

Illinois State Board of Education
Streamlining Illinois' Educational Delivery Systems Task Force

Wednesday, July 21, 2010

Minutes

At 10:08 a.m. the third meeting of the Streamlining Illinois' Educational Delivery Systems Task Force was called to order by Gina Burkhardt, the CEO of Learning Point Associates, who is facilitating the Task Force. Ms. Burkhardt welcomed the group, reviewed the agenda for the day, and noted that Craig Burford, Executive Director of the Ohio Educational Service Center Association (OESCA), would share lessons learned from Ohio's recent streamlining process and serve as a critical friend and external expert on educational service agencies during the meeting. She then facilitated the introductions of the Task Force members.

Dr. Christopher Koch, the Illinois State Superintendent, reviewed the work of the Task Force to date. He noted that the Task Force has begun to examine structures for educational services agencies in other states and has generally agreed that Illinois currently has a disjointed system that is not as efficient as it could be in serving students in the state. Dr. Koch also met with some regional superintendents separately before this larger meeting to discuss a proposal that they put forward to streamline the delivery of services that are currently provided by ISBE. ISBE will be examining that proposal more closely soon. Dr. Koch remarked that the state will need to complete a careful study of the resources they have and determine the most efficient way to distribute those resources. In addition, it will also be important to move in the direction of higher standards for the work that regional offices of education do to ensure that they are doing the job well.

Dr. Koch then introduced Craig Burford, of the Ohio Educational Service Center Association, who provided an overview of the structure of the system of educational service agencies in Ohio and described their attempts to streamline their system. There are 612 school districts in Ohio that serve 1.8 million students. There are 56 Educational Service Centers (ESCs), which are closely aligned with the Ohio Department of Education (ODE). Although the previous state superintendent wanted the state agency to deliver services directly to the field, the current superintendent's vision is to build relationships with ESCs to deliver services to districts through state support teams. The model is now one in which ODE designs the state initiatives and ESCs implement them. ESCs have typically focused on districts as their primary customers, but now see themselves as also adding value to the state and their larger reform efforts. Through regional councils, ODE works collaboratively with the ESCs to identify needs, set priorities, and coordinate the implementation of services for districts to ensure that they are aligned with state strategic priorities and maximize resources. In order to coordinate this system, it is essential to

assign a senior person at the state education agency who will work collaboratively with the ESCs across the state to align resources with both the state's policy priorities and the needs of districts. Under this system, ESCs are viewed as an asset to ODE, but they must also demonstrate, in return, that they are providing the highest quality services possible in exchange for the state's investment in their work.

In Ohio, ESCs provides services for schools and districts throughout the state, except those in the eight largest urban districts. ESCs provide a range of services, the most common of which are professional development, dropout programs, and services for students with disabilities. The majority of funding that ESCs receive is local funding, but they also receive funding from state, federal, and other sources. Although ESCs no longer have to submit a comprehensive budget to the state education agency because ODE does not have the capacity to review these budgets, the state legislature does have to commit to funding the ESCs. ESCs receive funding through a formula based on district enrollment numbers and are not paid until the state verifies those numbers.

In response to a question from Dr. Koch, Mr. Burford replied that state funding has been insufficient in the past when the state has been in a deficit situation, which can result in a difficult mid-year adjustment that involves a significant loss of revenue for the ESC. Mr. Burford then replied to a question from Darlene Ruscitti, of Area 1, about caps for fees that are charged for services, by stating that ESCs charge whatever the market will bear. In fact, for every \$1 of services funded by the state, ESCs in Ohio provide approximately \$24 of services for a fee. Prices for fees are reasonable, in part, because most of the staff who work for ESCs receive salaries that are comparable or lower than the average district salary in the region because most of the employees are not represented by a collective bargaining unit. Although the salaries are often lower, educators often prefer to work for an ESC because they can work with multiple districts, have more flexibility in their schedules, and prefer the work environment. In response to a question from Representative Roger Eddy question about the percentage of services that are mandated, Mr. Burford responded that a systematic analysis has not been conducted, but in many districts state funding does not cover mandated services. ESCs also provide entrepreneurial services, including cooperative purchasing programs, such as an insurance cooperative that supports not only school district employees, but other government employees as well.

The traditional county board is now also the ESC board, which is elected by the general public, but not in a partisan election. Some districts within the ESC might not be represented on the board, but that will be changing soon to ensure that each district is represented. The requirements for board members are the same as for district superintendents. ESCs are not taxing authorities, nor can they borrow money through bonds.

At one time there were 88 ESCs, but they have consolidated over time, with some mergers being voluntary and some mandated by the state. In Ohio, ESCs traditionally serve school districts within their boundaries. However, districts in Ohio can transfer to another ESC if they are not

satisfied with the service provided by the ESC in its region. ESCs are required to accept all of the districts that select it. Rather than forcing mergers between ESCs, this choice process enables voluntary consolidation as those ESCs that are not competitive are forced out of business. This streamlining of services over time has reduced the duplication of services, improved efficiency, and increased the quality of services that districts receive.

ESCs in Ohio are the central points of contact to provide professional development and deliver special education services. Districts in the state can choose where state dollars are directed. For example, state funding for special education services may flow directly to the district or, alternatively, districts may choose to have the dollars flow to the ESC so the ESC will take responsibility for providing those services. When several districts utilize the services of the ESC, it allows the ESCs to leverage resources and to create economies of scale across multiple school districts.

In response to a question from Dr. Koch about special education funding, Mr. Burford responded that, in Ohio, funding for special education services is weighted by disability, as low-incidence disabilities are linked to more funding. This funding formula, which takes into accounts costs related to personnel and caseload ratios, was created by a parent advocacy group and then adopted by ODE. Although these dollars flow to the districts, districts typically ask ESCs to provide these services to students because of the expertise that ESCs have demonstrated over time. Districts will hire some special education personnel directly and the ESCs will hire other special educators who serve multiple districts. In response to a question from Preston Williams about cross-district collaborations, Mr. Burford responded that ESCs employ economies of scale and may have students from multiple districts attend regional centers for particular services. However, although the ESC provides services, ultimately the district is responsible for ensuring that all students meet proficiency. Thus, students with special needs, regardless of where they receive services, are counted as a student in their district of residence.

In addition to weights for special education funding, per-pupil funding for general education is also weighted in Ohio on the basis of state-defined education challenge factors for communities including: the median income of the district, the percentage of students who receive free or reduced lunch, and the educational attainment level of parents in the district. Thus, some districts will receive more funding than others for mandatory services because the state's expectation is that wealthier districts will be able to supplement state funds with local property tax dollars. On average, 51% of local funding is state funding, but this varies widely across the state.

In response to a question from Rebecca Woodhull about services related to career and technical education (CTE), Mr. Burford commented that, in Ohio, these services are not provided by ESCs, but are embedded within high schools, joint vocational districts, or CTE centers. That system in Ohio is currently under review for duplication of services and a lack of alignment. Students apply to attend schools in joint vocational districts. When students attend these schools, the joint vocational districts take responsibility for the accountability associated with student

achievement, and in return, receive per-pupil funding, plus a weight for CTE. As a result, there is some tension in Ohio between these CTE districts and other school districts because districts of residence often claim that the CTE districts are creaming high-performing students.

In terms of accountability, all ESCs have performance agreements with districts that outline their scope of work. Thus, ESCs are evaluated on how they meet these outcomes. Many ESCs also conduct program service evaluations or customer satisfaction surveys. Some ESCs use a voluntary accreditation process, designed by AdvancED. The ESCs in Ohio are currently working collectively to define what their core set of services should be and how their performance in delivering those services should be measured.

What were the lessons learned in Ohio over time? First, it is essential to have the commitment of state leadership to the system of educational service agencies, not just a statute from the legislature, to effectively streamline services. Second, state education funding policy must be aligned with the state's policy about service delivery. Third, regional service providers charged with deploying and implementing work on behalf of the state need to be part of any statewide design team. However, in exchange for this relationship with ODE, ESCs must effectively deliver services, as measured against performance standards. Fourth, it is critical to engage stakeholders. The regional system should be expanded to include all state agencies and entities that work with youth. ESCs are well-positioned to support this engagement process. Fifth, ESCs should work to improve their performance as data-driven learning organizations that will continually adapt in order to use available resources to provide the highest quality services possible. Finally, ESCs need to maintain their ability to offer local entrepreneurial services to ensure that they are serving the needs of districts that are not funded by ODE.

Dr. Koch thanked Mr. Burford and commented that he was particularly intrigued by the Ohio practice of allowing districts to choose their service provider. Districts in Illinois currently are accountable for student performance, but if educational service agencies are out of touch with the needs of districts, there should be a way to hold them accountable. Darren Reisberg, Deputy Superintendent and General Counsel of ISBE, also asked the Task Force to consider those instances in which the regional office is not serving their clients, but ISBE does not have the legislative authority to fix the problem. How might the Task Force develop accountability measures to avoid situations like this in the future? Dr. Koch also noted that in the state's Race to the Top application, he was counting on regional offices of education to help the state implement ISBE's reform agenda in much the same way that ODE works with their ESCs. Finally, he remarked that there is another task force working on special education funding and he would share the Ohio example with them as an interesting model.

After lunch Ms. Burkhardt reviewed several recommendations that ISBE drafted for the Task Force to consider and asked the Task Force members to reflect on the recommendations. Task force members worked in two groups and then returned with feedback.

For the first recommendation related to establishing a statewide coordinating council, the Task Force suggested explicitly including not just regional superintendents and ISBE, but also representatives from EFEs, special education cooperatives, and school districts. Mr. Burford remarked that the purpose of this coordinating council should be to focus on how the work of the educational service agencies in Illinois should be aligned with ISBE's policy priorities and outcomes. He further commented that in Ohio the ESC coordinating council members are trained by the state and then those regional leaders deliver training to districts. Dr. Koch remarked that the coordinating council could help ISBE determine the best way to provide services in Chicago and to coordinate services provided by LTCs. Representative Eddy agreed with Mr. Burford's recommendation to include several state agencies on the coordinating council because, for example with birth-3 programs, similar services may be provided by educational service agencies and health and human service agencies. Dr. Koch noted that the Governor's office currently has a commission examining exactly that question. Dr. Woodhull remarked that she agreed with Mr. Burford's steering vs. rowing analogy because the state board should focus on policy, funding, evaluation, and accountability while the educational service agencies should focus on implementation of the state's vision. The Task Force also recommended that one way to strengthen this recommendation would be to incorporate a system of ongoing learning and evaluation.

The second recommendation called for the coordination of services in each region, with the regional superintendent serving as the single point of contact to facilitate this coordination. The Task Force suggested explicitly mentioning services provided by EFEs and special education cooperatives and noted that a liaison at ISBE to facilitate this coordination would also be ideal. They also agreed that adding an example, such as the aligned system that Marc Kiehna has developed in ROE V, would help legislators understand the intent of the recommendation. Matt Klosterman, representing the Illinois Association of School Administrators, supported a single point of contact because parents in his region don't know how to access services because there are so many different points of contact that they get lost in the process. He remarked that a single point of contact will go a long way toward improving communication about and access to services for parents and the community.

Mr. Burford observed that each regional office does not need to be all things to all people. In Ohio, the ESC is the single point of contact, but they often subcontract with other organizations that specialize in a particular area or have developed relationships in a particular region. The regional superintendents in each region, and the statewide coordinating council, can also work collaboratively to identify ways in which educational service agencies can specialize in particular services. Darlene Ruscitti, of Area I, suggested strengthening the second recommendation to incorporate the idea of tiers of services. All regional offices would provide some services, such as training for bus drivers and certification for teachers, but then regional office could also specialize in developing entrepreneurial services in which their agencies have special expertise. These services can be marketed either within the region or statewide.

For the third recommendation, focused on funding core services, Mr. Burford reiterated the importance of aligning funding with state priorities and implementation of those priorities. The Task Force also emphasized that the definition of core services could help to relieve the state of some of their burden as regional offices could begin to deliver some of the services that are currently provided by ISBE. Kay Poyner Brown argued that core services not be “flavor of the month” services, but rather big picture services that extend over longer periods, with the understanding that appropriate funding will follow.

The fourth recommendation was related to conducting an independent review of all existing funding structures that are in place across the state and the use of all federal and state dollars to determine what funds are available, how these funding streams interact, and how these funds can be used more efficiently in the future. Kay Pangle, of Area IV, recommended that ISBE conduct this review internally. However, several Task Force members countered that ISBE could not conduct an independent review of their own organization and welcomed the objectivity an external reviewer would bring to the process. Ms. Burkhardt remarked that it would be important to have an independent organization review data from multiple sources, obtain input and feedback from the field, and then enable the state to make decisions based upon the highest quality data. Task Force members also suggested that this recommendation include a target date for completion.

The final recommendation was related to implementing an accountability system for educational service agencies in Illinois. The Task Force suggested that ISBE work collaboratively with the regional offices to develop the performance standards for this accountability system. Kay Pangle noted that the annual audit could serve as the beginning of the development of the accountability system. Michael Johnson, representing the Illinois Association of School Boards, argued that these standards should also apply to ISBE when services were provided by the state agency. Marc Kiehna, of Area V, agreed that it makes sense to shine a light on the work of the regional offices and allow them to be judged in the court of public opinion. He welcomes a public and transparent report that outlines the strengths and weaknesses of his office. Larry Fillingim, of Area VI, remarked that regional superintendents who are not doing their job harm the reputation of the entire system of regional offices. Thus, he supports recommendations “with teeth” to remove leaders who are not performing. Representative Eddy mentioned the importance of training people in the regional offices about the standards for services that will be developed and the rubrics that will be used to evaluate those services.

Representative Eddy commented that, overall, these recommendations did not tackle the original intent of the legislation to improve communication with private schools and increase the efficiency of the delivery of services provided by educational service agencies within a particular region. Ms. Burkhardt agreed that the private schools piece could be added to the communication recommendation. However, she countered that to get to the end result of a more efficient system, the independent review of funding would be an essential first step.

Gineen O'Neil, Susanne Carrescia's designee to represent the Illinois Association of Administrators of Special Education, and Don Smoot, representing the Illinois Association of Career and Technical Education, remarked that they have to report back to their constituents, who are concerned that special education cooperatives and EFEs will be dissolved. Dr. Koch responded that it would be important, during the independent review, to examine the funding streams and identify inefficiencies. He noted that even if special education is funded differently, there is still a role for the special education cooperatives to play. The structures may evolve, but the same services will still need to be provided to support students with special needs. He recommended that Dr. O'Neil report to her board that the system is changing, regardless of how the legislature acts on the Task Force's recommendations, because an increasing number of districts are withdrawing from special education cooperatives. Those cooperatives that are responsive to the needs of districts are well-positioned for the future, but the others will have to work harder to be more responsive. Preston Williams, Superintendent of Urbana School District 116, remarked that several smaller districts purchase services from his district because they are not getting the services they need from the cooperatives. Representative Eddy observed that restructuring doesn't mean that students would not receive services, but only that cooperatives might not provide all of those services in the future. Matt Klosterman agreed, noting that, of course, districts will look for the most efficient way to serve kids, especially as they receive less funding every year.

Ms. Burkhardt began to wrap the meeting up by remarking that ISBE will take what they heard today to recraft the recommendations and then circulate those revised recommendations to the group before submitting them to the legislature and the Governor. Marc Kiehna encouraged Dr. Koch to share this vision with every ISBE employee and all of the regional offices of education. He commented that much of this vision can be implemented before any legislation is passed if everyone at ISBE and the educational service agencies share the same vision and work collaboratively to pull the wagon in the same direction.

The meeting was adjourned by Ms. Burkhardt.