projects
- (2) Current mechanisms for funding facilities
 - (a) [State assistance with facilities 2003-2017 chart](#)
 - (b) [Funding for capital improvements \(MASBO\)](#)
 - (c) Debt service GTB [overview](#) and [history](#)
 - (d) Quality Schools Facility Grant Program—the commission received a presentation from the Dept of Commerce on the program and heard testimony from stakeholders about the pros and cons of the program
- (3) [Overview of 2008 School Facility Inventory](#)
- (4) [INTERCAP program](#) –this Board of Investments-administered program provides low-interest loans to school districts for purposes including facilities projects
- (5) [Bond election trends](#)
- (6) The commission received input from stakeholders that focused on:
 - (a) the infrastructure needs of schools;
 - (b) the need for consistent, predictable state support for district facility projects; and
 - (c) the need to incentivize district stewardship.

b) Commission findings (TBD by commission in June)

- (1) The commission identified 3 “tiers” related to facility needs:

- (a) Tier 1—Operations and maintenance (O&M; state/district share costs via district GF)
- (b) Tier 2—Major maintenance (roofs, boilers, etc; these needs are not being addressed due to lack of consistent state support and district commitment—few districts utilize building reserve)
- (c) Tier 3—New construction (bonding is the main funding vehicle for this and state support of poor districts through debt service GTB program has eroded)
- (2) State support for tiers 2 & 3 has been unreliable and generally decreasing in recent years
- (3) Districts are able to plan more effectively when:
 - (a) they are provided greater budgetary flexibility;
 - (b) state support is consistent; and
 - (c) state programs are flexible in meeting the varied needs of districts
- c) Commission recommendations (TBD by commission in June)**
 - (1) LC ICAP—minor changes to INTERCAP loan program to increase utility
 - (2) LC EFBT—to provide transferability of district general fund ending balance to building reserve
 - (3) LC DSGB—to shore up revenue streams for current debt service GTB and Quality Schools Facility Grant Program (QSGP)
 - (4) LC GRT1—replacing QSGP with a formula facility grant program requiring updated facility inventory and plan and local effort; revising revenue streams
 - (5) LCGRT2—revising QSGP to require updated facility inventory and plan and local match; revising revenue streams

5) Special education (SE) and special needs (including gifted and talented)

- a) Review and summarize commission work/provide links where appropriate**
 - (1) The commission learned about [SE funding generally](#), [SE expenditures by funding source 1990-2014](#), and the [role of SE Cooperatives](#)
 - (2) The commission heard testimony regarding state funding of older SE students
 - (a) MT is one of two states that do not provide state funding for SE students through age 21
 - (b)** Extending this funding was proposed in [HB 451 \(Pope; 2015\)](#)
 - (c)** [\(3\) The 64th Legislature did not provide an inflationary increase for special education, though inflationary increases were awarded to general education. The effect of this omission is that because special education is mandated, districts have to go into their general fund money to pay inflationary increases in special education costs not](#)

covered by the state. The end result is that there is less money to serve students are not in special education. The state requires school districts to make a 33% general fund match for special education dollars, but most are paying much more. Statewide, the average local district paying 41.3% of actual special education cost from its regular education funding.

- (3) The commission received a [proposal](#) from the SE Cooperative Funding Task Force convened by OPI for increasing SE funding and directing more funding to SE coops
- (4) The commission also examined funding for gifted and talented programs after receiving public comment
 - (a) [Information from OPI](#)
 - (b) [Statutory and rule references related to G&T](#)

b) Commission findings (TBD by commission in June)

- (1) SE coops are struggling to cover costs and state support has been flat; SPED cooperatives also did not receive inflationary increases
- (2) Flat state support for SE has led to greater local share of SE expenditures
- (3) Needs and costs for SE are increasing and changing
- (4) Funding for special needs is complex and in flux with passage of ESSA; actual costs are unknown. This statement is not true. ESSA doesn't have much to do with special education funding.
- (5) The grant program administered by OPI to support districts in offering training for teachers and services for high ability students has been used effectively by some districts, especially those with larger populations and the ability to provide a match. But overall services for high ability students are variable across the state and not equitably distributed.

Comment [SM10]: I'm not sure I agree that it's in flux. I don't think the "actual costs" statement captures the issues.

~~(5)~~(6) There is a lack of consistency in G&T programs statewide

Comment [SM11]: I feel strongly that we should find that the lack of consistency is a result of inadequate funding and amounts to a lack of adequacy.

~~(6)~~(7) Teachers need and want PD aimed at serving G&T kids

Comment [SM12]: I think this finding has been "backed into"

c) Commission recommendations (TBD by commission in June)

- (1) LCs SE01, SE02, and SE03—options for increasing the state special education payment
- (2) LC GFTD—creating component for funding G&T programs
- (3) LC SNSY—requesting study of costs of special needs and exploration of different special needs funding mechanisms
- (4) OPI and teacher preparation programs should ensure that practicing and prospective teachers are able to serve G&T students

6) Other Issues – Healthcare costs

Comment [SM13]: Our discussion and public testimony on healthcare costs do not support its being subsumed in the teacher recruitment and retention section. It has a corollary effect there, but the main concern is the effect that providing decent healthcare is having on local school budgets, the major portion of which is dedicated to personnel.