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EXECUTIVE SUMMARY

Since Governor Ventura took office in January 1999, he has worked toward giving Minnesota the best K-12 education system in the nation. As a part of this Big Plan pledge, the Ventura Administration undertook a comprehensive education reform study to look at these main policy questions:

- How can the state get the most return on its investment in education spending?
- What is the state s role in creating accountability at all decision-making levels, starting with parents and including local districts?
- How can we promote the use of what we already know works best to increase student achievement?

During the course of the study three things became clear. Minnesota has been a pioneer in education excellence, but we are losing our edge. There are many possible paths we can take to ensure educational excellence for all of our children. We cannot look to improve K-12 education in isolation but must also look at the early childhood education opportunities available to our youngest learners. Research has shown that participation in early childhood and education programs can lead to subsequent gains in cognitive test scores, better kindergarten achievement, lower rates of grade retention and special education placement, and higher rates of high school graduation.

This report, *Choices For Change: Options for Improving Minnesota Education in the 21st Century*, released by Lt. Gov. Mae Schunk and education Commissioner Christine Jax, represents the continuing effort by the Ventura Administration to have reform driven by the input of experts, stakeholders and community members from across the state. We gathered citizen input for this report through interviews, stakeholder forums, and wide-open community meetings in the following eight cities: St. James, Rochester, Anoka, Sauk Rapids, Fergus Falls, Grand Rapids, Minneapolis and St. Paul. The different study groups included superintendents and administrators, school board members, business executives, college professors, teachers, parents, students, and childcare and early childhood education providers and participants. Some of the results of our work have already been presented in two recent studies published by the Department of Children, Families & Learning: *Consolidating Child Care Assistance Programs,* February 2000; and *No Better Time: Starting Early for School Success*, January 2001.

In this report, we have included recommendations that outline a vision for our education system in the future. The report includes a set of proposals to address education concerns related to governance, standards and accountability, state funding, special education, early education, class-size reduction, and teacher shortages. Many of the report s policy recommendations are reflected in the governor s budget and include the following changes:

- Eliminate local general education levies by having the state assume responsibility for the basic formula funding.
- Provide incentives for districts to establish teacher compensation models that reward performance and leadership, thereby helping to attract and retain top-notch educators.
- Create alternative routes to teacher licensure for those wishing to change careers or move from a job as a classroom aide or substitute.
- Require low-performing schools to show improvement within three years or face state intervention.

- ¥ Expand statewide testing to middle school grades to provide a fuller picture of school performance.
- ¥ Require all districts to develop continuous improvement plans linked to state and local accountability systems.
- ¥ Consolidate three existing child care assistance programs to achieve maximum self-sufficiency for families while streamlining state spending.

These recommendations are among nearly 50 specific reforms or improvements suggested in the report. Only a portion of the report s recommendations are included in the Ventura Administration s priorities for the 2001 Legislative Session, but that does not indicate a lack of support for the others. We acknowledge that we cannot enact all the recommendations at the same time and have chosen to focus on the ideas that will have the most benefits for our students today and lead to broader change tomorrow.

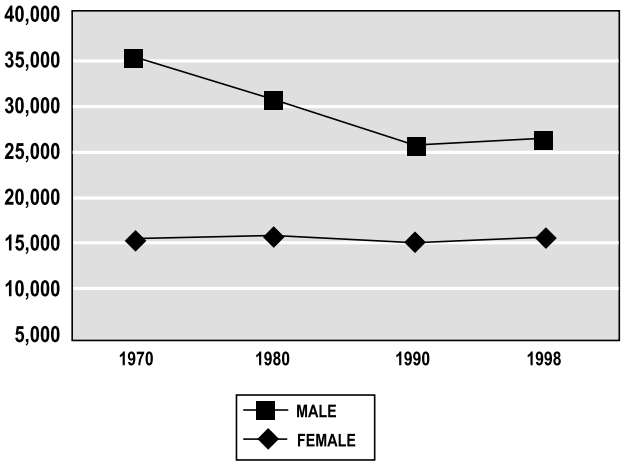
We welcome the public discussion that this report will undoubtedly generate. Through public debate of the research-based and reform-driven recommendations for improvement included in this report, Minnesota will be better-equipped to make the necessary choices for change that will give Minnesota s children the best education system in the nation.

Section I: EDUCATION AND THE STATE OF THE STATE

The National Context

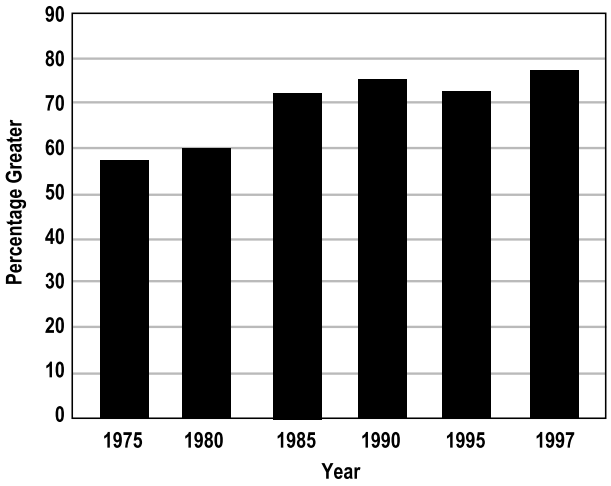
By the early 1980s, the forces of growing global competition and rapid technological change were reshaping the American economy and transforming American society. Together they gradually reduced the earning power of Americans who did not possess higher-level skills or academic degrees. In 1970, for example, the average male aged 25-34 with only a high school diploma received wages and salaries of $35,553 in 1999 dollars, but by 1998 this fell to $25,864. For females with high school diplomas, the increase was only slight, from $14,681 to $15,356. The "earnings gap" for lower-skilled Americans has grown not just in real terms, but in relative ones as well. In 1975, the typical college graduate earned 58 percent more than the typical high school graduate. By 1997, that wage disparity had increased to 77 percent.[1]

Annual Earnings (in constant 1999 dollars) of Wage and Salary for Workers Ages 25-34 with High School Diplomas



And even as lower-skilled jobs were paying less, there were fewer of them to go around. As the American economists Frank Levy and Richard Murnane have written, "As recently as the 1950s, 20 percent of the workforce was professional, 20 percent was skilled, and 60 percent was unskilled. In dramatic contrast, by 1997, while professionals continued to be about 20 percent of the workforce, less than 20 percent are unskilled workers, while more than 60 percent are skilled workers." [2]

Percentage Greater Earnings of Bachelor's Degree over High School Diploma



If present trends persist, the percentage of jobs in the American economy that require higher-level skills will continue to expand rapidly in the years ahead. Only two of the ten job categories projected to grow the fastest between 1996 and 2006 — home health aides and personal care aides — require skills that can be acquired through on-the-job training. The three positions that will increase at the highest rates — database administrators, computer engineers, and systems analysts — all demand college degrees or other advanced training. [3]

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1 U.S. Bureau of the Census, *Educational Attainment in the U.S.,* Current Population Reports, P20-513 (Washington, D.C.: U.S. Government Printing Office, 1998); *Wages and Mean Earnings of Workers 18 Years and Older by Educational Attainment, Race, Hispanic Origin, and Sex*, 1975-1997. Historical Tables, Table A-3 Internet release date, December 10, 1998. Updated December 19, 2000. Both reports available from www.census.gov/population/www/socdemo/educ-attn.html Internet. Accessed December 10, 1998.

2 Frank Levy and Richard J. Murane, *Teaching the New Basic Skills Principles for Educating Children to Thrive in a Changing Economy,* (New York: Free Press, 1997), vii.

3 George T. Silvestis, “Occupational Employment Projections to 2006,” *Monthly Labor Review* 44, no. 11 (November 1997): Table 3, 77.

Projected Percentage Employment Growth by Major Occupational Groups 1996 to 2006

Occupation Group	Percent Increase
Total, all occupations	14.0
Executive, administrative and managerial	17.2
Professional specialty	26.6
Technicians and related support	20.4
Marketing and sales	15.5
Administrative support, including clerical	7.5
Service	18.1
Agriculture, forestry, fishing, and related occupations	1.0
Precision production, craft, and repair	6.9
Operators, fabricators, and laborers	8.5

(See also Appendix B: Jobs and Skills for the Future.)

Unfortunately, a multitude of tests and studies demonstrates that America s schools are not equipping sufficient numbers of students with the skills they need for success in the nation s new economy. In one recent survey by the nonpartisan research organization Public Agenda, over 75% of employers and college professors gave recent high school graduates fair or poor ratings for grammar and spelling. A similar percentage said that students ability to write clearly is generally fair or poor, and a majority expressed disappointment with student work habits, motivation, and basic math skills.[4]

The Minnesota Context

In very few places have these national — and international — trends been as evident as Minnesota. Our state continues to have one of the nation s tightest labor markets, with unemployment at 2.8 percent in June 2000. That marked the 33rd consecutive month that unemployment in Minnesota was 3.0 percent or lower. Three-fourths (75.4%) of the state s population is currently in the workforce or actively looking for work — a higher percentage than in any other state.

In high-growth fields, critical skill shortages are emerging. In a 1998 study, the Minnesota Department of Economic Security found that 57% of the state s employers were having trouble finding qualified information technology workers. Other shortage occupations include welders, electricians, machinists, nurses and lab technicians. [5]

With nearly all adult Minnesotans who want to work and are able to do so already in the labor force, young people now in middle and high school are the state s most promising source of new workers for the foreseeable future. Because our labor market is statewide and workers are highly mobile, Minnesotans today have a greater stake than ever before in the quality of education in communities and school districts other than their own.

Assessing Education

How well are Minnesota s schools preparing students to succeed in this new economy? Relative to other states, Minnesota s students continue to score near the top on standardized tests. Those results are a tribute to the skills of the educators in our schools and the value that our families and communities place on education.

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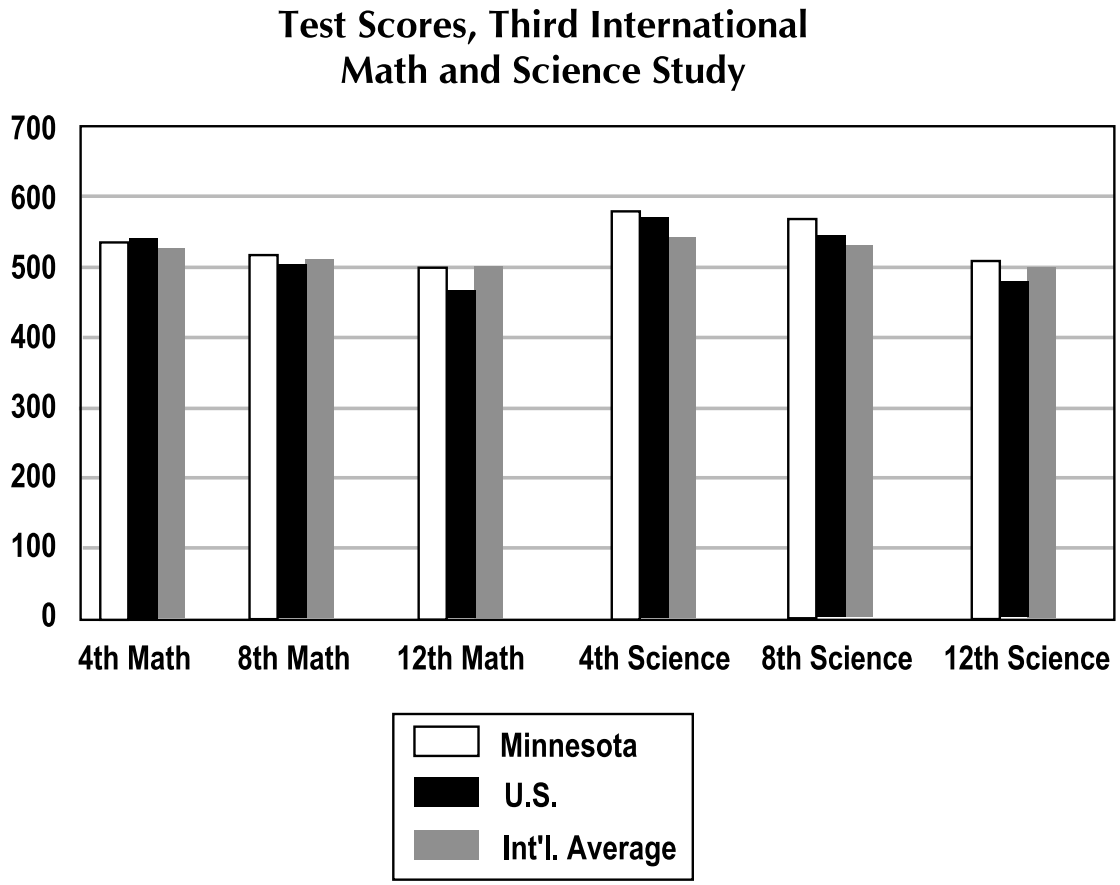
4 *Public Agenda, A Report from Public Agenda: Standards and Accountability: Where the Public Stands*, Briefing Materials for 1999 National Education Summit, Council of Chief State School Officers. Unpublished. (Washington, D.C.: Council of Chief State School Officers, 1999) 1.

5 Citizens League Committee on Workforce Training, “From Jobs for Workers to Workers for Jobs: Better Workforce Training for Minnesota,” (Minneapolis, 1999) 6-7.

But standardized test success relative to the rest of the nation should not be cause for complacency. Compared to other countries — which is a very relevant point of reference in a global economy — Minnesota is average at best. According to SciMathMN [6], the average performance of Minnesota students on the Third International Math and Science Study in both math and science, while significantly higher than that of U.S. students as a whole, was approximately equal to the international average in math, above in fourth grade science but once again at the international average by grade twelve. Several nations scored significantly higher than Minnesota in both subjects. (See Appendix C.)

In addition, some of the fastest growing demographic groups in our state score substantially below national averages on standardized tests. For example, although Minnesota as a whole does well on the periodic National Assessment of Educational Progress exams, the state s African-American fourth graders had the third-lowest scores in the nation, tied with their counterparts in Arkansas and ahead only of fourth grade African-American students in California and Washington, D.C. If Minnesota allows these students to fall further behind in the knowledge economy, we will be wasting valuable skills and potential in an economy where they are in short supply. And over time, we will be inviting the social and economic pressures that inevitably emerge when the doors of opportunity are kept closed to an entire segment of society.



6 SciMathMN is a nonprofit science and mathematics organization supported by public funds and corporate contributions.

Section II: WHERE MINNESOTA STANDS ON STANDARDS

Every proposal in this report is intended to help all of Minnesota s children achieve to the high standards that are essential for success. With that in mind, it may be helpful to summarize the intent of standards-based school reform and where our state stands in its effort to make high standards a reality in every Minnesota classroom.

The Idea of Standards

Standards-based school reform seeks to set out clear, challenging standards for what all students should know and be able to do at various points in their progress from early childhood education through high school. Rather than basing the progress of students from grade to grade upon course credits, standards-based education requires students to demonstrate that they have mastered the relevant knowledge and skills on tests and other performance assessments before they can graduate. The most critical gateway is high school graduation. In a truly standards-based system, a high school diploma offers meaningful confirmation that a student is well-prepared for the challenges of higher education, the workplace and citizenship**.** To achieve that goal, curriculum, instruction, assessments and other aspects of teaching and learning must all be focused on helping students meet and exceed challenging state standards.

Minnesota Today

The objectives of standards-based reform in Minnesota are spelled out in the state s Graduation Rule, which requires all students to meet state-designed basic and high standards before they can be awarded a high school diploma. To meet the state s basic standards, students must pass Basic Standards Tests (BSTs) in mathematics, reading, and writing. Reading and math tests are required to be taken for the first time in 8th grade and the writing test is required for the first time in 10th grade. Students who do not pass can retake the tests up to twice each year, except for their senior year, when additional testing dates are available.

To meet the high standards, students must complete locally-determined performance assessments that show they have mastered key skills and concepts outlined in the state s Profile of Learning.

The Profile of Learning sets out content standards divided among ten key learning areas.[7]

The ten existing learning areas are as follows:

1. **Read, Listen and View**
2. **Writing and Speaking**
3. **Arts and Literature**
4. **Mathematical Concepts and Applications**
5. **Inquiry and Research**
6. **Scientific Concepts and Applications**
7. **Social Studies**
8. **Physical Education and Lifetime Fitness**
9. **Economics and Business**
10. **World Languages**

With respect to all ten learning areas, decisions about the curriculum, materials, texts, and the forms of instruction used to help students reach the high standards are made entirely at the local level.

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[7] The agency is currently studying whether an eleventh learning area, Technical and Vocational Education, should be added. The agency will make a recommendation on this issue to the Minnesota Legislature in 2001.

The 2000 Minnesota Legislature gave schools and local school boards greater latitude to phase in the implementation of the Profile s content standards for their students. Elementary and middle level schools will decide on the number of preparatory standards for students; high schools must determine the number required for students to graduate. Under the new approach, teachers and administrators in each school must agree by August 15th of each year upon the number of standards that their students will be required to master. If the local school board does not approve of the school s plan, then students in the district will be required to meet all state content standards. Regardless of how many standards schools and school boards decide to require for graduation, students must have the opportunity to take classes or participate in learning opportunities in all of the content areas covered by the high standards. Eventually, all high schools must require at least 24 content standards for graduation and all middle level and elementary level sites must meet the state requirements.

Section III: GUIDING PRINCIPLES FOR CHANGE

Participants in the study groups agreed that the following broad ideas and ideals should guide the state s efforts to improve education in the years ahead:

1. Minnesota s schools must be committed to both excellence and equity.

Too often, debates over school reform pose educational excellence and equity as contradictory rather than complementary goals. In today s economy, Minnesota cannot accept any trade-offs between the two. Although students should be allowed and encouraged to pursue educational programs that reflect their interests and aptitudes, all students — regardless of their background — must master the knowledge and skills for success in the Information Age.

Excellence

Minnesota s primary vehicle for promoting educational excellence is the system of clear, challenging standards that the state began putting in place in the early 1990s. While there will be continuing discussions of how to best implement these high standards, the state must continue to implement a version of standards-based reform that meets the needs of Minnesota s students. The chief focus of this effort today is facilitating the changes necessary to help schools and teachers adopt the instructional practices, curriculum and assessments to ensure that all students reach the high standards.

Equity

The State of Minnesota s primary vehicle for promoting educational equity is its role as the principal funding source for schools and school districts. The state must continue the progress it has made over the past decade in instituting a uniform funding base for all students and in ensuring that quality programs and facilities are available throughout the state, regardless of the relative wealth or poverty of a community s tax base. School finance should also take into account variations in costs resulting from unique student needs (e.g., special education, poverty), and differing educational settings (e.g., population density).

2. Educators who work most closely with students should have the greatest authority to shape their education.

Most decisions about educational programs, including staff selection, curricular design, the selection of instructional methods, staff development planning and budgeting, should be made at the school site. Locally elected school boards and superintendents should be responsible primarily for district-wide administrative and policy decisions, such as overall facilities needs, revenue enhancement, transportation, assessments and how to hold schools accountable for improving student achievement. The state should focus on issues that transcend local district boundaries: promoting collaboration among state agencies, establishing basic standards for student performance and the level and distribution of resources.

3. High-quality instruction and active parent involvement are indispensable strategies for raising student achievement.

Nothing is more directly related to increasing student achievement than having a talented, dedicated, and well-prepared teacher in every Minnesota classroom. The quality of a student s teacher, numerous studies have concluded, is the single most important factor in influencing that student s academic performance.[8]

Innovative new initiatives will be required to attract talented individuals into the classroom, and the profession itself must be substantially restructured to

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[8] See R. Ferguson, “Paying for Public Education: New Hard Evidence on How and Why Money Matters,” *Harvard Journal of Legislation*, 28 (Summer 1991): 465-98; R. Greenwalls and others, “The Effect of School Resources on Student Achievement,” *Review of Educational Research*, 66 (Fall 1996): 361-396; W.L. Sanders, and J.C. Rivers, “Cumulative and Residual Effects of Teachers on Future Student Academic Achievement” (Knoxville: University of Tennessee, Value-Added Research and Assessment Center, 1996).

give them greater incentive to stay there. High-quality professional development can enhance teacher skills and contribute to improved student achievement.[9] Active parent involvement is equally critical.[10] Culturally sensitive practices should be developed to engage parents in their children s schools.

4. Schools, school districts and the state must ensure efficiency, effectiveness and accountability in the allocation and management of resources.

Services to students, families and schools should be streamlined and better coordinated to avoid duplication and to eliminate gaps. Whenever possible, funding for programs and services that serve students should be allocated to the school site.

5. The power of technology should be used in multiple ways to enhance teaching and learning.

Just as the Digital Revolution transformed American business in the last decades of the 20th Century, it is transforming American education in the first decades of the 21st. Advances in the power of computer hardware and software, coupled with dramatic reductions in cost, now make it possible to put technology to work helping students meet high standards in exciting new ways. Advanced multimedia applications, for instance, can generate high-quality three-dimensional graphics that make complex concepts in physics and geometry more easily understandable. New reading programs incorporate voice recognition technology to enable students to practice reading aloud at their own pace with a computerized tutor. The development of artificial intelligence has made it possible to create instructional software in a growing range of subjects — from science to social studies — that engages students on a conceptual level, rather than simply indicating whether an answer is factually correct. And the growing power and reach of the Internet and other communications technologies are eliminating distance as an obstacle to education, making learning possible anytime, anywhere.

Schools, school districts and the state should use these emerging capabilities to improve teaching and learning in all grades and across the curriculum. Teacher training is a critical component of a successful educational technology strategy.

6. Educators should engage non-educators in improving schools and raising student achievement.

The state, school districts and individual schools should establish ongoing partnerships with businesses, community organizations and institutions of higher education to improve teaching and learning. Many of these organizations can provide financial and technical resources, volunteers and expertise that can help to improve student achievement. In addition, educators can benefit from exposure to the way these organizations use technology, invest in employee knowledge and skills, promote teamwork, and decentralize decision-making.

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[9] See American Federation of Teachers, “Building a Profession: Strengthening Teacher Preparation and Induction.” (Washington, D.C.: American Federation of Teachers, 2000) Internet. Available from www.aft.org/higher_ed/reports/K16report.html. Other information on professional development can be found at the *Milken Family Foundation* website. Internet. Available from www.mff.org

[10] National PTA, “National Standards for Parent/Family Involvement Programs.” (Chicago: National PTA,1998); Laurence Steinberg, “Beyond the Classroom: Why School Reform has Failed and What Parents Need to Do” (New York: Simon and Schuster, 1996); information from the *Education Week* website. Internet. Available from www.edweek.org/context/topics/parents.htm. Internet.

7. Early childhood education has positive effects on later academic achievement, particularly for those students considered to be at risk of school failure.

Numerous studies have found that risk factors, such as poverty, have long-term negative effects on academic outcomes. According to Alexander and Entwisle, "Comparisons among different groups of school children find that poor children fare worse academically than those raised in more advantageous circumstances. Poor children begin to lag behind in the earliest school years, suggesting that they enter school not adequately prepared for success." [11]

In recognition of the link between poverty and academic achievement, policy-makers developed programs to deliver early childhood care and education to young children. These investments have produced valuable benefits. Researchers have concluded that early childhood education programs "were associated with reductions in the degree to which treated children were placed in special education and retained in grade during the public school years."[12]

Research reveals that the positive effects of early childhood education last into adulthood. The Abecedarian Project was a carefully controlled study in which 57 infants from low-income families were randomly assigned to receive early intervention in a high-quality child care setting. Fifty-four similar infants were in a non-treated control group. All were initially comparable with respect to scores on infant mental and motor tests. However, from the age of 18 months and through the completion of the program, children in the intervention group had significantly higher scores on mental tests than children in the control group. Follow-up cognitive assessments completed at ages 12 and 15 years showed that the intervention group continued to have higher average scores on mental tests. Reading achievement scores were consistently higher for individuals with early intervention. Mathematics achievement showed a pattern similar to that for reading. Those with treatment were significantly more likely to be in school at age 21 — 40% of the intervention group as compared with 20% of the control group. About 35% of the young adults in the intervention group had either graduated from or were at the time of assessment attending a four-year college or university. In contrast, only about 14% of the control group had done so. Employment rates were higher (65%) for the early intervention group than for the control group (50%). The Abecedarian Study provides scientific evidence that early childhood education significantly improves the scholastic success and educational attainments of poor children even into early adulthood.[13]

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11 K.L. Alexander and O.R. Entwisle, “Achievement in the first 2 Years of School: Patterns and Processes,” *Monographs of the Society for Research in Child Development*, 53 (1998): 218.

12 I. Lazar and others, “Lasting Effects of Early Education: A Report from the Consortium for Longitudinal Studies,” *Monographs of the Society for Research in Child Development*, 47 (1982): 195.

13 Frank Porter Graham Child Development Center, University of North Carolina at Chapel Hill, *Early Learning, Later Success*: *The Abecedarian Study*. (October 2000). Internet. Available from http://www.fpg.unc.edu/~ABC/executive_summary.htm

Section IV: THE CHOICES FOR CHANGE

GOVERNANCE:

PROMOTING HIGH STANDARDS AND LOCAL FLEXIBILITY

ISSUE 1: Strengthening Site Governance

Where Minnesota Stands Today

For almost 15 years, site-based management has been a buzzword of school reform in Minnesota. It refers to decentralizing decision-making authority from the state and district to the school level. The premise has been that those who work most closely with students and understand their unique needs should have the flexibility to shape an optimal educational program to meet those needs. Another premise has been that site-based governance encourages teachers to serve as leaders and facilitates deeper parent and community involvement in schools.

Districts success at turning the ideal of site-based management into reality has varied. Some have given schools meaningful control over their budgets, staffing, and design of their educational program. Districts that are emphasizing site-based management are generally doing so at the same time as they work to implement district-wide accountability systems and measures of student achievement.

The Minnesota Legislature has created several statutory building blocks of meaningful site-based management. Current Minnesota laws do the following:

- Encourage the creation of "site decision-making teams;"
- Direct some types of education funding (such as compensatory revenue) to the sites where the student who generates the revenue attends school;
- Require districts to allocate all general education and referendum revenue to the site and to pass a resolution of the school board approving any reallocation of funds among sites or for district-wide services; and
- Require districts to report use of revenue by sites.

Where Minnesota Should Go Tomorrow

The Legislature, the Department of Children, Families & Learning, and school districts across the state should promote approaches to the site governance of schools that give meaningful flexibility to — and demand accountability from — the educators who work most closely with students. This would allow decision-making to be driven by learning outcomes.

Policy Options

1. Devise state-level practices and policies for school districts to promote successful models of site governance, particularly those that give schools substantial control of their budgets, staffing and educational programs. These successful models should include an accountability system that measures outcomes against goals the schools themselves have identified. Models should also identify the decisions that are most effectively made at the district and the site levels.
2. Allocate most of state and local educational funding to the school level according to a weighted per-pupil formula that ensures all schools have sufficient resources to offer a quality education to all students.
3. Provide collective bargaining and continuing contract options to give school sites greater flexibility to recruit, hire and compensate highly qualified teachers.

ISSUE 2: Redesigning District Governance

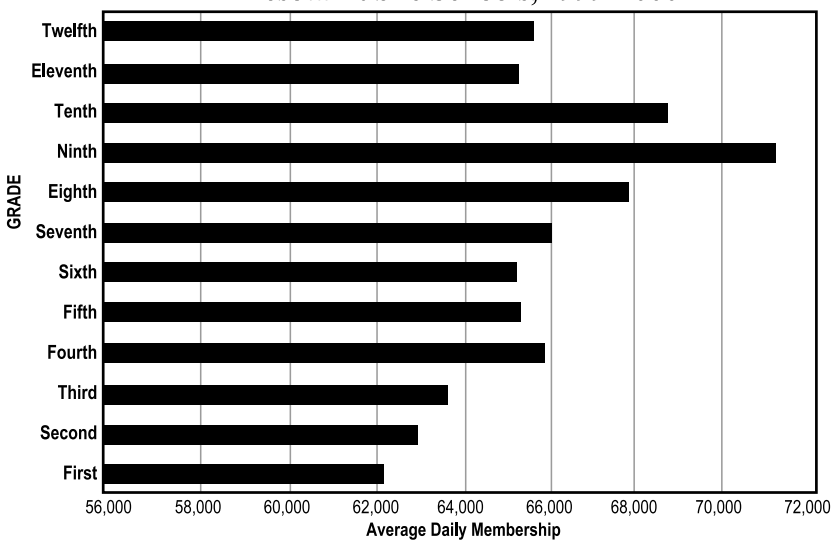
Where Minnesota Stands Today

After years of growth, student enrollment is declining across Minnesota. During the 1999-2000 school year, there were 65,531 high school seniors in Minnesota public schools, but just 62,268 first graders. This cohort of first graders is down from the year high of 71,203, the cohort in ninth grade in 1999/2000 — a loss of 12.5%.

Over half the state s districts will have declining enrollments by the close of the 2000-2001 school year. That trend will spread to many more districts over the next five years.

While declining enrollment poses significant challenges to the state s larger districts, it is an especially severe problem in rural Minnesota. Over 180 of the state s 345 districts already have fewer than 100 students per grade level — a size that significantly affects program offerings, especially at the high school level. As enrollments decline it is difficult to reduce the cost of services and staff proportionally and to provide students with high-quality, diversified educational offerings.

Average Daily Membership by Grade in Minnesota Public Schools, 1999-2000



In addition, it is becoming increasingly difficult to recruit qualified teachers, principals, and district administrators in smaller rural districts. Superintendents often wear many hats, including business manager, personnel director, transportation coordinator, and chief academic officer.

For over a decade, the Department of Children, Families & Learning and the Minnesota Legislature have assisted many smaller districts to consolidate in response to these challenges. This has allowed them to pool resources and to offer educational programs they would be unable to afford on their own.

In 2000-2001, the state will have 342 school districts,[14] which is down significantly from the 435 districts in the 1970s. The state has only 87 counties. Currently, while 316 school districts have fewer than 5,000 students, 54 counties also have fewer than 5,000 students. The boundaries of most school districts cross county lines and many school districts are in three or four counties.

Districts whose students live in different counties sometimes must coordinate the same services with multiple county agencies. This crazy-quilt of governance structures can result in confused lines of authority, limited joint planning and collaboration, and duplication of services. District officials report that they spend significant time and resources adhering to several different sets of regulations and procedures.

In 1993, the Minnesota Legislature first appropriated funding for the family services collaboratives. These grants were to provide incentives to communities that foster cooperation and service coordination in order to improve outcomes for children and families. Family services collaboratives are governed by entities that include representation from the school district(s), county, public health agency and community action agency or Head Start program if the local community action agency is not the Head Start grantee. In addition, participation is encouraged from the broader community including private non-profit agencies. Together the governing body plans for the needs of children ages birth to eighteen. Members of the collaborative analyze the services that are available within a community and identify any gaps or duplication.

[14] Charter schools are not counted as districts. Students from charter schools and other entities such as intermediate school districts, special education coops, and alternative learning centers are included in the student count. Additional consolidations are in progress.

Where Minnesota Should Go Tomorrow

In conjunction with the implementation of meaningful site governance, local communities and the state should consider the consolidation of administrative services so they are aligned for efficient delivery of services to students. A systematic approach to redesigning district boundaries that allows a more efficient use of resources, enhances efforts to develop high-quality educational programs, provides sufficient equipment and supplies, and attracts and retains talented teachers, principals and district administrators would produce long-term benefits for students. The realignment of school district boundaries should not require closing local school buildings. The realignment, along with site governance changes, should enrich local communities involvement in those local school buildings throughout a newly configured district.

One option for more widespread and systematic consolidation of smaller school districts that face declining enrollment and resources is to consolidate districts along county or multi-county regional lines. Under a countywide or regional system, most schools could rely upon a broader and more diverse tax base for support. In a countywide system, school districts would need to work with only one rather than multiple counties to levy taxes for support of education.

In addition to creating economies of scale, the creation of countywide districts could have additional benefits for children and families. Increasingly, students receive services through health and human services agencies in addition to education and school services. This is particularly the case for students who struggle with achievement and for those with disabilities.

As another option for better consolidation of administrative services, school districts, counties and others could formalize joint decision-making through the development and implementation of interagency agreements. In many areas of the state, family services collaboratives utilize such agreements to better serve children and families. These agreements can memorialize the decisions of the collaborative planners regarding: areas of philosophical agreement and commitment to a shared mission; expectations, roles and responsibilities of the partners; service obligations; fiscal and legal liabilities of the partners; specified outcomes agreed on by all partners; agreement to fill service gaps; and a process for conflict resolution. These agreements may also define management practices such as supervision of cross-agency staff.

A move toward a regional or countywide governance system coupled with meaningful site governance, continued support for Minnesota s options for choice and collaboration with county services would provide a rich menu of services and programs for students within local communities.

Policy Options

1. Design a plan for consolidating school districts and aligning them with county boundaries. Under such a system, locally elected countywide Boards of Education would set broad policy and provide services, such as payroll, transportation, and the negotiation of staff contracts that are most efficiently provided on a district level. Individual schools and site councils would be given increased control of school budgets, staffing and other elements of education that directly affect students.
2. Bring the state, school districts and counties together to better align services for children and families across agencies. Build on the lessons learned by the family services collaboratives. This option would not necessarily require the formal consolidation of school districts.
3. Bring the state, local school districts and counties together to study the formation of intermediate, multi-county, multi-district service delivery units. These units would pool resources to provide participating districts and county agencies with the services of interpreters, child psychologists, health care workers, computer technicians, special education directors and other professionals.

Redesigning School Governance:
Indicators of Progress

- An increasing percentage of principals report that their schools have effective site councils that play a leading role in school governance;
- An increasing percentage of site councils report that families and community members are active participants in their work;
- An increasing percentage of school site councils report that they have significant control over school budgets;
- An increasing number of countywide school districts have been created and are reporting efficiencies in administrative functions and improved services and programs for students;
- An increasing percentage of district superintendents report that interagency teams coordinate the financing and delivery of services to students to increase effectiveness and efficiency.

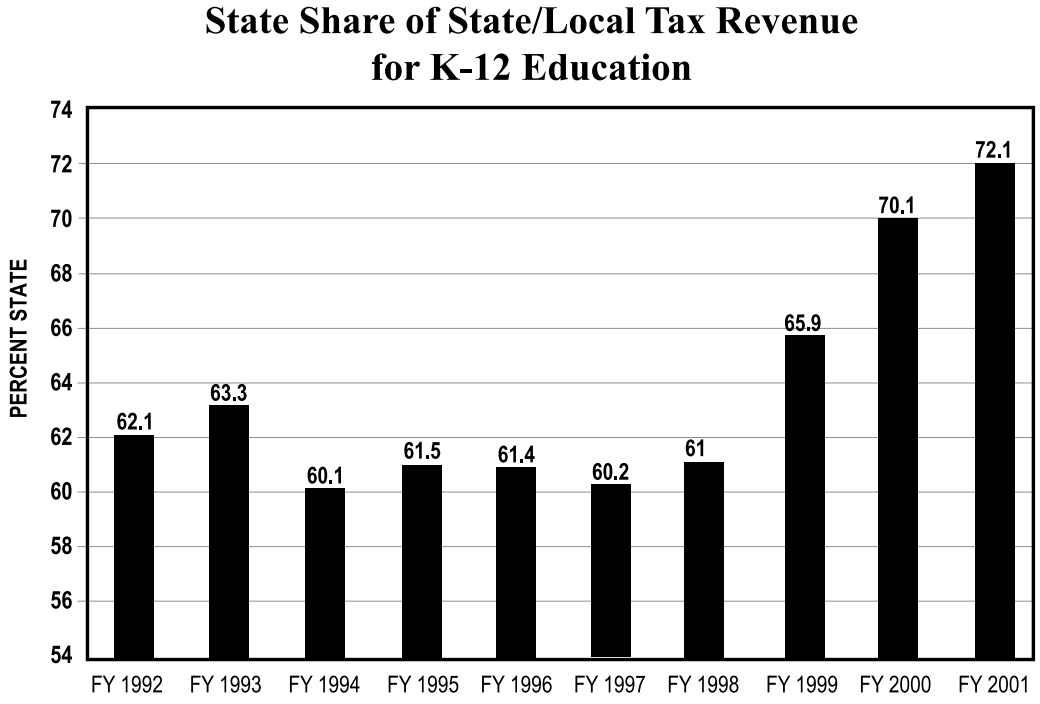
FINANCE:

ENSURING EQUITY AND ACCOUNTABILITY IN THE USE OF PUBLIC RESOURCES

ISSUE 1: Increasing Accountability for Education Funding by Clarifying State and Local Roles

Where Minnesota Stands Today

Over the past three decades, as the state has absorbed more of the financial cost of schooling, increases in education expenditures at the state level reflect two factors: increases in total educational expenditures and the shift from local districts to the state as the major source of revenue.



However, a major portion of the local property tax levy for K-12 education is actually a state-determined levy. Minnesota Statutes, section 126C.13, sets the state total general education levy at $1.330 billion, and directs the Department of Children, Families & Learning to annually establish the tax rate that will raise that amount of money when applied statewide. School districts are theoretically permitted to levy less than the maximum, but any district that does so loses not only the levy proceeds, but also a substantial amount of state matching aid. Therefore, it has been many years since any district has levied less than the maximum amount for this levy. The state s role in setting this levy is recognized in the truth-in-taxation process, which requires a breakdown of school levies into three categories: "state-determined," "voter-approved," and "other." Despite the breakdown of school levies provided on the tax statements, the total school levy is still generally regarded as a local levy. With much of the school levy being determined by the state, but certified and collected locally, it is difficult for taxpayers to hold either the state or the local school boards accountable for increases in school levies.

Where Minnesota Should Go Tomorrow

The state should increase state and local accountability for education funding by more clearly delineating state and local responsibilities for determining school tax levies. Since basic K-12 education clearly has enormous statewide benefits, it makes sense for the basic general education revenue to be funded from state sources.

Policy Options

Eliminate the local general education levy with the state assuming responsibility for the full cost of the basic general education formula. School districts would continue to make local property tax levies to fund a share of additional costs above the basic formula, including operating referendum levies, debt service levies, and other levies for a variety of smaller programs, including community education and capital expenditure health & safety.

ISSUE 2: Reducing District Reliance on Referendum Levies

Where Minnesota Stands Today

In recent years Minnesota s school districts have increasingly relied upon voter-approved operating referendum levies to meet their educational needs. Referendum revenue has grown from 3.1% of total school district general fund revenue in FY 1984 to 6.1% in FY 1991 to 8.4% in FY 2001. The percentage of school districts with referendum revenue has increased from 43% in FY 1984 to 66% in FY 1991 to 87% in FY 2001. All metro area districts except St. Paul currently receive referendum revenue, and St. Paul s voters approved the requested referendum in November 2000 so that district will begin receiving referendum revenue in FY 2002.

Historically, the referendum was viewed as a means of providing optional "extras." Today, however, many district administrators view it is a necessity for maintaining basic programs. This is problematic because over-reliance on referendum revenue creates inequity and budget instability. Demographic differences among communities make it more difficult to pass a referendum in some districts than in others. And when referendum revenue accounts for as much as 25% of a district s general fund budget, failure to renew an expiring referendum may necessitate major budget cuts.

Where Minnesota Should Go Tomorrow

The state should increase districts financial stability and decrease funding disparities among districts by enabling districts to reduce reliance on operating referendum levies.

Policy Options

1. Increase the general education formula allowance with a dollar-for-dollar reduction in referendum, supplemental and transition revenue. A $415 per pupil unit buy-down would cost $69 million per year; a $527 per pupil buy-down (equal to the state average) would cost $120 million per year when fully phased in. The referendum cap would be reduced by the amount of the buy-down.
2. Increase the portion of referendum revenue equalized by the state to level the playing field for districts with a low tax base.

ISSUE 3: Equalizing Facilities Levies Among Districts

Where Minnesota Stands Today

In 2000, the National Commission on Education Statistics estimated that repairing America s school facilities would cost the nation approximately $127 billion. This national need is reflected throughout Minnesota, where aging school buildings in some districts and rising enrollments in others have increased the need for school construction and repair.

Most funding for school facilities in Minnesota is raised by districts through bonds that are repaid through local tax levies. The state supports these investments in infrastructure by providing debt service aid to districts with high property tax rates for debt service and low property valuation per pupil.

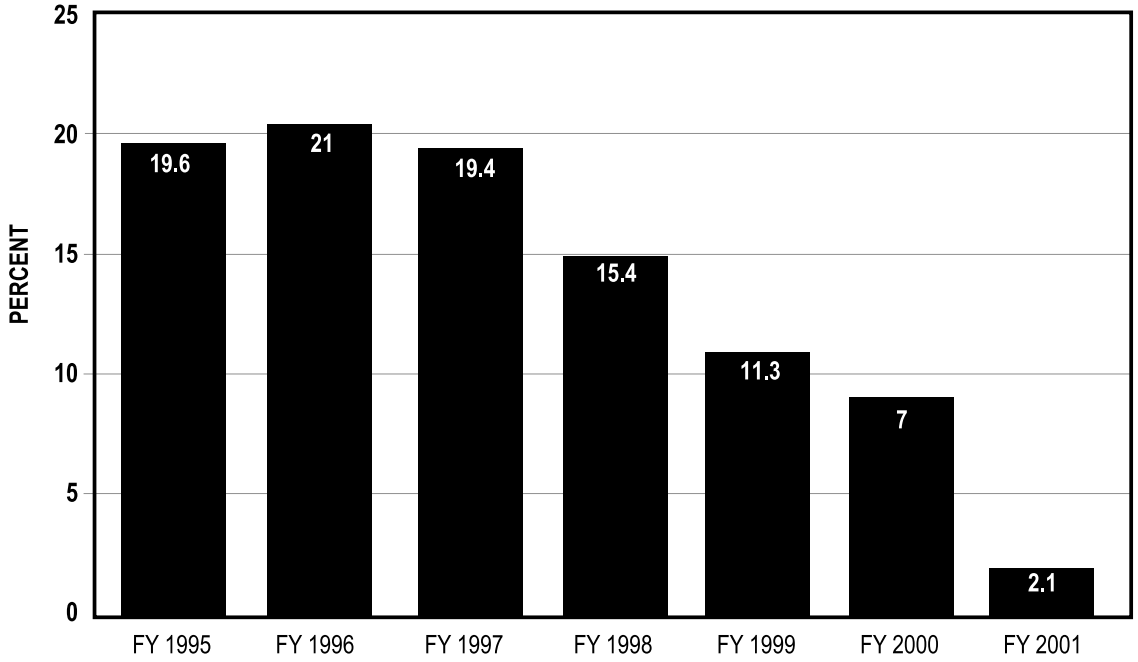
The state share varies as a function of the district s debt service tax rate and the district s property valuation per pupil: the higher the tax rate and the lower the property value per pupil unit, the greater the state share.

Despite the importance of debt service aid to the financial health of Minnesota s school districts, the state share of debt service funding has declined in recent years. Debt service equalization aid has decreased from 11.3% of eligible debt service revenue in FY 1995 to 6.7% in FY 2001. For a district with average adjusted net tax capacity per pupil unit, for example, the state share has decreased from 19.6% in FY 1995 to 2.1% in FY 2001. This shift has occurred because the formula used by the state to calculate debt service aid has been frozen, while property valuation per pupil unit has increased with inflation.

In response to the declining state share of debt service funding, districts with low tax bases and high debt loads have increased property tax levies, making it more difficult for those districts to raise funds for facilities. As a result, those districts have increasingly sought capital loans from the state through the Maximum Effort School Aid Law. Approval for such loans presently takes place in the Legislature. Districts that qualify for a loan through the program receive significantly more support than districts that barely miss qualifying and therefore must rely entirely on debt equalization aid to meet their facilities needs.

The state s approach to debt service financing is also inconsistent with other state programs that provide funding for school facilities. Debt service aid, for example, is provided only to districts with high debt service tax rates. In contrast, state aid is provided to equalize the entire health and safety levy from the first dollar. And no state aid is provided to equalize the building lease levy or the disabled access levy available to school districts.

Percent of Debt Service Expenditure Paid by State for District with Average Adjusted Net Tax Capacity per Pupil Unit



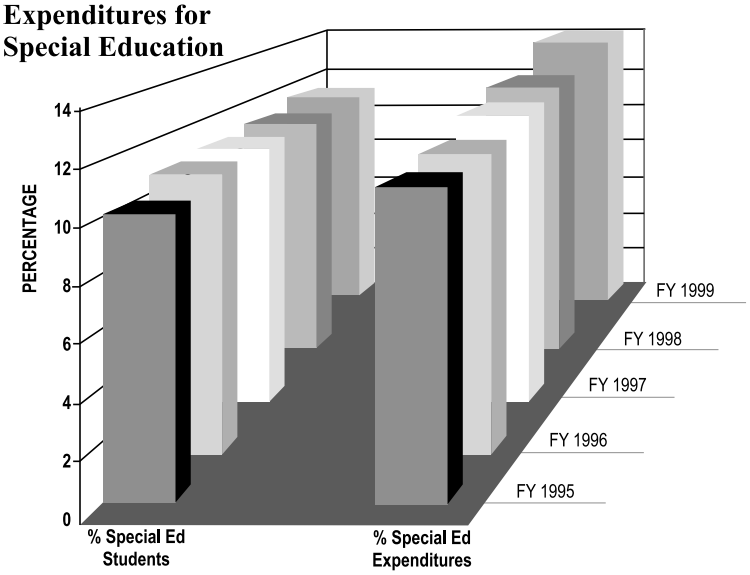
Where Minnesota Should Go Tomorrow

The state should promote equity and efficiency in the financing of school facilities by assisting property tax-poor districts in meeting their critical capital needs.

Policy Options

1. Enhance debt service equalization aid to provide a more equitable and uniform means of helping districts with high debt burdens and low tax bases meet their facilities needs. This change would largely eliminate the need for new maximum effort loans provided by the state.
2. Consolidate multiple state facilities funding programs to provide a simpler, more consistent, and more equitable partnership between the state and school districts to fund capital needs. While such consolidation of funding programs would subject some districts to increased levies, it would provide levy savings to many other districts. To lessen the impact of any levy increases on any districts that would face them under consolidation, those increases should be phased in over a period of years.

Percentage of Students Who Received Special Education, and Percentage of State/Local Expenditures for Special Education



ISSUE 4: Reforming Special Education Funding

Where Minnesota Stands Today

Federal and state laws require Minnesota school districts to provide special education services that enable students with disabilities to participate in and benefit from an educational program. Approximately 110,000 children currently receive such services across the state, a share of the total student population that is roughly equal to the national average. The per-pupil cost of special education in Minnesota is also comparable to other states. Total state and local special education spending for the 1998-99 school year was $856.9 million.[15]

The number of Minnesota students that receive special education services has not grown significantly in recent years, but the total cost of special education is rising significantly faster than school spending overall. This is in part because medical advances have made it possible for children to survive childhood accidents and diseases, and children with serious birth defects to live longer and have more active lives that include participating in a variety of educational options and receiving other related services. This increase in cost has been partially absorbed by increasing federal aid, which paid for 5% of special education expenditures in 1994-95 and 11% in 1999-2000.

For these children and others, it is not the provision of direct educational services to students — teacher salaries, school supplies, etc. — that is the primary source of rising costs, but the provision of the related services such as health care and counseling that are often necessary to help students with disabilities benefit from their education.

15 "Special Education Cross-Subsidies report, Fiscal Year 1999 final" (Roseville, Department of Children, Families & Learning 1999) Internet. Available from http://cfl.state.mn.us/dpf/crossub.html

These services are usually provided by contract personnel and include health care, mental health, human services and corrections. If other agencies and organizations, such as the Minnesota Departments of Health and Human Services, health maintenance organizations or private insurers, do not pay for these services, school districts must do so.

Over the past several years, the state has made progress toward better coordination of special education and related services for the very youngest Minnesotans. Investments in information technology are making it possible to implement a single unified case management system, and legislation passed in 1998 requires interagency collaboration to determine who should cover what costs for children from birth through age three. As a result, school personnel are now connected to clinics and Individual Family Service Plans include Individual Education Plans (IEPs). The legislation requires that this collaborative system be extended to cover all children with disabilities up to age five by the year 2000, age 9 by 2001, age 14 by 2002 and age 21 by 2003.

Under Minnesota s current special education funding formula, the state reimburses school districts for a percentage of special education costs, including salaries, contracts, and supplies and equipment. For example, the state currently reimburses districts for 68% of the cost of salaries for special education teachers and support staff, and 47% of the cost of supplies, materials and equipment up to a limit of $47 per student.

Special education funding is the only major education funding formula in Minnesota tied directly to reimbursement of costs. An advantage of this expense reimbursement approach is that funding is based on the actual cost of services provided in each district, rather than on an estimated average cost of services allocated uniformly to all districts, as is the case under other funding approaches. Reimbursement of actual expenses increases the likelihood that educational need rather than cost-containment determines the allocation of services.

Many insist that the current system does not encourage districts to increase child counts or modify student placements as a mechanism to increase funding. Those that share this view point to historical monitoring data that shows that schools are 97-99% accurate in making eligibility determinations, and that there are relatively few compliance problems with restrictive placements.

Others believe, however, that precisely because expense reimbursement covers a percentage of all costs, it contributes to rising costs and the inefficient allocation of increasingly scarce resources. Those who hold this view, point to a growing number of Minnesota districts which have been forced to use a disproportionate amount of general education funds to pay for special education. This "cross-subsidy" raises concerns about the impact of special education funding on districts broader educational programs. Districts that rely upon large cross-subsidies to support special education have fewer resources with which to support their general education programs.

The percentage of general education funding being used to pay for special education varies among districts. For FY 1999, the statewide average was $270 per pupil unit,[16] with districts ranging from $15 to $509 per pupil unit. This disparity is in part the result of differences in the quality of the special education services being offered and the number of students being served. Because the cost of serving special education students varies with the severity of their disabilities, the characteristics of a district s student population also influence the total cost of services. The presence in a district of a foster home, a correctional facility or a private school that attracts large numbers of students who have disabilities can all contribute to higher costs. Other factors include differences in teacher salaries and variation in the number of paraprofessionals employed by a district to serve special education students. The amount of funding available from the federal government, the State of Minnesota, Medicaid and other sources also plays a role.

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16 Ibid.

Minnesota s successful open enrollment and school choice initiatives have also complicated the special education funding picture. Funding now moves back and forth among school districts, and among charter schools and districts, as parents enroll their children in schools outside the districts in which they live. The resident district must pay the unfunded cost of services provided by the serving district or charter school. Tuition billings between districts make budget planning difficult.

Most districts are just beginning to qualify for a significant component of the current expense reimbursement funding formula, the excess cost revenue component. Consequently, newly qualifying districts need better training to develop expertise in forecasting and budgeting in this area. The agency s recently developed model for forecasting excess cost revenues, available on-line, should improve this aspect of special education budgeting.

It should be noted that consideration of state special education funding options is taking place amidst continuing debate in Washington, D.C. on the appropriate level of federal support for special education. Although the federal government currently meets just 13% of the cost of special education nationwide, it is statutorily authorized to meet 40% of those costs. If current proposals to increase federal support succeed without reducing federal funding in other areas, it could have significant implications for Minnesota and other states.

Where Minnesota Should Go Tomorrow

The state should consider how to leverage funding sources across agencies and federal resources to fully fund special education, enabling districts to meet their students special education needs without using disproportionate resources from the general fund. Any new funding system should also:

- Provide students across the state with similar levels of high-quality service;
- Contain costs while meeting student needs;
- Allow IEP teams who have the closest contact with a student to make decisions about the services he or she will receive;
- Support the inclusion, to the greatest extent possible, of special education students in regular education classes and programs;
- Create no perverse financial incentives or disincentives to identify students for special education services;
- Fully account for the high cost of serving students with certain disabilities;
- Improve the coordination of services across agencies, organizations and levels of government to ensure that student needs are met as effectively and efficiently as possible;
- Address the issue of back-billing for services from one district, including charter schools, to another;
- Increase administrative simplicity so more resources go to the direct provision of services;
- Give districts, schools and other providers flexibility in the use of state funds;
- Examine the relationship between caseloads and the cost and effectiveness of education services provided by special education teachers;
- Invest in the knowledge and skills of both special and general education teachers to improve their ability to meet the needs of students with disabilities; and
- Hold districts and schools accountable for reporting and meeting key performance indicators, such as moving students off of special education services when they are ready and reducing the drop-out rate of special education students.

Policy Options

1. Move to census-based funding of special education. Under this approach, each district would receive a uniform amount per pupil for special education, regardless of special education expenditures or the number of students receiving services. Because studies have found that students with very high cost disabilities are not evenly distributed throughout the state, a census-based approach would need to include a "high cost multiplier" to help districts meet the needs of the highest cost students. This multiplier would, for example, reimburse districts for a portion (possibly 90%) of the total cost of educating students whose special education costs are three times the average cost of regular education.

   A census-based approach would be relatively easy to administer and would encourage flexible use of funds at the local level. In addition, it would help to control costs by reducing any incentive for districts to over-identify students for special education services.

   On the other hand, a census-based approach might encourage districts to reduce costs by under-identifying students or by placing them in lower-cost programs and services. A census-based approach would also be less responsive than the current expense reimbursement system to variations in districts actual special education expenses.

2. Move to pupil-weighted funding of special education. Under this approach, the funding formula would assign relative weights to various disabilities or levels of service, and would direct resources to districts based upon the number of students in their schools with each level of disability.

   A pupil-weighted approach would provide funding based on the relative costs associated with different types of disabilities or levels of service. This could help to control costs because the weight assigned to each disability would limit the state funding available to support special education services for students in that category. A pupil-weighted approach would also give districts flexibility in the use of funds and would be relatively easy to administer if weights were assigned in a consistent and straightforward manner.

   On the other hand, a pupil-weighted approach could create an incentive to over-identify students and to place them into categories that receive higher weights and therefore generate greater reimbursement.

3. Keep the current expense reimbursement formula, but provide more training to districts regarding the excess cost revenue component of the formula and improve the uniform tuition billing system. Requiring districts to use an improved uniform system in order to have more accurate data to use in the calculation of excess cost aid, establishing a statutory deadline for reporting tuition to the Department and releasing districts from responsibility for payment of late bills, are some potential improvements that should be considered.

   One advantage of keeping the reimbursement model is that it is a true reflection of costs, which yields reliable data that can be used for compliance monitoring, accountability, projections and other analysis. Perhaps its greatest strength is that it allows all districts, regardless of size, to meet their responsibility of educating all students precisely because it is tailored to individual district costs. A weighted or census-based formula, even with multipliers, would restrict some districts from gathering necessary resources to serve a small number of high cost students without seriously depleting other district resources.

4. Target more special education resources to the youngest learners by assessing the health and developmental needs of all young children as soon as they reach three years of age through early childhood screening. This would help ensure that all children who need more help receive appropriate referral and two years of follow-up prior to entering kindergarten to prevent learning delays. Studies have shown that preschoolers who receive quality early childhood education are half as likely to need special education services as students of similar backgrounds who do not participate in early childhood education.

School Finance:
Indicators of Progress

¥ Referendum revenue accounts for a decreasing percentage of total general fund revenue;

¥ Facilities needs are met, and disparities among districts in debt service tax rates are reduced;

¥An increasing percentage of special education costs are funded by the state or by the federal government, reducing the cross-subsidy of special education with general education revenues;

¥ Children are screened earlier and referred appropriately to prevent learning delays.

ACCOUNTABILITY:
HOLDING ALL RESPONSIBLE FOR RESULTS

Where Minnesota Stands Today

Across the country, there is a growing awareness that successful school reform requires not just raising standards, but holding all the elements of the educational system responsible for results. A recent study by Rand Corporation researchers of student achievement gains in Texas and North Carolina — two states that the National Education Goals Panel cited for making the most significant gains on the National Assessment of Educational Progress — pointed out the role of comprehensive accountability systems in improving student achievement.[17]

Many states and districts are promoting accountability by offering rewards to schools that demonstrate continuous improvement in student achievement on statewide assessments and sanctioning schools that fail to do so. States and districts are also taking steps to end the practice of social promotion, or passing students from grade-to-grade without requiring them to demonstrate that they have mastered the required material. Forty-eight states now test students, 40 issue public report cards on individual schools, 25 rate all schools or identify low-performing ones and 18 have the ability to close or reconstitute chronically failing schools.[18]

While the emphasis on educational accountability has increased in recent years, many educators argue that scores on standardized tests should not be the only measure against which school performance is judged. They suggest that overemphasis on testing threatens to narrow the curriculum and squelch teacher creativity, and that accountability should be based upon multiple measures of student achievement, including classroom presentations, the development of portfolios and other performance-based demonstrations of mastery. Others argue that schools should be held

17 D. Grissmer, & A. Flanagan, *Exploring Rapid Achievement Gains in North Carolina and Texas,* (Washington, D.C.: National Education Goals Panel, 1998). For information on comprehensive accountability systems in both states, see “Quality Counts 1999: Rewarding Results, Punishing Failure,” *Education Week* 18, (January 11, 1999): 17.

18 Education Week. "Issues in Context: Accountability," Home page on-line; available from www.edweek.org/context/topics/issues.cfm Internet. Accessed June 20, 2000.

accountable for measures of success that go beyond school walls, such as parent satisfaction surveys and polls of recent graduates that assess their success in later education and the labor market.

In Minnesota, the state s Graduation Standards establish benchmarks for what students should know and be able to do, and state assessments are in place to measure performance against those standards. To earn a high school diploma, students must pass Basic Standards Tests and demonstrate mastery of a minimum number of the Minnesota High Standards. Minnesota Comprehensive Assessments (MCAs) are currently given to third graders in reading and math and fifth graders in the areas of reading, math and writing. Not tests of individual achievement, the MCAs are used to assess how well schools are doing in bringing students to high standards and allow educators to make adjustments to their teaching practices in those areas that show a need for improvement.

Minnesota has, however, stressed public reporting of school performance in recent years. The Department of Children, Families & Learning s website contains extensive information on school districts and individual schools. Parents are increasingly using that information to help them select the schools that their children attend. School site teams are also increasingly using this data to evaluate their educational programs and to implement continuous improvement plans. The Office of Educational Accountability at the University of Minnesota also analyzes data from the Department of Children, Families & Learning, as well as other sources, and reports the results in the annual Minnesota Education Yearbook.

Where Minnesota Should Go Tomorrow

The state should enhance educational accountability by strengthening rewards and recognition for schools that demonstrate continuous improvement in student achievement. Similarly, schools that demonstrate continuing downward trends in student achievement should face appropriate consequences and interventions.

Policy Options

1. Require all districts to develop and adhere to continuous improvement plans linked to state and local accountability systems.
2. Publish and widely disseminate clear, straightforward annual report cards on student achievement and school improvement that summarize progress toward meeting goals outlined in district continuous improvement plans.
3. Create a statewide program that provides financial rewards and recognition for schools that markedly increase student achievement.
4. Create a statewide program that requires school districts to improve low-performing schools within three years or face state intervention.
5. Expand the use of Minnesota Comprehensive Assessments to the middle level and high school grades. Current MCAs are only used to measure student knowledge and skills in elementary school.
6. Pilot innovative performance funding initiatives in several schools around the state that tie receipt of state education funds to demonstrating upward trends in student achievement.
7. Develop the capacity to directly measure the K-12 performance of former early childhood program participants. The Department of Children, Families & Learning could then examine trends in grade retention, special education rates, standardized test scores, and graduation rates among children previously served by early childhood education programs.

Strengthening Accountability: Indicators of Progress

¥ Increasing percentages of schools and school districts have in place continuous improvement plans that articulate strategies for raising student achievement;

¥ Increasing percentages of schools and school districts have in place continuous improvement teams that meet at least quarterly to implement continuous improvement plans;

¥ Increasing percentages of schools and school districts produce and widely disseminate annual reports that summarize trends in student achievement disaggregated by income, race, gender, and other relevant criteria;

¥ Increasing percentages of school districts have developed and implemented clear, comprehensible accountability systems that provide rewards and sanctions tied to student performance;

¥ Increasing percentages of schools and school districts conduct annual parent and student satisfaction surveys;

¥ Increasing ability to determine impact of early childhood education participation on later school success.

EARLY EDUCATION: GIVING EVERY STUDENT A STRONG START

Where Minnesota Stands Today

Preparing a student to reach his or her highest potential begins, almost literally, at birth. A large and growing body of research from neuroscience to psychology underscores the critical importance of the first years of life and the first grades of schooling to later development. Recent research on infant brain development suggests there is a window of opportunity when parents and others who care for young children can provide them with experiences that contribute significantly to later academic success. Research shows that failure to provide early childhood care and education to children in their very earliest years, especially to those that are at risk of school failure, can have dire consequences for each child and for the larger society.

Participation in early childhood care and education programs can lead to immediate gains in cognitive test scores, better kindergarten achievement, lower rates of grade retention and special education placement, and higher rates of high school graduation. And studies have shown that especially for poor children, high-quality early childhood education can have positive effects on scholastic achievement that lasts through high school.

The 1999 Minnesota Legislature asked the Minnesota Department of Children, Families & Learning to develop a plan for integrating early childhood care and education services. (Laws of Minnesota, Chapter 205, Article 1, Section 62.) To begin the process, the agency called together a team of family and early childhood education professionals to examine the research, analyze different program options and suggest strategies for further review and comment. In addition, the Department identified a number of successful service integration efforts already in place in various Minnesota communities and conducted interviews with sponsors of these efforts.

The Department used all this information as the basis for several community discussions focusing on the details of the proposed plan and used this input to refine the proposals under consideration.

Where Minnesota Should Go Tomorrow

Minnesota has decades of innovative efforts in early childhood education. The state should build upon these efforts to create an integrated service system with the primary goal of ensuring that children are well-prepared for school-based learning.

Policy Options

1. Integrate early childhood care and education services to allow different programs to share common or complementary functions, creating a unified service.
2. Offer all families a choice of a "home base" at an easily accessible location where they can receive early childhood care and education services. For example, if a child is in a child care center and the parent wants parent education, provide that education in the child care setting.
3. Assess the health and developmental needs of all young children as soon as they reach three years of age by enhancing the current early childhood screening program. Through expanded outreach, make sure that all children who need more help receive appropriate referrals and follow-up to prevent learning delays.
4. Simplify access to funding and create financial incentives to encourage service integration. Help each community to assess its needs. Promote more efficient delivery of services by decreasing bureaucracy and duplication.
5. Work with communities to identify and eliminate those barriers that make integration difficult. Improve administration of early childhood services to include making better use of space, sharing transportation funds and vehicles, establishing common definitions of eligibility among programs, integrating staff development and training across early childhood programs, and creating a systematic data collection system.
6. Form local early childhood planning groups either by modifying existing groups or by creating new ones. Give them authority to assess the needs of families and children in their own communities; develop a plan that meets these needs; and based on that plan, recommend funding priorities to the state.
7. Require communities to be accountable for developing a plan for early childhood care and education that promotes school success. Support the collection and analysis of data necessary to assess progress.
8. Hold the state responsible to establish the overall vision, set policy goals, oversee the development of local community plans, provide technical assistance to local planning groups, and fund service delivery. Require the state to carry out these functions in a way that reflects flexibility and sensitivity to the program and service delivery needs at the local level.
9. Consolidate existing child care assistance programs to align more closely with system goals. The Child Care Assistance Program currently consists of three subprograms: Minnesota Family Investment Program (MFIP), Transition Year (TY) and Basic Sliding Fee (BSF) child care. MFIP and TY child care serve families receiving

(Policy Option 9 continued.)

MFIP assistance or during their first year following receipt of cash assistance. These subprograms are currently funded to meet forecasted demand. The BSF program serves low-income families not attached to MFIP cash assistance and is funded through a capped appropriation. Demand for BSF often exceeds available funds. This creates a perverse incentive for families to apply for MFIP cash assistance only in order to receive help paying for their child care.

Consolidating child care assistance and expanding forecast funding to include all eligible families would further the state s goal of promoting self-sufficient families by:

- ¥ removing the incentive to access cash assistance in order to receive child care assistance;
- ¥ targeting resources in an equitable manner so that all families at identified income levels receive assistance regardless of their county of residence; and
- ¥ assuring that parents pay an increasing portion of their child care costs as their income increases.

Consolidation would also simplify client access and county level administration of child care assistance.

Early Education:
Indicators of Progress

¥ Increasing number of students reading at grade level or higher by the end of third grade;

¥ Increasing scores on both state and national reading assessments proportionately for students in all demographic groups and across the state as a whole;

¥ Increasing percentages of children participating in early childhood education in preparation for school-based learning;

¥ Increasing percentages of school districts have developed and implemented clear, comprehensible accountability systems that provide rewards and sanctions tied to student performance;

¥ Increasing percentage of K-3 educators aligned with early childhood education professionals to foster early learning skills of preschool and primary school students.

A COMPREHENSIVE EDUCATION YEAR: ENHANCING THE OPPORTUNITY TO LEARN

Where Minnesota Stands Today

The vast majority of Minnesota s students attend school on a nine-month calendar that is a legacy of the era when most children were needed to work on the farm during the summer months. Under this calendar, students in most districts attend class approximately 174 days per year. The table below shows this to be a relatively low number of days in comparison to states participating in the National Assessment of Educational Progress.

Number of Days	Number of States
173	1
174	2
175	9
178	1
180	30
184	1
186	1
187	1

A growing number of educators across Minnesota and around the country believe that this calendar does not meet the needs of a time when few students work on farms but all students — rural, urban and suburban alike — must master challenging academic content and skills. These educators argue that a longer school year can strengthen the learning environment and raise student achievement.

Research has associated year-round schooling with improved student achievement, improved teacher and student attendance, reduced skill regression over the summer, fewer discipline problems, reduced teacher stress, increased motivation to learn for both teachers and students, and increased opportunities for enrichment and remediation. Studies have also pointed out a number of disadvantages of year-round school, including increased administrator burn-out, conflict between family vacations and school or community activities, difficulty in arranging child care, placing siblings on different attendance schedules, difficulty in scheduling teacher in-service days, and increased transportation and operational costs.[19]

The National Commission on Time and Learning made a persuasive case for extending and reinventing school calendars and schedules in its 1994 report, *Prisoners of Time*. The Commission concluded:

> *If experience, research, and common sense teach nothing else, they confirm the truism that people learn at different rates and in different ways with different subjects. But we have put the cart before the horse: our schools and the people involved with them — students, parents, teachers, administrators, and staff — are captives of clock and calendar. The boundaries of student growth are defined by schedules for bells, buses, and vacations instead of standards for students and learning.*[20]

The State of Minnesota has supported efforts to experiment with year-round schooling in a number of ways. The Flexible Learning Year program, for example, makes it possible for schools to rearrange the school calendar without increasing learning time. An additional program, the Learning Year program, provides increased general education revenue for schools that add instructional time.

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19 M. Stenvall, *A Checklist for Success* (San Diego, CA: National Association for Year-Round Education, 1997); B. Worthen and S. Zsiray, *What Twenty Years of Educational Studies Reveal About Year-Round Education* (Chapel Hill, NC: North Carolina Educational Policy Research Center, 1994) ERIC, No. ED 373 413; 1994; Minnesota Department of Children, Families & Learning, Working Group on Alternative School Calendars, *Report to the Legislature*, (Roseville, 1999).

20 National Education Commission on Time and Learning, *Prisoners of Time*, (Washington D.C.: U.S. Government Printing Office,1994) 7.

In 1998, the Legislature directed the Commissioner of the Department of Children, Families & Learning to convene the Working Group on Alternative Calendars.[21] At the conclusion of its work, the Working Group made the following recommendations:

- The adoption of alternative school year calendars in Minnesota should be a voluntary, locally controlled choice adapted to fit the local context.
- To facilitate informed choices about alternative school year calendars, the Department of Children, Families & Learning should make existing research and other information to guide planning and implementation readily available to local school districts.
- Minnesota should expand its current Extended Day Program and consider demonstration projects that generate, test, and disseminate models of "best practices." More research is needed to determine which models of alternative calendars work best for different populations of students.

Where Minnesota Should Go Tomorrow

The state should encourage more schools and districts to extend the school year, increasing both instructional time for students and joint planning and professional development time for staff. The full year of employment will result in more competitive professional compensation, preventing an exodus to other careers because of inadequate salaries. Minnesota s emerging staff shortage requires that the state more fully utilize its highly-trained professional teaching cadre rather than have them seeking other jobs to augment their income for two months each year.

Policy Options

1. Continue to support multiple demonstration projects across the state that evaluate the effectiveness of a comprehensive school year and widely disseminate lessons learned.
2. Provide funding for all districts to cover the districts staff and instructional costs associated with the implementation of a comprehensive school year, phasing in the program over a period of 8 to 10 years.
3. Provide funding for participation in moving to a comprehensive school year program on an entirely voluntary basis. In addition, the program should give schools the option of gradually increasing the school year over time. One option, for example, might add 10 professional development days and 10 instructional days every two years up to a total of 30 additional professional development days and 30 additional instructional days.

A Comprehensive Education Year: Indicators of Progress

¥ Minnesota schools extend the school year beyond the current average of 174 instructional days and 185 staff days;

¥An increasing percentage of teachers report that they have significantly more time for work with students, for collaboration with colleagues and for professional development;

¥ State assessment scores for students in schools on a comprehensive education year calendar increase at a greater rate than their peers in schools on traditional calendars.

[21] Minnesota Department of Children, Families & Learning, Working Group on Alternative Calendars, *Report to the Legislature*, (St. Paul 1999).

TEACHER QUALITY:
ENHANCING INSTRUCTION AND ELEVATING THE PROFESSION

ISSUE 1: Addressing the Teacher Shortage

Where Minnesota Stands Today

No other reform outlined in this report would do more to help Minnesota s students reach high standards than ensuring that there is a talented, dedicated and well-prepared teacher in every classroom. The quality of a student's teacher, numerous studies have concluded, is the single most important factor influencing that student's academic performance. Several scholars have shown that the residual effects of both effective and ineffective teachers last at least two years after a student has been in a teacher's class — regardless of the effectiveness of teachers in later grades.[22]

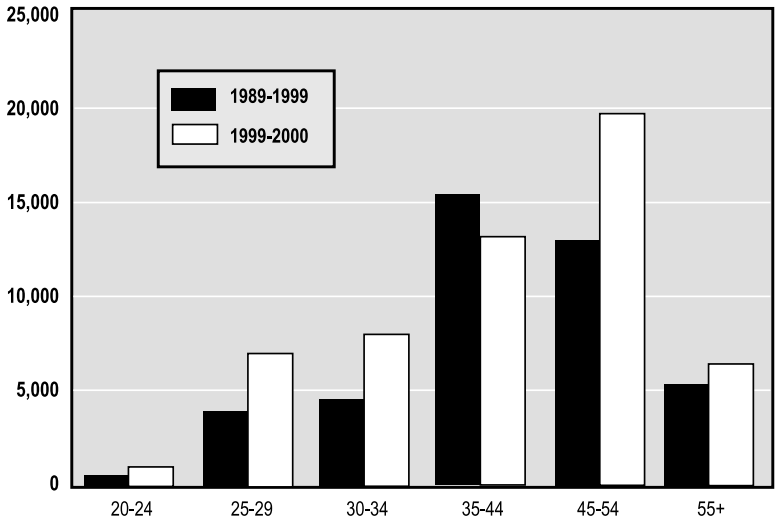
But the power of good teaching goes beyond its influence on academic achievement. A 1999 national poll of 1,000 high school students illustrated that fact when it found that seven in ten teenagers have a teacher to whom they feel personally close. Fully half of those polled said they have had a teacher who has changed their lives.[23]

Minnesota has a longstanding tradition of teacher excellence. From the knowledge and skills of those who enter the profession as measured by standardized tests to the percentage of teachers who are fully certified in the subjects they teach, Minnesota has been a national leader in providing its school children with talented and well-prepared instructors. In fact, for years Minnesota has had more qualified teachers than teaching positions, and has exported personnel to other states.

Today the number of Minnesotans who hold teaching licenses is still more than double the number of available teaching positions in the state (although many hold licenses that don t teach), but shortages have emerged in high-need subject areas such as math, science, foreign languages, special education, career and technical education and second language learners. Teacher shortages in all subjects are also a growing concern for many rural communities.

These trends are also evident across the nation. Paradoxically, at the very moment when our national effort to raise standards has made high-quality teaching more important than ever, the United States is facing the most serious teacher shortage in its history. As the baby boom generation of teachers retires and the baby boom echo generation of students — already the largest in U.S. history and expected to grow every year until 2008 — progresses through school,

Number of Teachers in Minnesota Public School by Age, 1989-1990 and 1999-2000



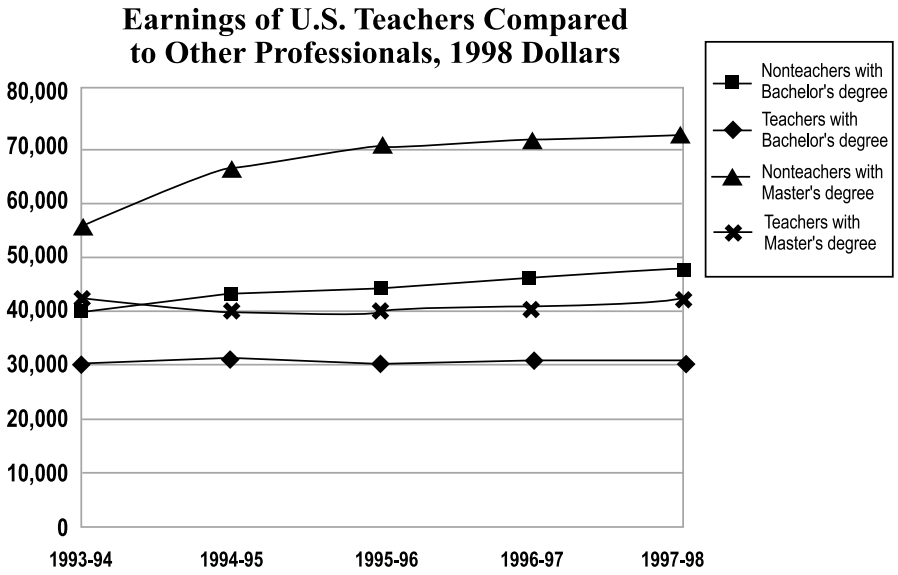
22 R. Ferguson, "Paying for Public Education: New Hard Evidence on How and Why Money Matters," *Harvard Journal of Legislation*, 28, (Summer 1991) 465-98; R. Greenwalls and others, "The Effect of School Resources on Student Achievement," *Review of Educational Research*, 66, (Fall 1996) 361-396; W.L. Sanders, and J.C. Rivers, "Cumulative and Residual Effects of Teachers on Future Student Academic Achievement," (Knoxville: University of Tennessee, Value-Added Research and Assessment Center,1996.)

23 Shell, "The Shell Poll," *Countonshell* [Home page on-line] Internet. Available from www.countonshell.com/news/relations/features/feature)1.html or www.ed.gov/Speeches/08-1999/990825.html

American schools must hire 2.2 million teachers over the next decade.[24]

Impending teacher shortages are, in fact, partly the result of dramatic and positive changes in American society. In previous generations, schools could count on being able to employ significant numbers of talented women and minorities to whom other professional doors were closed in the restricted labor markets of their day. In today's economy, by welcome contrast, talented individuals from all backgrounds have numerous career options — many of which are much more lucrative than teaching.

From 1994 to 1998, for example, the average salary for a teacher with a master s degree increased by $200 adjusted for inflation. The average salary for a non-teacher with a master s degree grew by $17,505 during the same period.[25] Teacher salaries also vary widely among districts, which increases the likelihood that wealthier communities will be able to attract a disproportionate share of the most capable teachers.



But salary differentials are by no means the only or even the primary reason for the teacher shortages that exist in many areas. A range of structural problems make teaching less attractive than other fields — at least to many of the most capable candidates. Teachers still work on an antiquated agrarian calendar, which limits their earnings and the status society accords them. Good teachers receive little reward for excellence and the system offers limited help or sanctions for the less effective teacher. Because their salaries and benefit packages are tied to the districts in which they teach, teachers have little opportunity to move between districts over the course of their careers, increasing the likelihood that individuals who thrive on new challenges will burn out and leave the profession.

In addition, both the quality and quantity of the opportunities for professional development available to most teachers fall short of the high-quality continuing education and training programs that the best businesses regularly encourage and require their employees to complete. In Minnesota, for example, most districts allocate 10-15 days for staff development outside of student contact time. These days, however, are also used for preparations before the start of school in the Fall, for parent-teacher conferences and for tabulating grades at the end of a grading period. This leaves little time for professional development activities of sufficient quality and duration to improve teachers classroom practice.[26]

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[24] U.S. Department of Education, National Commission on Education Statistics, *The Baby Boom Echo: No End in Sight*, (Washington, D.C.: U.S. Government Printing Office, 1999).

[25] Education Week. "Issues in Context: Teacher Quality." Home page on-line. Available from www.edweek.ort/cnext/topics/issues.cfm Internet. Accessed june 12, 2000.

[26] Insufficient support for high-quality professional development is also a problem in other states. A recent federal study found that while 81 percent of the teachers of core academic subjects reported in 1998 that they had participated in standards-based professional development within the previous year, approximately 50 percent of those teachers had participated for eight hours or less. Only 7 percent had participated in standards-based professional development for 32 hours or more. U.S. Department of Eduction, National Center for Education Statistics, *Teacher Quality: a Report on the Preparation and Qualifications of Public School Teachers*, (Washington, D.C: U.S. Government Printing Office, 1999), B-24.

The National Board for Professional Teaching Standards (NBPTS) has established high and rigorous standards for what teachers should know and be able to do to improve student learning. It requires teachers to think systematically about their practice. Currently Minnesota has 112 NBPTS-certified teachers, with nearly 120 more working toward certification. The opportunity to become involved with effective practices such as these needs to be expanded and incorporated in local professional development practices.

Retaining talented teachers once they enter the profession is a growing concern. Nationally, 22% of all new teachers leave the classroom within the first three years. And unfortunately (though not surprisingly), recent research has found that it is the most able of these beginning teachers, as measured by college entrance exams, that are the most likely to leave. The same study found that teachers "who did not participate in a new teacher induction program, who were dissatisfied with student discipline, or who were unhappy with the school environment were much more likely to leave than their peers."[27]

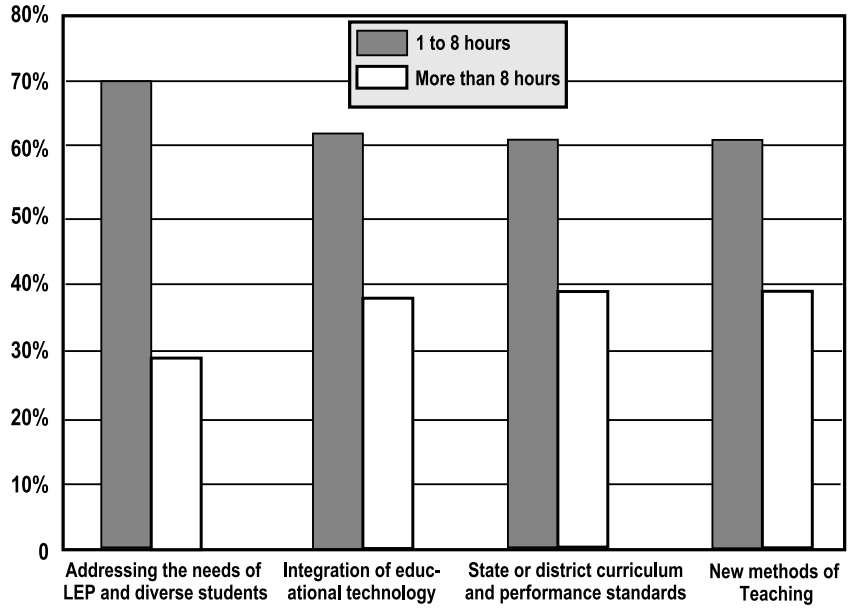
Policy Options

1. The state should review and amend teacher licensing provisions as necessary to maintain high standards while (1) expanding rigorous alternative routes to certification for those wishing to change careers, as well as for classroom aides and substitutes who want to become teachers, and (2) simplifying the requirements and improving the process for transferring teaching and administrative licenses from other states.
2. The state and local professional relicensure (continuing education) process should be changed to assure that licensed professionals are knowledgeable in best practices, understand and are able to teach to the state s Graduation Standards, and are current in the subject matter content they teach.
3. The state should fund expansion of the teacher professional year up to 250 days with added instructional and professional development time. Flexibility should be given to districts to create models that meet their unique needs for additional

Where Minnesota Should Go Tomorrow

Ensuring that there is a talented, dedicated and well-prepared teacher in every classroom should be one of Minnesota s top educational priorities in the decade ahead. Reaching this goal will require not just recruiting talented men and women into teaching, but restructuring the profession itself to encourage those men and women to remain in the classroom long enough to realize their full potential as teachers.

Percent of full-time public school teachers indicating the number of hours spent in professional development activities in the last 12 months in various content areas: 1998



27 "Quality Counts 2000: Who Should Teach?," *Education Week* 19 no. 18, (January 13, 2000) 9.

professional development and student contact, including high-quality induction programs for new teachers.

4. The state should provide incentives for districts to eliminate the traditional steps-and-lanes compensation system which is based upon years of experience and additional course credit. A new system should include pay for performance and leadership.
5. The state should seek statutory changes in the Public Employees Labor Relations Act (PELRA) and the continuing contract law that would ensure teachers due process rights while giving schools and districts greater flexibility to make staffing decisions. In essence, teachers should be guaranteed the same due process rights as other public employees, but other continuing contract status protections should be removed from statute and negotiated locally.
6. Statutory limitations for the duration of teacher contracts, currently set at two years, should be expanded to permit terms of up to five years if the parties agree.
7. The state should offer a statewide benefits package for all teachers to help level the hiring playing field and increase opportunities for mobility across Minnesota school districts.

ISSUE 2: Reducing Class Sizes in the Early Grades

Where Minnesota Stands Today

In addition to having a quality teacher in every classroom, Minnesota must ensure that the number of students in each classroom is sufficiently small to allow every individual to meet his or her academic potential. This strategy is especially critical in the early grades. In Tennessee, Project STAR, a longitudinal study of class size in the early grades, found that students in smaller classes of 13-17 substantially outperformed students in larger classes of 22-26 on both standardized and curriculum-based tests.[28] A follow-up study found that students in smaller classes reached higher achievement levels that persisted at least through eighth grade. The Tennessee experiment also found that the positive effect of smaller classes on minority student achievement was double that for majority students.

Wisconsin has also experienced great success with its Student Achievement Guarantee in Education (SAGE) program. Through the program, K-3 class size in districts with high numbers of low-income students is limited to no more than 15 students. If that number is exceeded, the program pays for the hiring of an additional teacher. Recent results from state reading assessments show that students in the SAGE schools made great improvements in their reading proficiency levels compared to scores before the program was in place.[29] A recent report by the RAND Corporation also found that states with reduced class-size initiatives in the lower grades had better success in raising math and reading performance than their counterparts without such programs.[30]

In Minnesota, class-size reduction has been a major priority of the Ventura Administration. 1999 legislation that the Governor championed added approximately $98 million over two years to reduce class sizes in grades K-3 to an average of seventeen students.

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[28] E. Word and others, *The State of Tennessee's Student/Teacher Achievement Ratio (STAR): Technical report: 1985-1990.* (Nashville, TN: State Department of Education, 1990); H. Pate-Bain and others, *Effects of Class-Size Reduction in the Early Grades (K-3) on High School Performance,* (1999). Internet. Available from www. telalink.net/~heros/star.htm#CurrentResearch.

[29] For more information on SAGE, see Wisconsin Department of Public Instruction. Internet. Available from www.dpi.state.wi.us or the program evaluation site at www.uwm.edu/Dept/CERAI/sage.htm

[30] David W. Grissmer and others, *Improving Student Achievement: What NAEP State Test Scores Tell Us*, (Rand Corporation: 2000), Internet. Available from www.rand.org

While the Minnesota Legislature did adopt the funding proposal urged by Governor Ventura, it refused to adopt the accountability measures suggested by the Ventura Administration. Instead, the additional funds were included as an addition to the general education funding formula with no categorical or other reporting measures required. As a result, it is currently impossible to gauge how effective this funding has been in reducing class sizes throughout Minnesota.

Where Minnesota Should Go Tomorrow

The Legislature, the Department of Children, Families & Learning, and school districts should support accountability measures to allow for a determination of whether class-size reduction funding is a viable method to increase student achievement in the early grades.

Policy Options

1. Continue Minnesota s successful class size reduction efforts, especially in grades K-3, but refine data reporting requirements so the effectiveness of this funding option can be better evaluated.

2. Evaluate the achievement of students educated in classrooms of 17 or fewer students in grades K-3 and compare this to the achievement of like students educated in classrooms of 25 or more students.

Teacher Quality:
Indicators of Progress

¥A decreasing percentage of new teachers leave the profession within their first three years of employment;
¥A decreasing percentage of vacant teaching positions remain unfilled at the start of the school year;
¥A decreasing percentage of teachers teach outside the fields in which they are certified;
¥An increasing percentage of school districts provide new teachers with experienced mentors through structured mentorship programs;
¥An increasing percentage of teachers have received National Board Certification;
¥An increasing number of teachers of color enter and remain in the profession;
¥An increasing percentage of teachers report that during the most recent school year they have participated in sustained, intensive professional development activities focused on helping students master challenging academic standards;
¥An increasing percentage of school districts and schools have formed partnerships with college and university teacher preparation programs to provide prospective teachers with authentic learning opportunities;
¥An increasing percentage of school districts have in place career ladders that determine professional advancement and salary increases based upon teacher knowledge, skills and leadership rather than seniority;
¥ Relicensure is restructured and aligned with best practices and school improvement plans so that an increasing percentage of school districts require teachers to pass periodic performance assessments of content knowledge and teaching skill;
¥An increasing number of contracts contain provisions with pay for performance and career ladder options replacing steps and lanes for compensation;
¥An increasing number of contracts are for a period of five years;
¥A statewide benefits package is developed and implemented;
¥ Due process protections are included in contracts replacing continuing contract laws;
¥Additional options and paths for professional licensure are provided;
¥ Reductions in the size of K-3 classes to a statewide average of 17 have been documented and maintained or further reduced.

Section V: CONCLUSION

Standards-based reform, compared to other efforts, is both the most promising and the most difficult approach to improving education because it is by definition sweeping in nature — affecting all children and all aspects of the educational experience and environment. More limited initiatives may bring some measure of improvement in a single area, but will not bring the broader transformations that are needed. Attempts to increase the rigor of the curriculum, for example, do little if there is not a companion investment in professional development to help teachers teach that new curriculum effectively. As the eminent education journalist Ronald A. Wolk has written, standards-based reform represents "nothing less than the first systematic overhaul of public education in history... The job cannot be done piecemeal, hurriedly, or cheaply."[31] But the good news is that when such reform takes hold, it can transform even the most chronically low-performing schools.[32]

But while raising standards and student achievement require a comprehensive approach, realizing those goals does not require doing everything all at once. If all the recommendations outlined in this report were enacted in full at the same time, it is unlikely that any would be implemented effectively or efficiently. Especially in a time of limited resources, it is critical to focus on the issues and objectives that will produce the greatest benefits for students today and that promise to drive broader change tomorrow.

This report sets forth many possible paths forward on Minnesota s journey toward high standards and educational excellence for all. Whatever roads we ultimately elect to take, we hope that the course our state charts toward the future will be a bold one.

At the close of the Industrial Age, we have the extraordinary opportunity to prepare all of our state s children — from International Falls to Minneapolis to Worthington — for the challenges of the Information Age in which they will live their lives. On their behalf, now is the time to make the difficult choices for change.

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31 Ronald A. Wolk, “Making Mid-course Corrections in Standards-based Reform,” from Briefing Materials prepared for the 1999 National Education Summit., Unpublished (Washington, D.C.: Council of Chief State School Officers, 1999): 1. Note: Wolk is currently Chairman of Editorial Projects in Education and founder and former editor of Education Week and Teacher magazines.

32 *Hope for Urban Education: A Study of Nine High Performing, High-Poverty Urban Elementary Schools* (Washington, D.C.: U.S. Department of Education, Planning and Evaluation Service, 1999).

APPENDIX A

SUMMARY OF POLICY OPTIONS

[Options noted in **bold** are being pursued in the Ventura Administration s 2001 Budget Proposals.]

3 Strengthening Site Governance

1. Devise state-level practices and policies for school districts to promote successful models of site governance, particularly those that give schools substantial control of their budgets, staffing and educational programs. These successful models should include an accountability system that measures outcomes against goals the schools themselves have identified. Models should also identify the decisions that are most effectively made at the district and the site levels.

2. Allocate most of state and local educational funding to the school level according to a weighted per-pupil formula that ensures all schools have sufficient resources to offer a quality education to all students.

3. Provide collective bargaining and continuing contract options to give school sites greater flexibility to recruit, hire and compensate highly qualified teachers.

3 Redesigning District Governance

1. Design a plan for consolidating school districts and aligning them with county boundaries. Under such a system, locally elected countywide Boards of Education would set broad policy and provide services, such as payroll, transportation, and the negotiation of staff contracts that are most efficiently provided on a district level. Individual schools and site councils would be given increased control of school budgets, staffing and other elements of education that directly affect students.

2. Bring the state, school districts and counties together to better align services for children and families across agencies. Build on the lessons learned by the family services collaboratives. This option would not necessarily require the formal consolidation of school districts.

3. Bring the state, local school districts and counties together to study the formation of intermediate, multi-county, multi-district service delivery units. These units would pool resources to provide participating districts and county agencies with the services of interpreters, child psychologists, health care workers, computer technicians, special education directors and other professionals.

3 **Increasing Accountability for Education Funding by Clarifying State and Local Roles**

1. Eliminate the local general education levy with the state assuming responsibility for the full cost of the basic general education formula. School districts would continue to make local property tax levies to fund a share of additional costs above the basic formula, including operating referendum levies, debt service levies, and other levies for a variety of smaller programs, including community education and capital expenditure health & safety.

3 Reducing District Reliance on Referendum Levies

1. Increase the general education formula allowance with a dollar-for-dollar reduction in referendum, supplemental and transition revenue. A $415 per pupil unit buy-down would cost $69 million per year; a $527 per pupil buy-down (equal to the state average) would cost $120 million per year when fully phased in. The referendum cap would be reduced by the amount of the buy-down.

2. Increase the portion of referendum revenue equalized by the state to level the playing field for districts with a low tax base.

3 Equalizing Facilities Levies Among Districts

1. Enhance debt service equalization aid to provide a more equitable and uniform means of helping districts with high debt burdens and low tax bases meet their facilities needs. This change would largely eliminate the need for new maximum effort loans provided by the state.

2. Consolidate multiple state facilities funding programs to provide a simpler, more consistent, and more equitable partnership between the state and school districts to fund capital needs. While such consolidation of funding programs would subject some districts to increased levies, it would provide levy savings to many other districts. To lessen the impact of any levy increases on any districts that would face them under consolidation, those increases should be phased in over a period of years.

3 Reforming Special Education Funding

1. Move to census-based funding of special education. Under this approach, each district would receive a uniform amount per pupil for special education, regardless of special education expenditures or the number of students receiving services. Because studies have found that students with very high cost disabilities are not evenly distributed throughout the state, a census-based approach would need to include a "high cost multiplier" to help districts meet the needs of the highest cost students. This multiplier would, for example, reimburse districts for a portion (possibly 90%) of the total cost of educating students whose special education costs are three times the average cost of regular education.

2. Move to pupil-weighted funding of special education. Under this approach, the funding formula would assign relative weights to various disabilities or levels of service, and would direct resources to districts based upon the number of students in their schools with each level of disability.

3. Keep the current expense reimbursement formula, but provide more training to districts regarding the excess cost revenue component of the formula and improve the uniform tuition billing system. Requiring districts to use an improved uniform system in order to have more accurate data to use in the calculation of excess cost aid, establishing a statutory deadline for reporting tuition to the Department and releasing districts from responsibility for payment of late bills are some potential improvements that should be considered.

4. Target more special education resources to the youngest learners by assessing the health and developmental needs of all young children as soon as they reach three years of age through early childhood screening. This would help ensure that all children who need more help receive appropriate referral and two years of follow-up prior to entering kindergarten to prevent learning delays. Studies have shown that preschoolers who receive quality early childhood education are half as likely to need special education services as students of similar backgrounds who do not participate in early childhood education.

3 Accountability: Holding All Responsible for Results

1. Require all districts to develop and adhere to continuous improvement plans linked to state and local accountability systems.

2. Publish and widely disseminate clear, straightforward annual report cards on student achievement and school improvement that summarize progress toward meeting goals outlined in district continuous improvement plans.

3. Create a statewide program that provides financial rewards and recognition for schools that markedly increase student achievement.

4. Create a statewide program that requires school districts to improve low-performing schools within three years or face state intervention.

5. Expand the use of Minnesota Comprehensive Assessments to the middle level and high school grades. Current MCAs are only used to measure student knowledge and skills in elementary school.

6. Pilot innovative performance funding initiatives in several schools around the state that tie receipt of state education funds to demonstrating upward trends in student achievement.

7. Develop the capacity to directly measure the K-12 performance of former early childhood program participants. The Department of Children, Families & Learning could then examine trends in grade retention, special education rates, standardized test scores, and graduation rates among children previously served by early childhood education programs.

3 Early Education

1. Integrate early childhood care and education services to allow different programs to share common or complementary functions, creating a unified service.

2. Offer all families a choice of a "home base" at an easily accessible location where they can receive early childhood care and education services. For example, if a child is in a child care center and the parent wants parent education, provide that education in the child care setting.

3. Assess the health and developmental needs of all young children as soon as they reach three years of age by enhancing the current early childhood screening program. Through expanded outreach, make sure that all children who need more help receive appropriate referrals and follow-up to prevent learning delays.

4. Simplify access to funding and create financial incentives to encourage service integration. Help each community to assess its needs. Promote more efficient delivery of services by decreasing bureaucracy and duplication.

5. Work with communities to identify and eliminate those barriers that make integration difficult. Improve administration of early childhood services to include making better use of space, sharing transportation funds and vehicles, establishing common definitions of eligibility among programs, integrating staff development and training across early childhood programs, and creating a systematic data collection system.

6. Form local early childhood planning groups either by modifying existing groups or by creating new ones. Give them authority to assess the needs of families and children in their own communities; develop a plan that meets these needs; and based on that plan, recommend funding priorities to the state.

7. Require communities to be accountable for developing a plan for early childhood care and education that promotes school success. Support the collection and analysis of data necessary to assess progress.

8. Hold the state responsible to establish the overall vision, set policy goals, oversee the development of local community plans, provide technical assistance to local planning groups, and fund service delivery. Require the state to carry out their functions in a way that reflects flexibility and sensitivity to the program and service delivery needs at the local level.

9. Consolidate existing child care assistance programs to align more closely with system goals. The Child Care Assistance Program currently consists of three subprograms: Minnesota Family Investment Program (MFIP), Transition Year (TY) and Basic Sliding Fee (BSF) child care. MFIP and TY child care serve families receiving MFIP assistance or during their first year following receipt of cash assistance. These subprograms are currently funded to meet forecasted demand. The Basic Sliding Fee program serves low-income families not attached to MFIP cash assistance and is funded through a capped appropriation. Demand for BSF often exceeds available funds. This creates a perverse incentive for families to apply for MFIP cash assistance only in order to receive help paying for their child care.

3 A Comprehensive Education Year

1. Continue to support multiple demonstration projects across the state that will evaluate the effectiveness of a comprehensive school year and widely disseminate lessons learned.

2. Provide funding for all districts to cover the districts staff and instructional costs associated with the implementation of a comprehensive school year, phasing in the program over a period of 8 to 10 years.

3. Provide funding for participation in moving to a comprehensive school year program on an entirely voluntary basis. In addition, the program should give schools the option of gradually increasing the school year over time. One option, for example, might add 10 professional development days and 10 instructional days every two years up to a total of 30 additional professional development days and 30 additional instructional days.

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2. Evaluate the achievement of students educated in classrooms of 17 or fewer students in grades K-3 and compare to the achievement of like students educated in classrooms of 25 or more students.

APPENDIX B

JOBS AND SKILLS FOR THE FUTURE

High-wage, High-growth Occupations in Minnesota Requiring at least a Four-Year Degree

Occupations	Percent Job Growth 1996-2006	Annual Openings	Median Wage 1997
Systems Analysts, Electronic Data Processing	98.1	1,094	$21.83
Computer Engineers	140.6	588	$26.88
General Managers & Top Executives	18.7	2,886	$26.23
Engineering, Mathematical & Natural Sciences Managers	50.1	477	$32.39
Physicians & Surgeons	27.0	471	$60.01
Electrical & Electronic Engineers	51.0	536	$22.89
Marketing, Advertising & Public Relations Managers	33.2	673	$24.79
Teachers, Secondary School	16.2	1,057	$21.69
Financial Managers	21.5	704	$24.08
Computer Programmers & Aides	24.6	672	$21.64
Teachers, Elementary School	17.5	908	$21.54
Social Workers, Including Medical & Psychiatric	24.6	471	$18.11
Lawyers	16.0	336	$33.51
Accountants & Auditors	14.0	785	$16.27
Teachers, Postsecondary	11.3	564	$24.72
Personnel, Training & Labor Relations Managers	23.0	275	$19.66
Education Administrators	18.1	211	$29.20
Physical Therapists	42.9	110	$23.24
Mechanical Engineers	22.3	212	$22.51
Loan Officers & Counselors	23.2	247	$17.79
Artists & Related Workers	27.7	248	$14.19
Personnel, Training & Labor Relations Specialists	18.8	283	$17.84
Teachers, Preschool & Kindergarten	19.6	383	$12.63
Teachers, Special Education	16.1	264	$21.80
Writers & Editors, Including Technical Writers	24.3	267	$13.90
Architects, Except Landscape & Marine	37.9	122	$18.39

Sources: Percent growth and annual openings are from Long-Term Projections, MN Department of Economic Security. 1997 Median Hourly Wage comes from Occupational Employment Statistics, MN Department of Economic Security. Reprinted from "Minnesota: World Competitor! The Governor s Workforce Development Plan," Department of Economic Security, February 2000.

High-growth, High-wage Occupations in Minnesota That Require Less Than a Four-year Degree

Occupations	Percent Job Growth 1996-2006	Annual Openings	Median Wage 1997
Supervisors, Sales & Related Workers	15.1	1,130	$13.40
Sales Agents, Securities, Commodities & Financial Services	30.6	242	$29.41
Electronic Pagination System Operators	93.2	159	$14.27
Maintenance Repairers, General Utility	19.8	950	$11.18
Correction Officers & Jailers	49.0	284	$14.81
Food Service & Lodging Managers	27.4	532	$11.33
Supervisors, Production, Construction & Maintenance Workers	9.5	1,005	$16.39
Electricians	19.0	391	$18.98
Numerical Control Machine Tool Operators, Metal & Plastic	52.7	193	$13.37
Dental Hygienists	35.3	176	$21.82
Physical & Corrective Therapy Assistants & Aides	73.2	136	$11.40
Paralegal Personnel	60.7	113	$15.96
Instructors, Nonvocational Education	39.6	192	$13.99
Licensed Practical Nurses	14.9	581	$11.75
Electrical & Electronic Technicians & Technologists	21.1	296	$15.92
Flight Attendants	32.6	178	$16.94
Welders & Cutters	18.4	404	$12.43
Automotive Mechanics	12.4	546	$12.46
Automotive Body & Related Repairers	22.9	255	$13.37
Police Patrol Officers	16.4	251	$18.00
Dental Assistants	26.3	209	$11.49
Heating, Air Conditioning & Refrigeration Mechanics	23.0	170	$15.73

Sources: Percent growth and annual openings are from Long-Term Projections, MN Department of Economic Security. 1997 Median Hourly Wage comes from Occupational Employment Statistics, MN Department of Economic Security. Reprinted from "Minnesota: World Competitor! The Governor s Workforce Development Plan," Department of Economic Security, February 2000.

MINNESOTA S MOST MARKETABLE SKILLS

According to a new study by the Minnesota Department of Economic Security, five unique clusters of skills are identified as extremely marketable in Minnesota s economy: fundamental skills, technical/scientific skills, administrative/ managerial skills, medical/dentistry knowledge, and human service skills. The most desirable jobs require multiple skills. The specific types of skill, ability, and knowledge that comprise each of the five clusters are described below:

FUNDAMENTAL SKILLS

Reasoning Ability: Includes factors such as deductive and inductive reasoning, organizing information, and anticipating and detecting problems.

Verbal Ability: Includes clearly and effectively communicating oral information and understanding information which is presented orally.

Quantitative Ability: Includes arriving at mathematical solutions to problems, as well as basic adding, subtracting, multiplying, and dividing.

Math Skill: Involves using math to solve problems.

Idea Generation Ability: Includes generating a large number of ideas and generating creative ideas.

Math Knowledge: Involves knowledge of numbers and their operations including arithmetic, algebra, geometry, statistics, and calculus and their applications.

Verbal Skill: Includes reading comprehension, writing, and active listening.

Critical Thinking: Includes thinking/learning skills, such as using multiple strategies when learning/teaching new material and assessing how well one is doing when learning something new. Includes complex problem-solving skills, such as identifying the nature of problems, gathering/organizing information, and generating/evaluating ideas for solving problems. Includes systems skills, such as developing ideas of how systems should work under ideal conditions and determining long-term implications of change in a system.

HUMAN SERVICE SKILLS

Customer/Personal Service Knowledge: Involves knowledge of principles and processes for providing customer/personal services, including needs assessment techniques, quality service standards, alternative delivery systems, and customer satisfaction evaluation techniques.

Human Service Skill: Includes being aware of others' reactions and understanding why they react as they do, actively looking for ways to help people, and actively listening to others.

TECHNICAL/SCIENTIFIC SKILLS

Technical Design Skill: Includes factors such as generating or adapting equipment/technology for users' needs, determining whether equipment, software, or procedures are operating as expected, evaluating product quality, writing computer programs.

Science Skill: Involves using scientific methods to solve problems.

Engineering Technology Knowledge: Involves knowledge of the design, development, and application of technology for specific purposes.

Physics Knowledge: Involves knowledge and prediction of physical principles, laws, and applications including air, water, material dynamics, light, atomic principles, heat, electric theory, earth formations, and meteorological and related natural phenomena.

MEDICAL SKILLS

Medical/Dentistry Knowledge: Involves knowledge of the information and techniques needed to diagnose and treat injuries, diseases, and deformities. This includes symptoms, treatment alternatives, drug prop-

erties and interactions, and preventive health-care measures.

Biology Knowledge: Involves knowledge of plant/animal living tissue, cells, organisms, and entities, including their functions, interdependencies, and interactions with each other and the environment.

MANAGEMENT SKILLS

Management Skill: Includes management of financial, material, personnel, and time resources, and coordinating one's actions in response to another person's actions.

Administration and Management knowledge: Involves knowledge of principles/processes involved in business and organizational planning, coordination, and execution. This includes strategic planning, resource allocation, staff modeling, leadership techniques, and production methods.

APPENDIX C

MINNESOTA STUDENT PERFORMANCE

International Comparisons in Math and Science:
Minnesota's High School Students

¥ 1998 data showed that Minnesota s students fared better than U.S. students generally in both fourth- and eighth-grade science, with only one other country s students (Korea in fourth grade and Singapore in eighth grade) significantly outscoring Minnesota students.

¥The SciMathMN final summary of Grade 12 Third International Mathematics and Science Study (TIMMS) results included the following conclusions:

> In both mathematics and science, the performance of Minnesota students, as measured by the average scale score, was significantly higher than that of students nationwide, but not significantly different from the international average; math and science performance was significantly below that of several other countries.
>
> Differences in the average scale scores for Minnesota male and female students were statistically significant. In mathematics, a 21-point difference in the average scale score favored males; in science, a 28-point difference also favored boys.
>
> In the TIMMS study, the performance of Minnesota fourth, eighth, and twelfth grade students in mathematics was mediocre compared with the international average, falling short of the high expectations we have for our children. Twelfth grade science results were equally mediocre. Some of the poor performance in twelfth grade may reflect the fact that, compared to other countries, few Minnesota high school seniors are enrolled in science and math courses.

Third International Mathematics and Science Study (TIMSS)
Mean Mathematics Scores

4th Grade	
Singapore	625
Korea	611
Japan	597
Hong Kong	587
Netherlands	577
Czech Republic	567
Austria	559
Slovenia	552
Ireland	550
Hungary	548
Australia	546
UNITED STATES	**545**
MINNESOTA	**542**
Canada	532
Israel	531
International Average	**529**
Latvia (LSS)	525
Scotland	520
England	513
Cyprus	502
Norway	502
New Zealand	499
Greece	492
Thailand	490
Portugal	475
Iceland	474
Iran, Islamic Rep.	429
Kuwait	400

8th Grade	
Singapore	643
Korea	607
Japan	605
Hong Kong	588
Belgium-Flemish	565
Czech Republic	564
Slovak Republic	547
Switzerland	545
Netherlands	541
Slovenia	541
Austria	539
France	538
Hungary	537
Russian Federation	535
Australia	530
Ireland	527
Canada	527
Belgium-French	526
MINNESOTA	**525**
Bulgaria	522
Thailand	522
Israel	522
Sweden	519
International Average	**513**
Germany	509
New Zealand	508
England	506
Norway	503
Denmark	502
UNITED STATES	**500**
Scotland	498
Latvia	493
Iceland	487
Greece	484
Romania	482
Lithuania	477
Cyprus	474
Portugal	454
Iran, Islamic Rep.	428
Kuwait	392
Columbia	385
South Africa	354

12th Grade	
(Netherlands)	560
Sweden	552
(Denmark)	547
Switzerland	540
(Iceland)	534
(Norway)	528
(France)	523
New Zealand	522
(Canada)	519
(Austria)	518
(Australia)	522
(Slovenia)	512
International Average	**500**
MINNESOTA	**495**
(Germany)	495
Hungary	483
Czech Republic	469
(Italy)	476
Russian Federation	471
Lithuania	469
(UNITED STATES)	**461**
Cyprus	446
(South Africa)	356

Note: Nations not meeting international sampling guidelines are shown in parentheses.

Third International Mathematics and Science Study (TIMSS)
Mean Science Scores

4th Grade	
Korea	597
MINNESOTA	**577**
Japan	574
UNITED STATES	**565**
Austria	565
Australia	562
Netherlands	557
Czech Republic	557
England	551
Canada	549
Singapore	547
Slovenia	546
Ireland	539
Scotland	536
Hong Kong	533
Hungary	532
New Zealand	531
Norway	530
International Average	**524**
Latvia (LSS)	512
Israel	505
Iceland	505
Greece	497
Portugal	480
Cyprus	475
Thailand	473
Iran, Islamic Rep.	416
Kuwait	401

8th Grade	
Singapore	607
Czech Republic	574
Japan	571
Korea	565
Bulgaria	565
MINNESOTA	**565**
Netherlands	560
Slovenia	560
Austria	558
Hungary	554
England	552
Belgium-Flemish	550
Australia	545
Slovak Republic	544
Russian Federation	538
Ireland	538
Sweden	535
UNITED STATES	**534**
Germany	531
Canada	531
Norway	527
New Zealand	525
Thailand	525
Israel	524
Hong Kong	522
Switzerland	522
Scotland	517
Spain	517
International Average	**516**
France	498
Greece	497
Iceland	494
Romania	486
Latvia (LSS)	485
Portugal	480
Denmark	478
Lithuania	476
Belgium-French	471
Iran, Islamic Republic	470
Cyprus	463
Kuwait	430
Columbia	411
South Africa	326

12th Grade	
Sweden	559
(Netherlands)	558
(Iceland)	549
(Norway)	544
(Canada)	532
New Zealand	529
(Australia)	527
(Slovenia)	517
MINNESOTA	**511**
(Denmark)	509
International Average	**500**
(Germany)	497
Czech Republic	487
(France)	487
(Russian Fed.)	481
(UNITED STATES)	**480**
(Italy)	475
Hungary	471
Lithuania	461
Cyprus	448
(South Africa)	349

Note: Nations not meeting international sampling guidelines are shown in parentheses.

MINNESOTA STUDENT PERFORMANCE
In The 1998 NAEP Reading Assessment
at Grades 4 and 8, and
The 1998 NAEP Writing Assessment at Grade 8

Fourth Grade Reading Achievement

- ¥ In 1998, Minnesota fourth graders achieved an average scale score of 222 in reading on the NAEP s 500-point performance scale, higher than the 1998 national average score of 215. This difference is statistically significant.
- ¥ Only one state had a mean score significantly above that of Minnesota (Connecticut); six other states (Iowa, Maine, Massachusetts, Montana, New Hampshire, and Wisconsin) had higher mean scores, but these differences were not statistically significant.
- ¥As a state, Minnesota had significantly more students achieving proficient or advanced levels than the nation (36% vs. 29%).
- ¥ Both boys and girls in Minnesota significantly outperformed their counterparts nationally.
- ¥Although each of Minnesota s ethnic groups outperformed their national counterparts, none of the differences are significant.
- ¥ Minnesota fourth graders deemed eligible for the federal free- or reduced-price lunch program did score significantly above their national peers (18% vs. 13%).
- ¥ Girls significantly outperformed the boys (40% vs. 32%).
- ¥White students significantly outperformed Black and Hispanic students in our state. Asian and White students did not differ significantly.
- ¥The percentage of Minnesota students scoring at or above the Basic level fell over the period from 1992 to 1998, although not significantly.
- ¥The percentage of Minnesota students at the Proficient and Advanced levels increased steadily between 1992 and 1998, from 31% to 36%.
- ¥ Minnesota was one of only six states in which the percentage of fourth grade students reading at or above the Proficient Level increased significantly between 1992 and 1998.

Eighth Grade Reading Achievement

- ¥ Minnesota eighth graders took the state-level NAEP reading assessment for the first time in 1998. Their average scale score of 267 was significantly higher than that of the nation as a whole (261).
- ¥As a group, Minnesota eighth graders showed a higher percentage of students reaching Proficient or Advanced levels than did the nation as a whole (37% vs. 31%).
- ¥ Minnesota girls outperformed girls nationally and Minnesota students eligible for free- and reduced-price lunch outperformed their counterparts nationally; these differences were statistically significant.

Eighth Grade Writing Achievement

- ¥ Minnesota eighth graders took the NAEP state-level writing assessment for the first time in 1998. Their average scale score of 148 was exactly the same as the national average.
- ¥ Minnesota eighth graders had almost the same percentage (25%) of students reaching Proficient and Advanced levels as did the nation as a whole (24%).
- ¥ More Minnesota girls reached the Proficient or Advanced level than did girls nationally; but fewer Minnesota boys reached these levels, compared to boys in the nation as a whole.
- ¥The 1998 writing assessment is the only subject area where the Minnesota average failed to significantly exceed the national average.

STUDENT PERFORMANCE IN THE MINNESOTA ACHIEVEMENT TESTING PROGRAMS

Third Grade Minnesota Comprehensive Assessment Results in Reading and Mathematics

- ¥ Statewide, the percentage of students scoring At or Above Level II rose from 77% last year to 79% this year in reading and from 82% to 88% in mathematics.
- ¥ The percentage of students reaching or exceeding Level III increased from 35% last year to 40% this year in reading and from 35% last year to 42% this year in mathematics.

Fifth Grade Minnesota Comprehensive Assessment Results in Reading, Mathematics, and Writing

- ¥ From 1998 to 1999, the proportion of students At or Above Level II increased from 79% to 82% in reading, from 80% to 82% in mathematics, and from 80% to 95% in writing.
- ¥ The proportion of students achieving the higher Level III or Above rose from 38% to 45% in reading, 31% to 36% in mathematics, and 42% to 45% in writing.

Eighth Grade Basic Standards Tests In Reading and Mathematics

- ¥ Seventy-five percent of the eighth grade test-takers met the state s minimum standard for high school graduation in reading, up substantially from 68% last year.
- ¥ In mathematics, the percentage of eighth grade students meeting the state s minimum standard remained virtually the same as last year, 70%.

Tenth Grade Basic Standards Test Results in Writing

- ¥ Eighty-five percent of the tenth grade test-takers met the state s minimum standard for high school graduation in writing in this first administration of the test.

Equity and Excellence Across Gender and Ethnicity

Achievement by Gender

- ¥ Where there are differences in mathematics, boys outscore girls, if only by a small amount.
- ¥ Girls outscore boys in reading and writing in all grades tested.

Achievement by Ethnicity

- ¥ Whites have the highest scores; Blacks the lowest; and American Indian, Asian, and Hispanic students have scores in between.
- ¥ The ethnic differences appear to be less dramatic in writing than in mathematics or reading.

Poverty Levels

- ¥ Across grades and subject areas, schools with lower poverty levels display higher levels of achievement.
- ¥ Achievement falls off most sharply in schools with the highest poverty level, i.e., where 50-100% of the students in the school are eligible for free- or reduced-price lunch.

APPENDIX D

MINNESOTA EDUCATION IN BRIEF

The following relevant statistics were taken from the University of Minnesota Office of Educational Accountability, "1999 Minnesota Education Yearbook," Department of Children Families & Learning reports, and teacher retirement plans year end reports.

Student Enrollment

- ¥ Between academic year 1986-87 and 1997-98, the proportion of minority students in our schools rose from 6% to 15%.
- ¥ The Minnesota State Demographic Center has projected that statewide, enrollments will peak in 1999-2000 and begin a gradual decline thereafter.
- ¥ Enrollments are larger in the upper grades (i.e., Grades 7, 8, and 9) than in the lower grades (i.e. Grades 1, 2, and 3).
- ¥ As the larger cohorts in the upper grades leave school and are replaced by smaller cohorts in the lower grades, overall enrollments across the state can be expected to decline.

School Financing

- ¥ In 1997-98, the average per pupil expenditure in Minnesota was $6,333, a 4% increase over the $6,081 reported for the previous year.
- ¥ In 1996-97, Minnesota per pupil expenditure is reported as $5,993, which was 1% above the national average of $5,906.
- ¥ In 1996-97, Minnesota ranked 17th in per pupil expenditure among the fifty states. Adjusted for regional cost of living differences, Minnesota s per pupil expenditure ranked 21st.
- ¥ State revenues in Minnesota provide the majority of funding for schools, 52%, while local revenues and private funds provide 43%, and federal sources provide the remaining 5%.

Teachers

- ¥ Virtually 100% of Minnesota teachers have at least a B.A. degree, and 42% have at least an M.A. or above.
- ¥ More than 40% of teachers have an M.A. or above in every region of the state, except the small outstate districts of less than 2000 students. Here, only 22% report an M.A. or above.
- ¥ The 1999 mean salary for full-time teachers was $38,642, an increase of approximately 1% over the figure reported in 1998.
- ¥ According to the American Federation of Teachers, Minnesota s average teacher salary ranks 17th among the 50 states and is within 1% of the national average. In the competition for new teachers, however, Minnesota benefits from the fact that its average salaries are higher than those of the surrounding states.

Secondary School Coursework

¥ Minnesota has specified basic and high standards in its Graduation Rule. Rather than specifying courses to be completed, the Graduation Rule specifies what students must know and be able to do.

¥ When the Graduation Rule is fully implemented, students will need to accomplish three things for high school graduation: 1) meet the course requirements of their local district; 2) pass the Basic Standards Test (BST) in mathematics, reading, and writing; 3) demonstrate mastery of the high standards by completing performance assessments in the ten areas specified by the Graduation Rule.

Third International Mathematics and Science Study: Science and Mathematics Course Work of Minnesota High School Seniors in International Context

¥ During the academic year of 1994-95, approximately 34,000 U.S. students in grades 3-4, 7-8 and 12 participated in the Third International Mathematics and Science Study (TIMSS), which includes a comparison of Minnesota twelfth graders to students in several other countries in terms of the amount of course work and achievement in mathematics and science.

¥ Additionally, SciMathMN sponsored nearly 5,000 Minnesota students to participate as a mini-nation. Mini-nation status makes it possible to compare Minnesota results with the U.S. as a whole in addition to the other countries in the study.

¥ Minnesota s twelfth grade participation in mathematics and science courses was below international and national benchmarks. Other participating countries reported having 79% of their seniors, on average, taking a math course, compared to 66% for the United States, and only 50% for Minnesota twelfth graders.

¥ Survey results regarding twelfth grade science course participation were similar. Although the international average of science course participation for students in their last year of secondary education is 67%, Minnesota s rate of 54% remains about the same as the U.S. national average of 53%. Among Minnesota s ACT test-takers, the most commonly unmet ACT course work recommendation is the one suggesting three years of natural science courses.

Satisfaction With Teachers And Courses: Class Of 1998

¥ In the high school follow-up study conducted by the Human Capital Research Corporation for the Department of Children, Families & Learning, a representative sample of high school seniors from the class of 1998 was asked to evaluate their schools on several issues.

¥ Students were asked to grade their teachers knowledge, creativity, accessibility, and encouragement to learn and persist on an "A-F" scale where "A" = Excellent, "B" = Above Average, etc. Teachers were rated most highly in the area of knowledge, where students assigned teachers a solid "B." In the other areas — creativity, accessibility, and encouragement — students assigned their teachers a "C+." Students who planned to attend either a two- or four-year college gave higher marks to their teachers than did students planning to attend a technical college or no college in the fall.

¥ Students also rated two aspects of their coursework: its relevance to their future plans, and the interrelatedness of that course work. The mean ratings of the course work, 2.5 for relevance and 2.6 for integration, would best be characterized as a "C." As they did when rating their teachers, students planning to attend a community or four-year college gave their courses higher ratings than did students planning to attend a technical college or no college.

Attendance

¥ Schools show an attendance rate of 93% or better through grade 10, but lower attendance rates in grades 11-12.

¥ Boys and girls attendance rates are much the same, within one percentage point of each other.

¥Asians and Whites attend at higher rates than American Indian, Black, and Hispanic students.

High School Graduation Rates

¥ Of the class of 1998, 78% completed their education in four years.

¥ Eleven percent dropped out and another 11% were still enrolled in high school but had not yet completed work for their diploma.

¥ Boys have a lower graduation rate (75% vs. 81%) and a higher dropout rate (13% vs. 9%) than girls.

¥Whites have the highest graduation rate (82%), followed by Asian (68%), Hispanic (49%), American Indian (43%), and Black students (36%).

¥ Completion rates vary widely across the different regions of the state, from 46 % in the Twin Cities to a commendable 91% among the small outstate districts.

College Plans

¥A majority of the 1998 seniors sampled (53%) stated plans to attend a four-year college the following fall, while only 15% stated no plans to attend any college at all.

¥ Girls were more likely than boys to plan to attend a four-year college (60% vs. 46%) or a community college (18% vs. 15%) while boys were more likely than girls to plan to attend a technical college (19% vs. 11%) or no college at all (20% vs. 11%).

¥Whites and non-whites were almost equally likely to report plans for a technical or four-year college education.

¥ Non-white students plans were more likely to include a community college (21% vs. 16% for Whites), while those of Whites were more likely to include no immediate college plans (16% vs. 12%).

¥The number of students planning to enter a four-year college increased sharply when parental education included college completion. Among students whose parents had a four-year college degree, 78% planned to attend a four-year college. Among those whose parents had less than a high school diploma, only 24% planned to attend a four-year college.

Demographics of Minnesota s Student Population, 2000-2001

Minnesota currently has 345 school districts.* 34 districts have more than 5,000 students each and have 55% of all Minnesota s students. 311 districts have fewer than 5,000 students.

- ¥ 4 districts have more than 25,000 students (three with more than 40,000)
- ¥ 11 districts — between 10,000 and 25,000 students
- ¥ 19 districts — between 5,000 and 10,000 students
- ¥ 38 districts — between 2,500 and 5,000 students
- ¥ 102 districts — between 1,000 and 2,500 students
- ¥ 85 districts — between 500 and 1,000 students
- ¥ 86 districts — less than 500 students

* Charter schools are not counted here as districts. Students in charter schools and other entities such as intermediate districts, special education coops and area learning centers are included in the above student counts. Additional consolidations are in progress.

Demographics by Minnesota s Counties

Minnesota currently has 87 counties.**

v Minnesota currently has 50 counties with fewer than 5,000 students.

1 county has over 150,000 students

3 counties — between 60,000 and 90,000 students

2 counties — between 25,000 and 40,000 students

2 counties — between 20,000 and 25,000 students

4 counties — between 10,000 and 15,000 students

25 counties — between 5,000 and 10,000 students

50 counties — under 5,000 students

n The four largest counties have 45 percent of the state s students.

**See next page for detail by county.

Demographics of Minnesota s Teacher Population

The following information reflects the number of active members in the four teacher retirement plans as of June 30, 1999. This includes teachers, administrators and in TRA some higher education faculty. This information is taken from the annual report of these retirement funds.

Type of Plan	Active Members	Under 15 years of service		Average Salary
TRA	68,613	44,526	65%	$37,024
Mpls. TRF	5,308	4,217	79%	$41,107
St Paul RF	4,378	3,238	74%	$40,716
Duluth RF	1,509	1,056	70%	$33,951
TOTAL	**79,808**	**53,037**	**66%**	

K-12 Student Enrollment by County
Smallest to Largest County, Average Daily Membership
2000-2001 School Year

50 counties with fewer than 5000 students
25 counties between 5,000 and 10,000
4 counties between 10,000 and 20,000
2 counties between 20,000 and 25,000
2 counties between 25,000 and 40,000
4 counties between 60,000 and 150,000

K-12 ADM	Cty #	County
631	78	TRAVERSE
731	16	COOK
777	39	LAKE OF THE WOODS
796	63	RED LAKE
1,025	35	KITTSON
1,039	41	LINCOLN
1,144	6	BIG STONE
1,324	54	NORMAN
1,356	84	WILKIN
1,392	44	MAHNOMEN
1,392	51	MURRAY
1,471	26	GRANT
1,494	75	STEVENS
1,624	15	CLEARWATER
1,677	67	ROCK
1,735	45	MARSHALL
1,760	32	JACKSON
1,776	76	SWIFT
1,828	61	POPE
1,828	17	COTTONWOOD
1,916	59	PIPESTONE
2,112	38	LAKE
2,129	37	LAC QUI PARLE
2,153	87	YELLOW MEDICINE
2,162	83	WATONWAN
2,174	36	KOOCHICHING
2,247	1	AITKIN
2,384	52	NICOLLET
2,428	57	PENNINGTON
2,482	72	SIBLEY
2,503	12	CHIPPEWA
2,503	29	HUBBARD
2,579	65	RENVILLE
2,621	22	FARIBAULT
2,722	33	KANABEC
3,072	80	WADENA
3,292	23	FILLMORE
3,374	64	REDWOOD
3,462	28	HOUSTON
3,544	68	ROSEAU
3,688	46	MARTIN
3,878	81	WASECA
3,885	20	DODGE
4,027	8	BROWN
4,343	53	NOBLES
4,343	58	PINE
4,481	42	LYON
4,646	77	TODD
4,743	24	FREEBORN
4,846	3	BECKER
5,127	11	CASS
5,201	40	LESUEUR
5,214	79	WABASHA
5,252	5	BENTON
5,321	21	DOUGLAS
5,592	60	POLK
5,615	49	MORRISON
5,763	30	ISANTI
5,890	50	MOWER
6,061	43	MCLEOD
6,163	48	MILLE LACS
6,178	34	KANDIYOHI
6,185	9	CARLTON
6,355	47	MEEKER
6,359	74	STEELE
6,517	85	WINONA
7,314	25	GOODHUE
7,737	31	ITASCA
7,835	4	BELTRAMI
8,001	66	RICE
8,200	13	CHISAGO
8,849	56	OTTER TAIL
8,899	14	CLAY
9,706	18	CROW WING
9,905	7	BLUE EARTH
11,680	10	CARVER
13,913	70	SCOTT
14,053	71	SHERBURNE
18,854	86	WRIGHT
21,660	55	OLMSTED
23,847	73	STEARNS
29,836	69	SAINT LOUIS
35,886	82	WASHINGTON
64,180	2	ANOKA
72,514	19	DAKOTA
89,291	62	RAMSEY
157,376	27	HENNEPIN

APPENDIX E

POLICY PROJECT STUDY GROUPS PARTICIPANTS

Policy Project Co-Chairs:

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Governor s Office

Commissioner Christine Jax, Ph.D.
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Tom Nelson, Chair Superintendent Buffalo, Dist. #877	Carter Christie Business Manager Burnsville, Dist. #191	Pam Ringstad High School Principal Monticello, Dist. #882	John Belpedio Social Studies Teacher Anoka-Hennepin, Dist. #11
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Tim Caroline Elementary Principal Moose Lake, Dist. # 97	Bill Larson Deputy Superintendent St. Paul, Dist. #625	Gerald Christenson Retired, Chancellor Emeritius MN Community College System	Valerie Pace Area Coordinator IBM

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Mike Miller Associate Dean Gustavus Adolphus	Peg Swanson School Board Member Orono, Dist. #278	Betty Aune Director of Operations MN Rural Education Association	Cathy Neuman Sales Associate Josten s
Martha Tiede Curriculum & Instruction Central Middle School	David Dudycha Research Evaluation and Assessment Minneapolis, Dist. #1	Darrold Williams Superintendent Willmar, Dist. #347	Pat Harvey Superintendent St. Paul, Dist. #625

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POLICY PROJECT STUDY GROUPS PARTICIPANTS (continued)

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EARLY CHILDHOOD CARE AND EDUCATION INTEGRATION STUDY PARTICIPANTS

In addition to staff members from the Early Childhood and Family Support Division of the Department of Children, Families & Learning, the groups listed on page 53 of this report had input into the Early Childhood Care and Education Integration Study.

Community Interview Sites

In the spring of 2000, a consultant was contracted to conduct interviews in communities across Minnesota where program and service integration was already taking place. Eight sites were selected to participate in these group interviews. Two 90-120 minute interviews were conducted at each site. A total of 131 individuals participated in the interviews. Participants included early childhood administrators and direct service providers, a school district superintendent and administrators, a county commissioner, representatives from private community foundations, a parent and a member of the business community. The communities visited were:

¥ Fergus Falls ¥ Grand Rapids ¥ St. James ¥ Sauk Rapids ¥ Rochester ¥ Anoka ¥ Minneapolis ¥ St. Paul

Community Forums

Approximately 250 individuals including parents, legislators, other elected officials, early childhood educators and program administrators, child care providers, parent educators, and pediatricians attended the community forums offered in the following locations.

LOCATION	DATE OF FORUM	LOCATION	DATE OF FORUM
GRAND RAPIDS	9/18/00	ST. CLOUD	10/2/00
BEMIDJI	9/19/00	ROCHESTER	10/3/00
MARSHALL	9/25/00	ST. PAUL	10/3/00
MINNEAPOLIS	9/26/00		

Stakeholder Forums

Presentations were made to the following groups and their input was incorporated into the report.

1. Minnesota Head Start Association
2. Community Action Agency Association
3. Tribal Communities
4. Child Care Resource and Referral Network Coordinators
5. Child Care Cultural Dynamics Advisory Committee
6. Early Childhood Special Education Leadership Conference
7. Minnesota Association for the Education of Young Children (Mn AEYC) Board of Directors Annual Meeting
8. Minnesota Association of Early Childhood Teacher Educators
9. Early Care & Education Finance Commission
10. Big Leap
11. Minnesota Community Education Association
12. Children s Cabinet
13. Governor s Self-Sufficiency Task Force
14. ECFE/School Readiness Advocacy Committee
15. Senate Family and Early Childhood Education Budget Division Committee Chair and Staff
16. House Family and Early Childhood Education Finance Committee Chair and Staff
17. Department of Human Services /County Children s Services Partnership
18. Interagency Coordinating Council — Early Intervention
19. Project EXCEPTIONAL Advisory Committee
20. Child Care Works Issues Advisory Committee