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Superintendent Comments – September 26, 2017

Thank you for coming. We don't often get public participation and while critical feedback can be difficult, we embrace it as a healthy part of the improvement cycle. The data serves to inform our perception, our decision-making and our problem solving to serve our communities. We also know that there are narratives of every family in our school district. Some may experience what we see in our data trends and our characterization of the "Why" fits them. Other times, we know that there can be experiences that are very different than our data trend. It is through the annual climate and culture surveys, the parent listening tours, processes like tonight that we hope will give us that information as well. Our goal is and always will be to serve all of our students and our families well in the Newberg School District.

Our change in enrollment was absolutely unanticipated and unsupported by past data trends.

All of that said, it is my hope that I can provide some clarity, insight and explanation of our enrollment numbers and how they have the impact they do on our financial picture. I will also try to share some information around the reduction decision making process in an effort to also provide a glimpse into all the considerations that went into that process.

Questions I have received and/or would anticipate:

How does the district project enrollment?

In the spring of every year (around March) we ask families about their intent to return for the following school year. We also take our February enrollment count that we must do for ODE into consideration. Further, we utilize data from the Yamhill county kindergarten "round up" that occurs in mid-April. Finally we look at the size of the graduating class and we use a PSU study projection to help us project the size of the incoming kindergarten class. Our HR department builds a staffing model based on the number of students expected at each school. There is a meeting between the administrators of each school and HR leadership to discuss the reasonableness of the enrollment numbers etc. Then staffing needs are projected for the following school year. At that time, we typically begin to plan for any additional staff that is needed and/or where there may be a need to reduce staff. We go to our contracts for specific language when a reduction is necessary.

Each of the past 5 years, the district has been able to accurately predict enrollment expectations within about 10 students.

Were enrollment projections off in every school?

No, there were 4 specific schools where we say the greatest variation: Edwards, Dundee, Mountain View and Newberg High School. Each of those schools was below projections by 25 or more students.



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How does 106 students add up to \$1.5-1.6 million when the state says it funds students at about \$7500 per student?

The state of Oregon uses a weighted funding formula as it recognizes that there are certain student needs that require a greater level of support to serve the student appropriately. The state adds extra weighting to students of poverty, English Language Learners, Students with Disabilities, Pregnant and parenting teens etc.

So the change in enrollment has to be calculated with those weights in mind. Here is how the math is calculated:

TOTAL # of students below projections: 105

46% of our student population is considered economically disadvantaged

14% of our students are on IEPs, but the state only funds 11% max

15% of our students are English Language Learners or ever-ELs

Special Ed (14% of 105):	14.7 students x 2.0, equivalent to:	29.4
At Risk (46% of 105):	48.3 students x 1.3, equivalent to:	62.79
ELL (14% of 96):	14.7students x 1.5, equivalent to:	22.05
Other students:	30.5 students x 1.0, equivalent to:	30.5
	TOTAL WEIGHTED NUMBER:	144.74
	Average Attrition during year:	55-60
	TOTAL IMPACT TO BUDGET:	199.74-204.74

204.74 Students * approximately \$7500 per student = \$1, 535,550

How and why 57 students in attrition?

Over the year, ODE counts attendance multiple times. They adjust your funding based on your ADM (average daily membership). Newberg has an enrollment pattern over the past decade of enrollment decline of 25-125 students. The lowest delta we have had is 30 and the highest was 200. In the following year, as we start the year, we not only tend to match the previous year's start, but we have tended to see modest growth each of the past few years.



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How and why are we attributing our loss in enrollment to cost of living and affordable housing?

When families did not show up during the first week of school, the front office staff called those families to determine if they would be coming back. Given that the loss of enrollment included approximately 30 students from Edwards, 29 from Mountain View, and approximately 25 from NHS. This made it possible to see the consistency of responses. Many of the students were from the same families. Between our involvement in the housing task force that has been meeting in Newberg over the past year and local media research, there was data to back up the claim of our families.

For example: Chehalem Property Management group reports a 98.2% occupancy rate

Inventory of properties for sale has varied from 1.6 to 2.4 months; a balanced market would be in the 6-month range. According to Premiere Property Group, buyers are finding more value in Salem, Keizer, Hubbard, Amity, Canby and Willamina. Given this information and the feedback from our families, we contacted our neighboring districts to ask about enrollment. Amity, Dayton, Yamhill Carlton, Salem Keizer and Willamina are all up in enrollment numbers.

The HUD determined median income for a family of four in the Portland Metro Statistical Area, which covers Newberg and Yamhill county is \$74,700. However, according to City of Newberg officials, income in Newberg is approximately 17% below the Portland MSA.

A family that earns \$59,760 (80% of MSA median) could qualify for a total monthly mortgage payment of roughly \$1800. This income level supports a \$250,000 mortgage.

According to the Oregonian, the fair market rent for a 2 bedroom apartment is about \$1300 and would require an hourly wage of \$23.88 to support.

According to the Communications Director of Gladstone School District, they are seeing the same pattern of enrollment for the same reasons. Their enrollment is down 2% this year, and she shared the following, "Gentrification is an issue in North Clackamas, Oregon City, Gladstone and Lake Oswego. Only West-Linn Wilsonville is growing, but they are the edge of the Urban Growth Boundary. Folks seem to be moving farther out to Canby, Aurora, and Molalla. Those more rural districts are growing.

There are other reasons that families move out of the Newberg School District. How does the district monitor enrollment in and out of the district?

The Board of Education receives a report annually on Open Enrollment as well as Transfers. This tells the district the number of students who withdraw from the Newberg School District for brick and mortar schools as well as virtual schools. We also track incoming student enrollment for those same categories.



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Here are the past five years:

	12-13	13-14	14-15	15-16	16-17
Total Out B&M	53	61	50	34	53
Total In B&M	38	68	60	67	64
Total Out V	83	79	74	117	65
Total In V	0	0	0	0	0

We also know that 17 students left the Newberg School District to attend private schools.

How did the district go about making reductions?

The district examined enrollment daily through the first 2 weeks of school. When our numbers indicated a significant change from our projections, we began to examine options. Given the size of the impact, there was no way the district budget would have been able to absorb that loss of revenue. Looking back at the ending fund balances of the past 10 years, there was no year that would have been able to absorb this amount of revenue change. District, school and association leadership all agreed that our priority was to impact kids and classrooms as minimal as possible with our solution. We followed our contract language regarding reduction in force and seniority of employees when positions are eliminated. Based on a collaborative process with district leadership, school leadership and association leadership, the following reductions were made:

AREA:	POSITION:	FTE:	COST SAVINGS:
STAFF REDUCTIONS	Direct Classroom Positions:	3.78	\$230,160
	Administration:	2.0	\$230,281
	TOSA:	5.0	\$341,000
	CPST:	1.0	\$70,450
	CPST shift from 12 to 9 month contract:		\$14,000
	Classified:	2.48	\$78,747
OPEN POSITIONS, UNFILLED		2.0	\$152,397
STAFF FUNDING CHANGE	Out of General Budget to Migrant Grant:	1.0	\$68,200
	SUBTOTAL: STAFFING	17.25	\$1,185,235
NON-STAFF REDUCTIONS			\$400,000
COSTS ADDED	Unemployment Costs		-\$50,000
	TOTAL REDUCTIONS:		\$1,535,235



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What happens to the 3.78 teachers who were impacted by the RIF process?

There are districts in our area who are experiencing an opposite problem than ours. Knowing that there are districts in our area who were still hiring, our leadership team reached out to professional colleagues in these other districts. These are very talented educators. Most of those who were initially impacted have either been recalled as all our shifts were made or they received job offers. Anyone who did not receive a job offer will be placed on our recall list for the next 27 months. At this point, we have 1.75 people on our recall list for certified staff. We are still working through the classified process and determining placements.

Recently the district has been working toward inclusion of students with disabilities in regular or general education classes. Why, and does this have anything to do with the reductions being made?

As the district has worked toward an All Means All priority, we spent a considerable amount of time examining patterns of achievement and achievement gaps that exist in our system. We have a significant gap in the achievement and completion of students with disabilities. A team of professionals in special education worked collaboratively to examine the research and data of school districts who were seeing greater levels of achievement with their special needs students. The conclusion was that our students with disabilities needed greater access to quality instruction in grade level standards, from their classroom teachers. In reflecting on Individual Education Plans of our students with disabilities, we found that between 12-18 students, district-wide, could benefit from inclusion. These students are being supported in general education classrooms so that they may have access to appropriate instruction. For students still in need of a more restrictive environment, there are still those programming options in our district.

Our work on inclusion is not only supported by research around better outcomes for kids, but it also speaks to the most recent US Supreme Court case, *Endrew F. vs. Douglas County*. In a unanimous decision, the US Supreme court ruled in favor of the plaintiff.

According to Chief Justice Roberts,

“The goals may differ, but every child should have the chance to meet challenging objectives... When all is said and done, a student offered an educational program providing ‘merely more than de minimis’ progress from year to year can hardly be said to have been offered an education at all.”

This work was not budget driven, but a thoughtful decision to improve outcomes for students with disabilities. We recognize that this shift must be thoughtful and slow as we work with teachers to ensure they have professional development and/or support from skilled educators who have expertise in serving students through special education. Two of our Instructional Facilitators are supporting this work throughout our system.



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Recently, the district has been working on investing in 1:1 technology for students. Couldn't we have decided not to purchase technology this year?

Had we had any indication that our enrollment numbers would not meet projections, thus cause a negative impact on our revenue, we could have made the decision to put off investment in technology. However, those purchases were made in June and July. The equipment had already been unboxed, loaded with district imaging and software. Our knowledge of enrollment numbers came after the devices were purchased, delivered and prepped for students.

In summary, none of us wanted to experience the changes we have had to navigate over the past three weeks. It is more typical to find that due to state funding our anticipated changes in enrollment, the district can conduct a budget reduction process that involves input from many stakeholder groups. When faced with reductions in the past, we have conducted such a process. Because we did not anticipate this enrollment decline, we worked to make adjustments as quickly as possible to minimize the impact on our students. Unfortunately, like our colleagues in Gladstone, when you find a change in enrollment that you do not anticipate, at the beginning of the school year, it is extremely difficult on the entire district. I faced this once as a young teacher at the beginning of my career and I never forgot it. I also guarantee I won't forget this process either. My team and I never let it out of the forefront of our minds that any reduction we made was a person. We also committed to doing everything we could to minimize the impact on kids. We are very hopeful that we can begin to settle into the school year and focus on giving kids great learning opportunities and experiences that help them grow.