40-40-20 and the OASBO Conference

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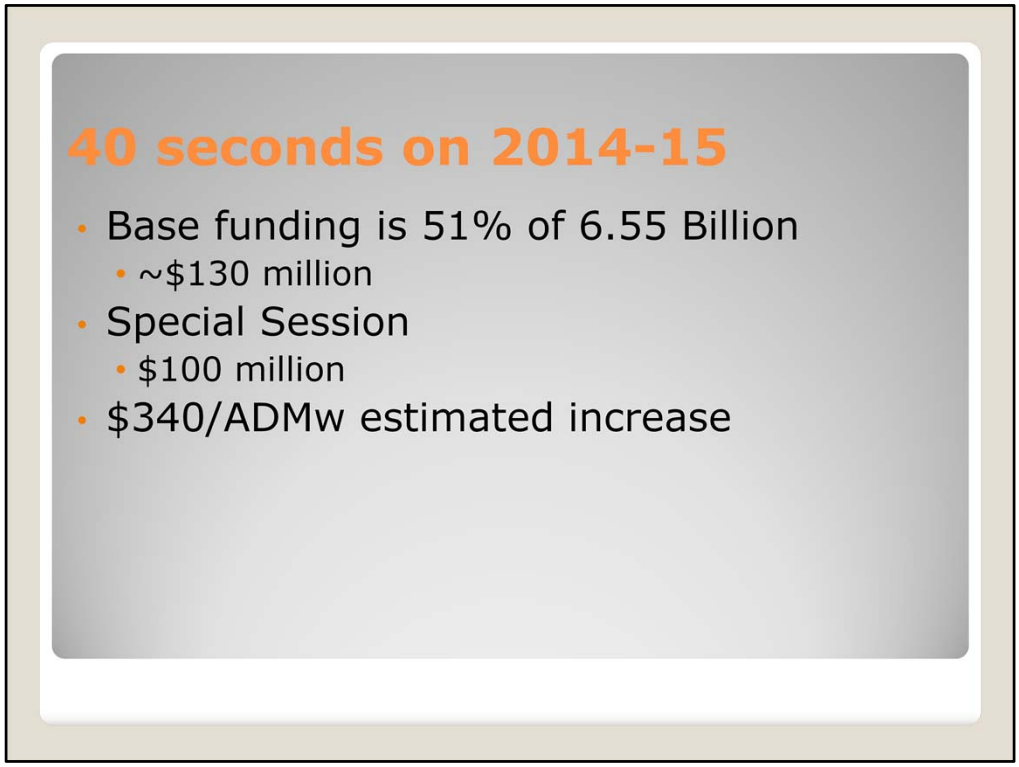
What is 40-40-20?

- 40 seconds on 2014-15 funding
- 40 seconds on State School Fund Task Force
- 20 minutes on Poverty and HB 2098



The $340 estimated increase already accounts for the increase to the weights as a result of the new proposed poverty calculation.

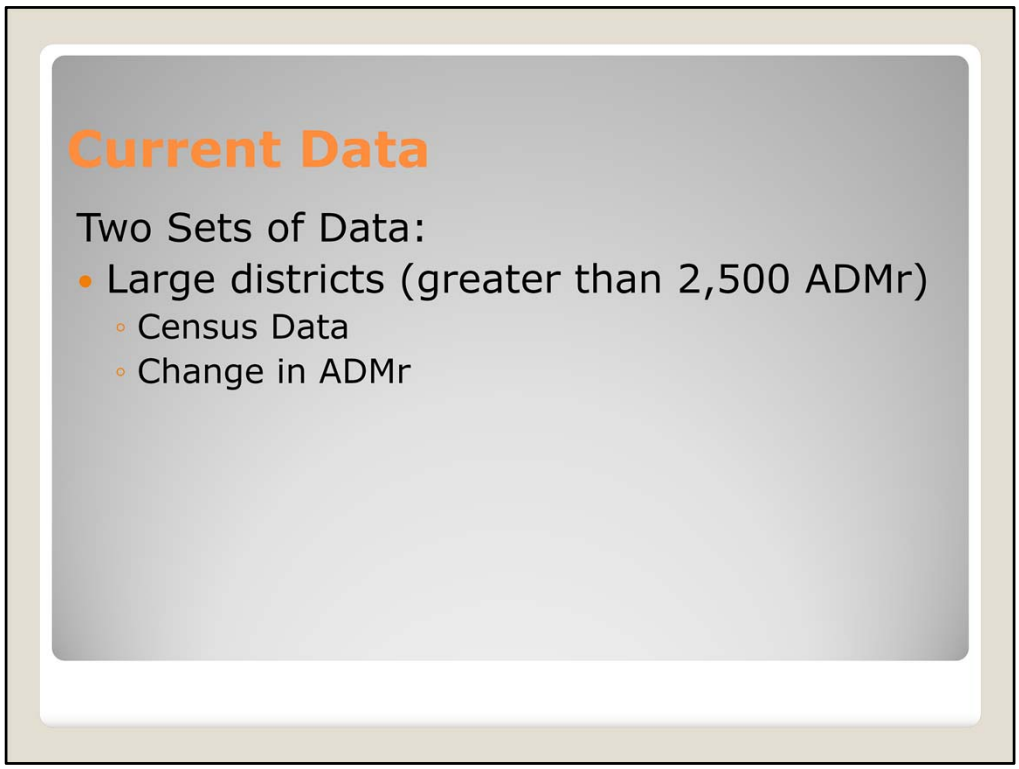
40 Seconds on SSF Task Force

- First Meeting on Tuesday
- History Lesson
- Principles of Equity

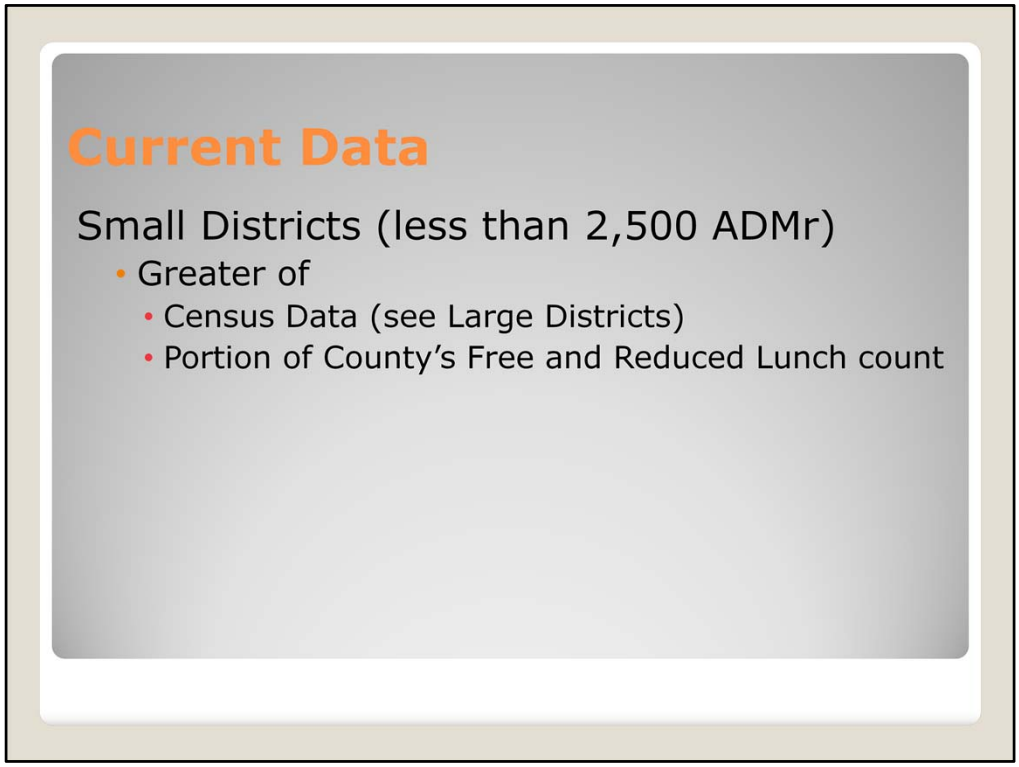
20 Minutes on HB 2098

- Current Data
- HB 2098
- Data Set
- Calculations
- Case Study
- Data Runs

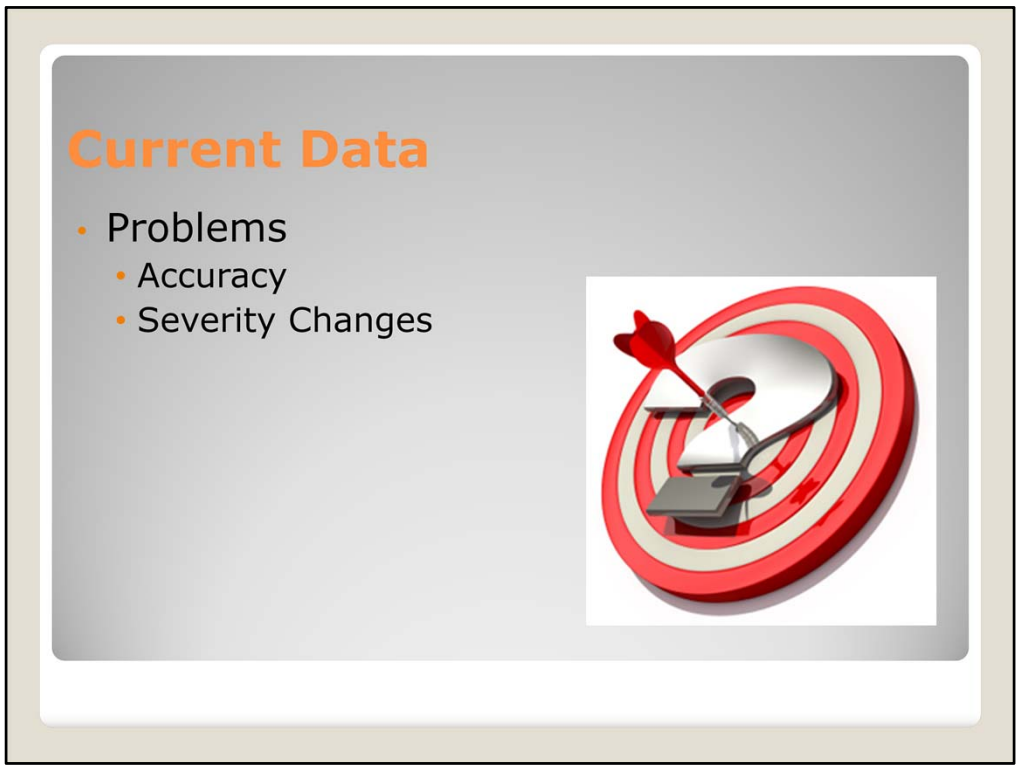
Current Data, what is currently being used to calculate poverty and some of the concerns
HB 2098 discuss legislative intent and feedback from districts
Data set to be used
Discuss how the calculations will be done
Focus on Salem Keizer as a case study for the new poverty calculation
Discuss the data runs that are floating out there



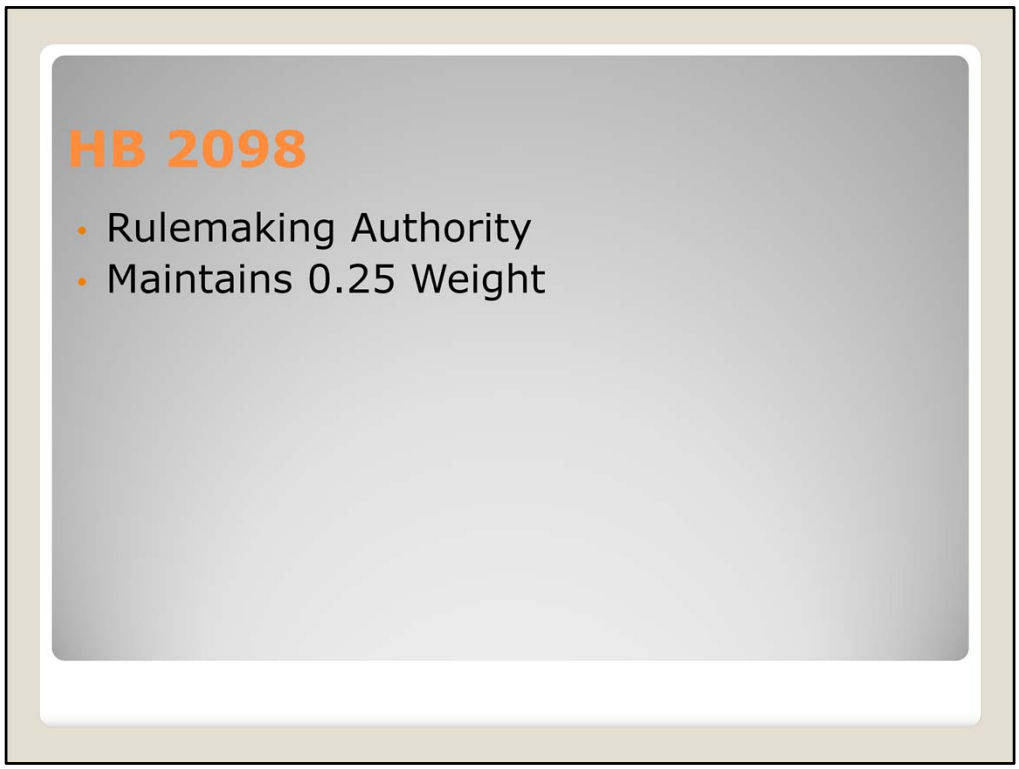
Large districts would be updated when the decennial census' poverty was updated. In the interim years, large districts would only get population changes based on changes in their ADMr and no severity changes.



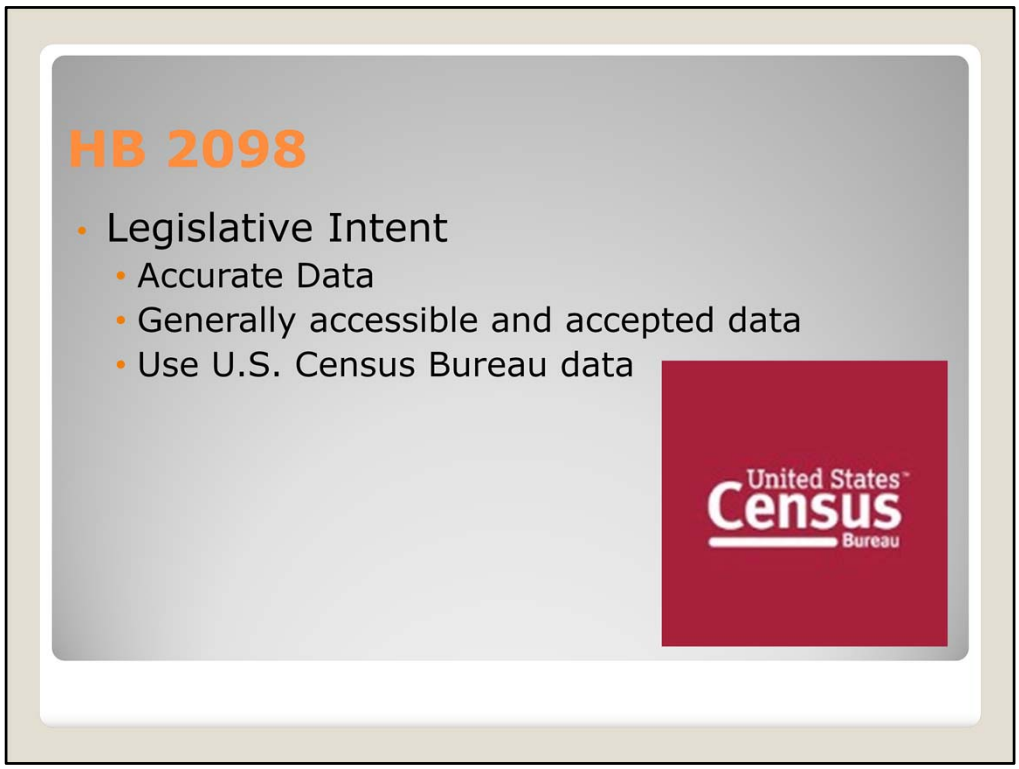
The census data had sample size errors for small districts. Thus, small districts got the greater of their decennial census based poverty or their portion of the county's free and reduced lunch counts.



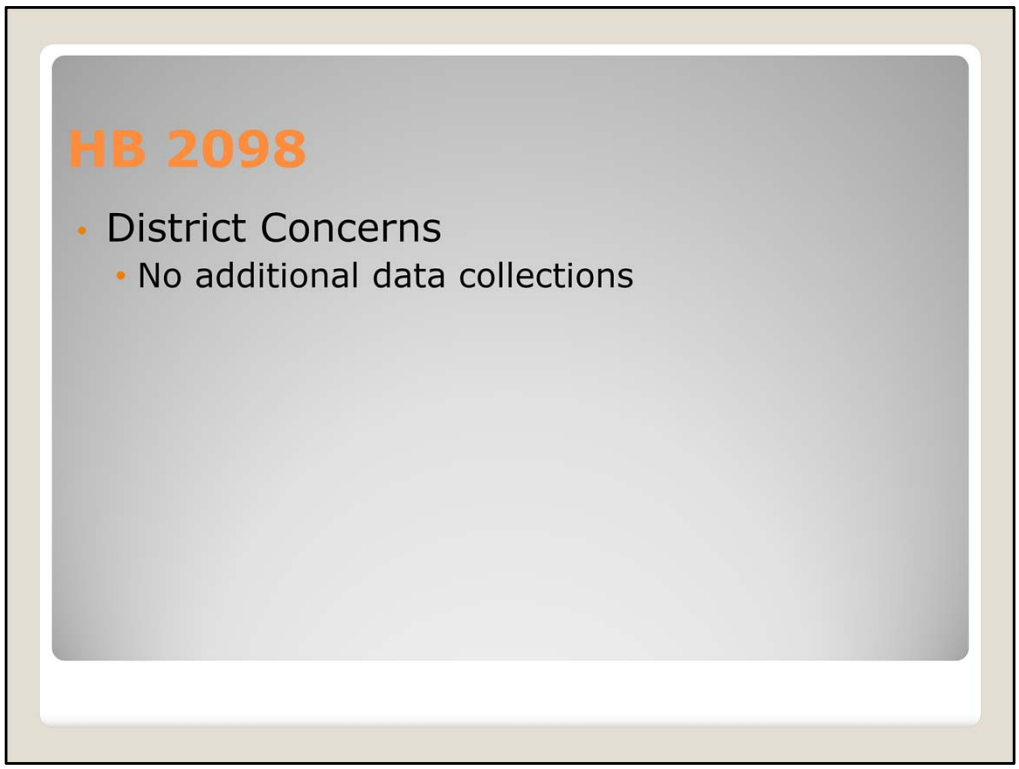
Decennial Census data changes only once every few years. 2004 was last update.
Can overstate or understate poverty
Decennial Census changes had no mechanism for updating poverty severity changes in the interim.



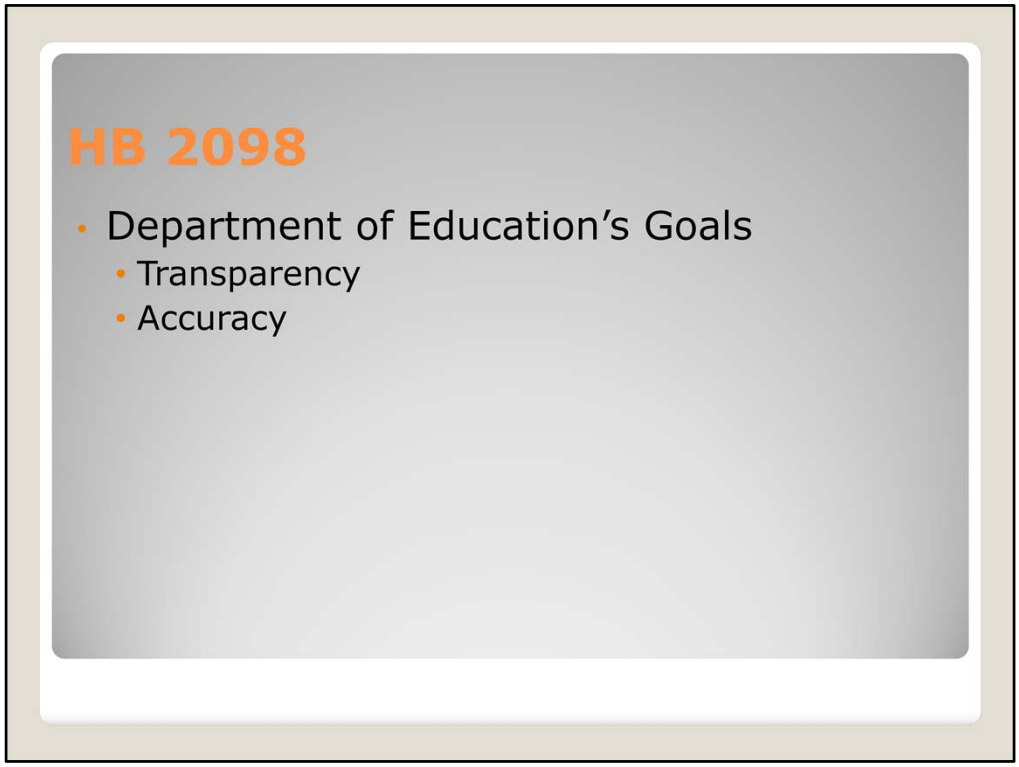
HB 2098 provides ODE with rulemaking authority to use another data source to determine how many students in poverty are in each district.



Legislature was concerned that department would use data that was not generally recognized as good or would use data that was not accessible to citizens and other stakeholders.



During the legislative process some districts were asked what their concerns and the impact to them by this bill. Universally the districts did not want an additional data collection.



Our current poverty calculation is not transparent. It is difficult to determine and requires gathering data from several districts before the calculation can be done. The goal of the new method would that it would be much more transparent and accessible.
The other major goal of ODE was to get more accurate data about poverty into the formula. ODE had been hearing from districts for several years that the poverty weight did not reflect the reality as they saw it.

What about Free and Reduced Lunch Data?

- Different Definition
- Known underreporting
- Accuracy concerns

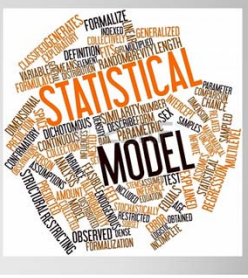
Free and Reduced lunch program uses a different definition of poverty than the official federal measure
Free and Reduced lunch data allows schools over a certain threshold to claim the entire school qualified
Know that high school students will not participate in the program due to social concerns.
The under reporting and over reporting leads to accuracy concerns regarding the data set for poverty.

Small Area Income Poverty Estimate (SAIPE)

- U.S. Census Bureau data
  - http://www.census.gov/did/www/saipe/
- Updated annually
- District level data

SAIPE

- Statistical Model
  - SNAP from U.S. Department of Agriculture
  - IRS Data
  - American Community Survey data



SNAP is Supplemental Nutritional Aid Program

SAIPE

Data provided:

- Population of District
- Population age 5-17 in district
- Population of age 5-17 in families in poverty

Poverty Calculation

- Start with SAIPE Data
- Total Population age 5 to 17 in school district

Poverty Calculation

Problem:

- Not all children attend public schools
- Need accurate population in public schools

Poverty Calculation

Solution:

- Use ADMr
- Percentage of children attending public school

Poverty Calculation

- Calculation—2 Steps:

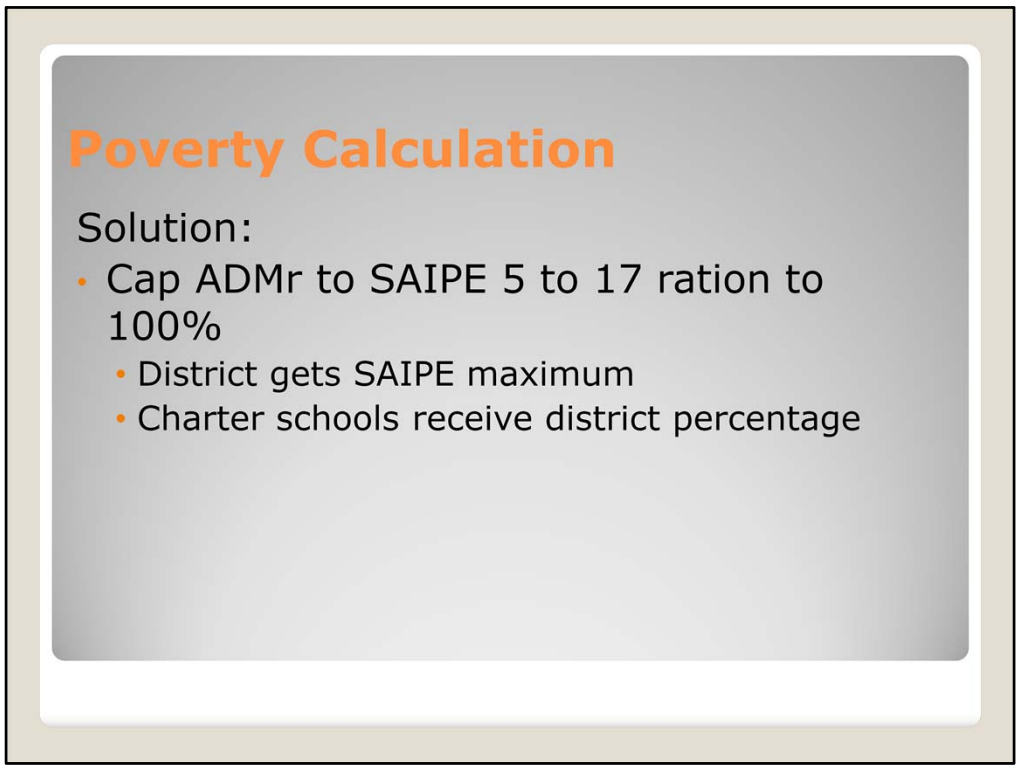
1. $\frac{District\ ADMr}{SAIPE\ 5\ to\ 17\ Population} = \%\ Public\ School\ Attendance$

2. $\%\ Public\ School\ Attendance\ \times$
   $SAIPE\ Poverty\ Number =$
   $Poverty\ count\ for\ funding\ formula$

Poverty Calculation

Problem:

- Some ADMr to SAIPE 5 to 17 ratios will be greater than 100%
  - Charter School enrollment
  - Inter-district transfers
  - Open Enrollment

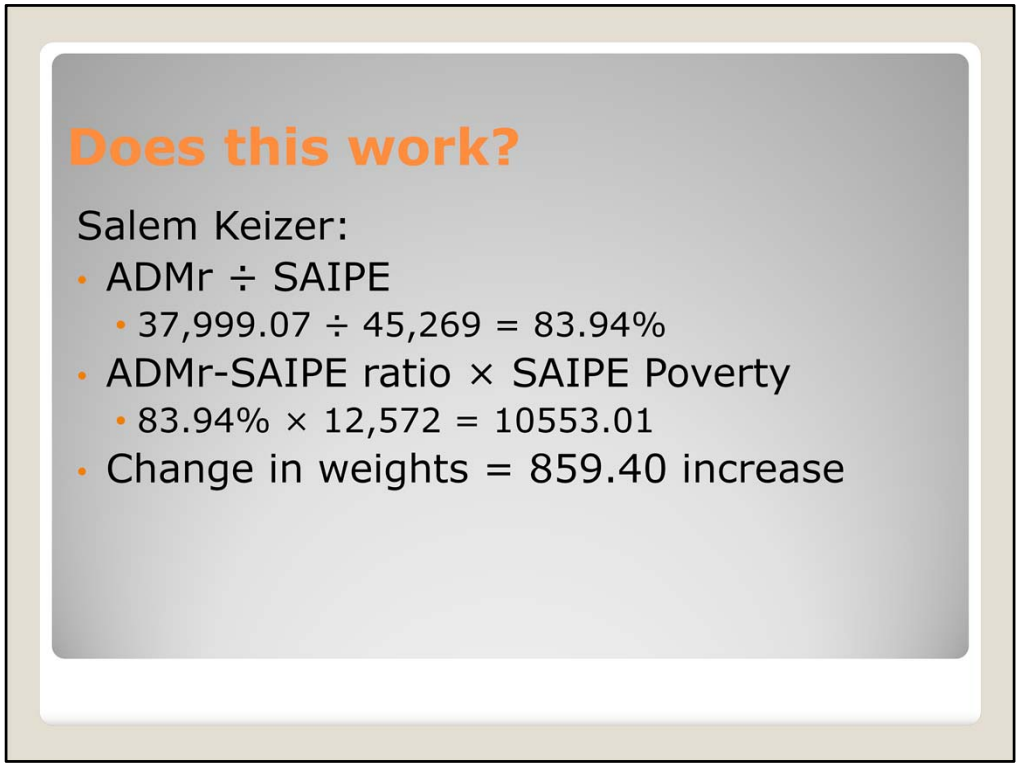


The cap is there to ensure that we do not introduce inaccuracies into the equation. Also at this time we are unable to determine how many students attending a charter school or attending a district through open enrollment are in poverty. Thus we cap the ratio to prevent speculation as much as possible.

Does this work?

Salem Keizer:

1. SAIPE population age 5 to 17 = 45,269
2. ADMr = 37,999.07
3. SAIPE Poverty = 12,572



ADMr/SAIPE gives us the percentage of children attending public schools

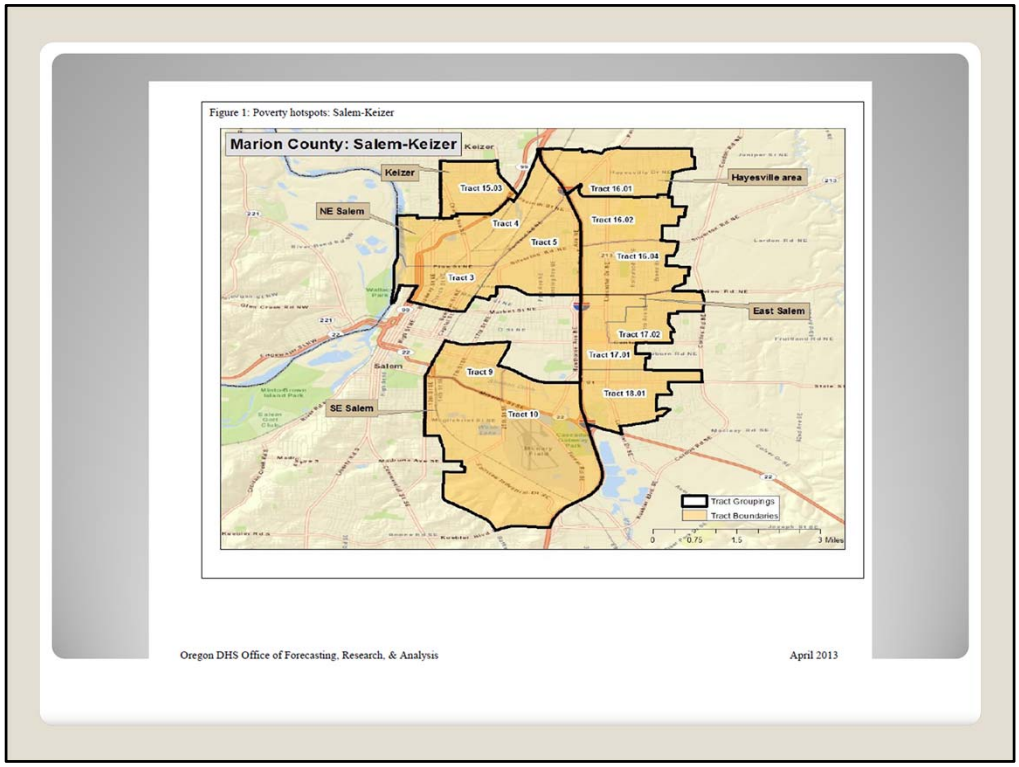
Percentage multiplied by SAIPE poverty gives us students in poverty

Does this work?

- DHS and OHA published report on poverty hotspots
  - Hotspot is a high concentration of family in poverty

Does this work?

- Data Used:
  - Oregon SNAP data
  - Oregon Employment Data
  - DHS client data

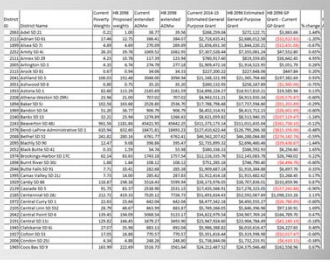


Each of the yellow highlighted area is an area of high concentration of poverty.

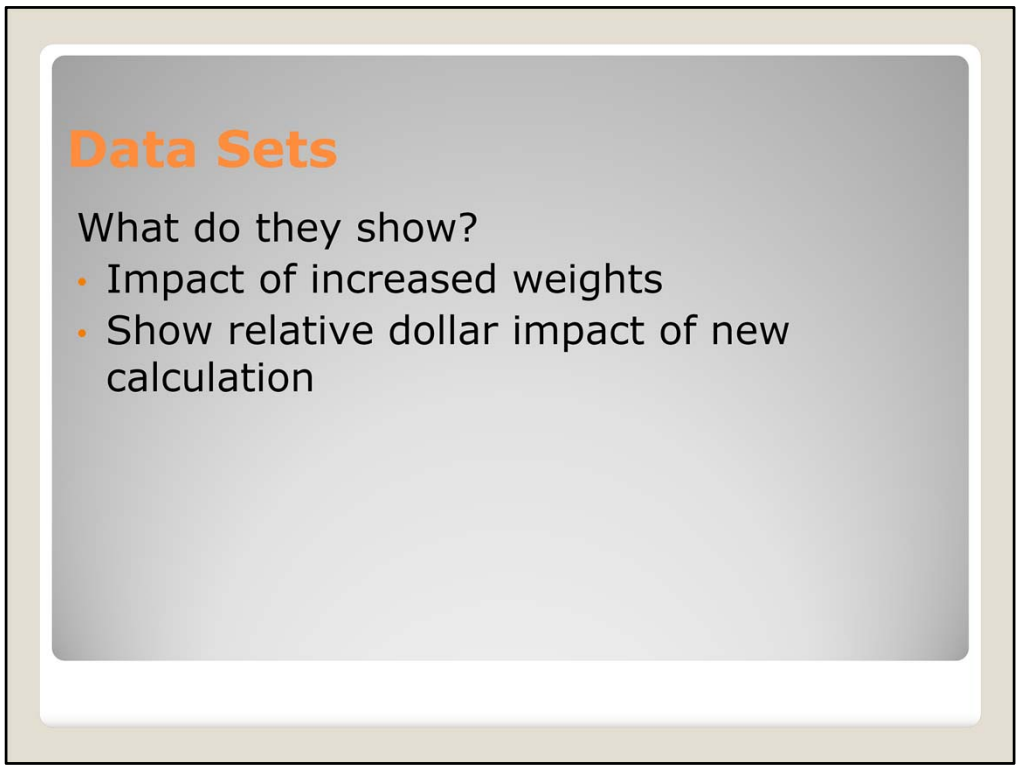
Data Sets

What are they?

- Compare 2014-15 poverty estimates
  - Old vs. New calculation
- Use 2013-14 extended ADMw
- Only poverty changed



The data sets that have been sent around the state are comparing what 2014-15 would look like with the old poverty formula versus the new poverty formula



The dollar change represent only the change due to poverty. It compares 2014-15 to 2014-15.

Data Sets

What are they not?

- Official 2014-15 estimate
- Indication that districts lose funding
- Not based on 2014-15 ADMw
- Not based on district generated 2014-15 local revenue

Data Sets

What do I (and my superintendent) need to know?

- Estimated 6,000 weight increase
- Estimated per weight reduction $41
- Estimated per weight gain in 2014-15: $340
- Overall funding increases in 2014-15

Next Steps

- Get feedback on other possible solutions
- Submit rule to State Board of Education
- Program change


QUESTIONS?