National & State Education Reform Efforts

How it all Fits Together & the Implications for Ohio ESCs

August 2010
THE EVOLVING ROLE OF ESCs

- House Bill 13 (1914) – Creation of the County Boards of Education and the County Superintendent to ensure “that every child in Ohio might attend a properly supervised school.”

- 1950’s – Ohio School Survey Commission moved the County Boards of Education into more service functions (1955).

- 1960’s – Emphasis on special education and vocational education training.

- 1970’s – Continued Emphasis on Special Education and renewed focus on professional development.

- 1980’s – ODE began issuing charters to county boards based on minimum standards (1989)
EVOLVING ROLE (Cont.)

- 1990’s – Transformation to Full Scale Service Provider
- Sub. H.B. 302 – Requires Annual Submission of Service Plans
- S.B. 140 – Expands ESC Service Role to City/Exempted Village Districts
- A.m. Sub. H.B. 95
  - Eliminated requirement that ESCs submit annual service plans;
  - Introduced district choice of ESCs;
  - Removed ESC responsibility for the creation of a new local school district;
EVOLVING ROLE (Cont.)

- A.m. Sub. H.B. 95 (cont.)
  - Allows ESCs to sponsor Community Schools (Charters) statewide;
  - Eliminated requirement of ESC approval of employment of administrators by local school districts;
  - Eliminated requirement that ESCs approve employment of teachers by local school districts;
  - Charged the state board of education with creating the Ohio Regional Education Delivery System (OREDS).

- Senate Bill 189 – Capital Reappropriations Bill
  - Further expanded district choice of ESCs
  - Established State Board Review
    - “…the State Board shall consider the impact of an annexation on both the school district and the educational service center to which the district is proposed to be annexed, including the ability of that service center to deliver services in a cost-effective and efficient manner.”
A.m. Sub. H.B. 115 (ORC 3312.01(A))

- Created the Educational Regional Service System with the express purpose to “support state and regional education initiatives and efforts to improve school effectiveness and student achievement. Services, including special education and related services, shall be provided under the system to school districts, community schools established under chapter 3314 of the revised code, and chartered non-publics.”

- Legislative intent was expressly provided – “It is the intent of the General Assembly that the educational service system reduces the unnecessary duplication of programs and services and provide for a more streamlined and efficient delivery of educational services without reducing the availability of the services needed by school districts and schools.”
Federal Education Policy Issues

Federal Policy Issues

Focus of the Obama Administration:
- Drop Out Prevention
- Increased Graduation Rates
- College/Work Force Readiness
- Family and Community Engagement
- Closing Achievement Gap
- Extended School Day/School Year

National ESA Trends

AESA Identified Trends:
- ESAs & State Systems of Support
- Accountability/Accreditation
- Early Childhood Education
- Online P-20
- Consolidations/Mergers
- Shared Services
State Education Policy Issues

Focus of the Strickland Administration:

- 21st-century learning environments;
- Expanded learning opportunities;
- High quality educators;
- Measurement of Ohio students against the world;
- Heightened school district accountability; and
- Effective funding for a 21st-century education system.

Ohio ESC Association Identified Trends:

- ESCs & State System of Support
  - OIP, OPES, Other
- Flat/Reduced Funding
- Reduced Statutory Responsibility
- Permissive Relationship with State & Local Customers
- Open Competition
- Limited Strategic Use of Regional Structures
- Voluntary Consolidations/Mergers
### Alignment of Education Reform Initiatives: RttT, HB 1, ESEA

<table>
<thead>
<tr>
<th>Reform Initiative</th>
<th>RttT</th>
<th>ESEA</th>
<th>HB 1</th>
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<tbody>
<tr>
<td>Developing and implementing common standards</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Developing and implementing common, high-quality assessments</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Supporting the transition to enhanced standards and high-quality assessments</td>
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<td>✓</td>
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<td>Fully implementing a statewide longitudinal data system</td>
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<td>Accessing and using state data</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Using data to improve instruction</td>
<td>✓</td>
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<tr>
<td>Providing high-quality pathways for aspiring teachers and principals</td>
<td>✓</td>
<td>✓</td>
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<td>Improving teacher and principal effectiveness based on performance</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Ensuring equitable distribution of effective teachers and principals</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Improving the effectiveness of teacher and principal preparation programs</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Providing effective support to teachers and principals</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Intervening in the lowest-achieving schools and LEAs</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Turning around the lowest-achieving schools</td>
<td>✓</td>
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Ohio Faces Major Budget Challenges in FY 2012-2013

- Loss of One-time Revenues Including Federal Stimulus
- Structural Budget Deficit Estimated Between $4-9 Billion
- Strickland & Democrats Calling for More Federal Support
- Republican Demands for Reduced Spending and Smaller Government
- Other Areas of Review Could Include $7.3 Billion in Tax Exemptions (including $4.5 Billion in Sales & Use Tax and $1.6 Billion in Individual Income Tax Exemptions)

Ohio’s Economy and Jobs will be the Major Focus of the 2010 Gubernatorial Campaign
School-funding Panel Should Begin With Look At Ohio's Budget Reality

--Columbus Dispatch Editorial, Monday, January 4, 2010--

“For members of the Ohio School Funding Advisory Council, this is an inauspicious time to begin their task of recommending how much the state should spend on schools. Without a penny to spare in the current biennial budget and a mind-boggling deficit of billions of dollars looming in the next one, the group will find no gravy to spread around. In fact, cuts are more likely.”

“...How much will the state have to spend on education in the 2012-13 biennium? The answer, barring an economic miracle or a federal bailout that would sink the nation further into debt, is likely to be less than the education establishment deems adequate. That leaves the council with a job far more important and harder than lobbying for a bigger share of the state treasury. It means paring down a large wish list to those items that will do the most to improve the academic performance of Ohio's children.”
Commissions/Taskforces: What to Watch

• School Funding Advisory Council
  – Review of ESCs
  – Review OEBM
  – Inform FY 2012-2013 Budget

• Greene County Shared Services Project
  – Statewide Implications

• State Budget Planning & Management Commission
  – Inform FY 2012-2013 Budget
The act establishes the Ohio School Funding Advisory Council to recommend biennial updates to the components of the school funding system. The council must submit its recommendations by December 1, 2010, and by July 1 of each even-numbered year thereafter. The act states that the recommendations must be "based on current, high quality research, information provided by school districts, and best practices in operational efficiencies."

A study of the extent to which the current educational service center (ESC) system supports school districts in academic achievement, teacher quality, shared educational services, and the purchasing of educational services and commodities, and recommendations for a new regional service delivery system, the educational service system governance structure, and accountability metrics for ESCs.
1. How do each of these state level policy initiatives inter-relate to each other? Where is the alignment?
2. What areas present opportunities for ERSS and ESCs to support ODE & Other State Agencies and School Districts?
3. How can the state’s regional structure, including ESCs, ensure successful implementation and long-term sustainability?
4. What changes, if any, must be made to the ESC or Regional Education Delivery Systems?
5. How does the state design an effective delivery system to support any current or future state/federal initiatives?
In the midst of significant education reform and the implementation of a new school funding system (OEBM), most school districts will be faced with increased expectations, additional mandates, and flat or reduced fiscal resources. How will ESCs help the school districts continue to make progress in the face of these challenges? What internal and external resources (locally, regionally) can ESCs leverage to make a difference? How do ESCs support ODE? What is our value proposition?
Emerging Roles for ESCs & ERSS

Design, Deployment, Implementation & Sustainability: Supporting State

**A.M Sub. H.B. 1:**
- Standards, Curricula and Assessments
- Family and Civic Engagement
- The Center for Creativity and Innovation
- Quality Teaching
- Early Childhood
- Financial Reporting Technical Assistance and Support; and
- Professional Learning Communities

**Race to the Top**
- Curriculum and Assessments, Longitudinal Data Systems, Quality Teachers and Leaders, Struggling Schools – *Addressing Issues Related to Long-term sustainability*

**Other**
- OIP, OLAC, Principal Standards and Evaluation, Superintendent Standards and Evaluation
ESCs and Race to the Top

- Supporting Participating LEAs in Successfully Implementing RttT
  - Enhance the capacity of 16 ESCs to provide comprehensive regional support to LEAs.

- Supporting Transition to Enhanced Standards and HQ Assessments
  - Leverage Ohio’s 56 ESCs for educator outreach and engagement.
  - Employ a train-the-trainer model for LEAs through ESCs in each of the State’s 16 regions.
  - Establish 16 Peer Review Panels aligned to ESCs in the State’s 16 regions.
  - Leverage Ohio’s network of 56 ESCs in the roll-out of the state’s enhanced standards and aligned assessments.

- Accessing & Using State Data
  - Develop and Delivered Professional Development with a focus on Value-Added analysis; training delivered via train-the-trainer leveraging ESCs in the State’s 16 regions.
**ESCs & RttT (Cont.)**

- **Improve Teacher & Principal Effectiveness Based on Performance**
  - *Teacher Residency Program* – ODE can work with LEAs and ESCs to provide startup training to mentors and support an independent evaluation of the Resident Educator Program

- **Providing Effective Support to Teachers and Principals**
  - ODE and other service providers such as ESCs will collaborate with LEAs, principals, and teachers to create relevant, contextually based PD plans.

- **Turning Around the Lowest-Achieving Schools**
  - Extend community supports to all 69 school turnaround communities through ESCs, Family and Children First and Family and Civic Engagement Teams.
  - Utilizing State’s Unified State System of Support, OIP and OLA
ODE Budget Recommendations: 
FY 2012-2013

• **ADM Counts**
  – ADM counts used to funds ESCs aligned to ADM counts used to fund member districts; total count capped at 13,000 ADM

• **City-County Contracts**
  – ADM of all members districts with city-county contracts included in ESC funding

• **Funding Parameters**
  – All ESCs funded at same per pupil amount of $35.05 in FY 2010 and $35.58 in FY 2013
  – 100% guarantee so no ESC loses funding
ODE Budget Recommendations: 
**FY 2012-2013**

- **Transition Period**
  - ESCs would report services provided with per-pupil funding and districts deducts ($6.50/supervisory units) over the course of FY 2012-2013.
  - SFAC would use to inform future funding and accountability discussions

- **Gifted Funding**
  - FY 2009 funding level maintained for FY 2012-2013
ODE Policy Recommendations

• Require the State Board of Education to make Recommendations to the General Assembly Regarding an Accountability System for ESCs
• Charge the SBOE with Considering the Impact of any Annexation of Territory from one ESC to Another
• Change the Make-Up of ESC Boards
Opportunities for ESCs

**Becoming a Provider of Choice** - The ESC value proposition has to be about more than cost, it has to be about the depth, breadth and quality of services. What is our Value Added? What is the Impact of our Services?

- **State:**
  - Implementation of Am. Sub. H.B. 1 Education Reform Initiatives (Development, Deployment, Sustainability)
  - “Race to the Top” 4 Assurances
  - Roll out, support and communication regarding statewide education initiatives
- **Districts:**
  - Civic & Community Engagement
  - School Improvement Services – Ohio Improvement Process (OIP)
  - 21st Century Learning Skills
  - Online Learning Opportunities
  - Early Childhood and School Readiness: Preparing Kids for All-Day K
  - Recruitment and Retention of Administrators and Teachers
  - Alternative Teacher Licensure
  - Professional Learning Communities
  - Supplemental Services
  - Data Driven Decision Making/Value Added
  - P-20, Dual Credit and other Collaboratives with Higher Education & Community Organizations
  - Facilitator of “Wrap Around Services”
  - Embedded Professional Development Opportunities
  - Shared Services
  - Community Schools
  - Parochial Schools
Opportunities for ESCs

(Shared Services)

- Alternative Certification
- Back Office Services
  - Business Operations
  - Payroll
  - Purchasing
  - Management Services
  - Investment Services – Debt Services
  - Personnel Services
- Charter Schools
  - Authorization
  - Management
- Insurance Trusts
- Interagency (Municipal/County) Cooperatives
Shared Services (Cont.)

- Cooperative Purchasing
  - Just in Time/Warehousing
  - Electricity/Natural Gas/Other Petroleum Products
- Efficiency Studies - Programmatic
  - Transportation, Financial, IDEA
- Energy Audits
- ESA Product Distribution
  - Regionally, Statewide, Nationally
- Research Services
- School Construction/Maintenance
- Regional Collective Bargaining Agreement
- Legal Services
- Transportation (purchasing, logistics, maintenance)
“The capacity of the intermediary organization and its alignment with district needs greatly affects partnership success.”

– “Without a match between capacity and needs, intermediary organization risk being relegated to vendor status and seen as tangential to the district’s core reform efforts;
– Practical tools are needed that are considered relevant and legitimate to the district’s local context; and
– Multiple types of “scale up” strategies can be relevant to system wide change efforts (top-down and bottom-up).”

The Regional System, and its component parts, must build capacity both vertically and horizontally in a revised and enhanced statewide system of support – support in the design & deployment of education reform initiatives by the state and implementation and sustainability at the local level.
The Future of ESCs:

*Services, Funding, Accountability & Governance*

- More Clearly Defined State Funded “Core” Services Aligned to State Strategic Priorities
- Funding Mechanism tied to State Services
- Continued Local/State Funding Model
- Greater Accountability for Results
- Integrated Part of Statewide System of Support
- More inclusive Territory & Governance Structure (city/ev)
- Continued Focus on Customer Choice
- Consolidation/Merger Driven by Market Forces & Performance
“If you cannot marshal a compelling answer to the question ‘what would be lost, and how would the world be worse off, if we ceased to exist?’ then perhaps capitulation is the wise path. But if you have a clear and inspired purpose built upon solid core values, then the noble course may be to fight on, to reverse decline, and to try to rekindle greatness.” -- Jim Collins, *How the Mighty Fall*
Open Discussion About How ESCs Can Position Themselves to Build Both State & District Capacity to Improve Student Outcomes