



OSBA Events

OSBA Board of Directors meeting
January 18-19, 2013

NSBA FRN Conference
January 27-29, 2013
Washington DC

Labor & Employment Regional Conferences
February 4-7, 2013

OSBA Board of Directors meeting
March 15-16, 2013

OSBA Legislative Policy Committee meeting
March 16-17, 2013

Summer Board Conference
July 19-21, 2013

www.osba.org

Executive director search update

The Executive Director Search Committee will interview its semi-finalist candidates during the week of Jan. 7. The committee will then forward a list of finalists to the entire OSBA Board of Directors. The Board of Directors will conduct interviews of these finalists at its January meeting.

PRESIDENT'S POST

We must strengthen schools' partnership with business

Over the past year, OSBA's leadership has actively publicized the importance of strong schools to Oregon's economy. We've spoken out on the editorial pages of all the state's major daily newspapers, in speeches and news releases, telling all who will listen that improving public schools must be a key part of Oregon's strategy to achieve long-term, stable prosperity.



Terry Lenchitsky
OSBA President

The wisdom of this position should be self-evident. Oregon is a trading state. We export electronic goods, computers, industrial equipment, wood products, transportation equipment, agricultural products, metals and chemicals, to name but a few. We're the ninth-most trade-dependent state in the nation, and our exports total more than \$13 billion a year.

You may have noticed that our exports come from industries that require substan-

tial technological knowhow. These industries require a highly skilled workforce—even those industries that once provided lots of jobs to people who lacked any skills beyond sawing wood or stacking hay. Today's businesses need well trained people who can handle the complex challenges of today's jobs.

As a businessman who has run his own company for more than three decades, I can tell you that the biggest concern of businessmen and women throughout Oregon is not taxes or fees or "cutting red tape." Their biggest concern is finding people who qualify to take the jobs they offer now. The ready availability of qualified workers often determines whether a company relocates to Oregon, expands in Oregon, or moves somewhere else.

That's where schools come in. Schools prepare people—both young and not so young—for jobs. In a real sense, schools are the business partners of the companies that power Oregon's economy.

Oregon's school boards, ESD boards and community colleges take that partnership

President's Post cont. on pg 2

OSBA elections send two new members to Board of Directors, adopts legislative policies and priorities

Doug Nelson of the High Desert Education Service District board and **Doug Montgomery** of the Multnomah Education Service District board will join OSBA's Board of Directors, having won election to the Central Region and Multnomah Region respectively.

Nelson replaces Steve Rankin in Position 3, Central Region, and Montgomery replaces James Woods in Position 19, Multnomah Region.

Other members of OSBA's board up for reelection who won are:

- **Greg Jackle**, Position 1, Eastern Region

- **Craig Prewitt**, Position 5, Southern Region
- **Terry Lenchitsky**, Position 7, Clackamas Region
- **Samuel Lee III**, Position 9, Douglas/South Coast Region
- **Tass Morrison**, Position 11, Marion Region
- **Karen Cunningham**, Position 15, Washington Region
- **Bobbie Regan**, Position 17, Multnomah Region

In the same election, OSBA's members adopted the association's proposed Legislative Priorities and Policies for 2013, with more than 90 percent voting to approve.

PROFILE: New OSBA Board Member Sherry Duerst-Higgins



The board of directors of the Oregon School Boards Association has a new member, Sherry Duerst-Higgins of Cottage Grove, who represents the association's Lane Region (which includes all the school districts in Lane County).

A seasoned veteran of education leadership, Duerst-Higgins is a former president of OSBA, having served in that office in 2003. She also chairs the school board of the South Lane School District, and has served on that board since 1987. She is the vice chair of the Lane Education Service District board, with 16 years of service on that board.

Duerst-Higgins replaces former OSBA board member Laurie Adams, who left the board earlier this fall.

"I'm excited and honored to return to the board of directors of the Oregon School Boards Association," Duerst-Higgins said. "The association will play a major role in advocating for public schools during the coming legislative session, and I'm eager to be part of that effort."

Over the past year, OSBA has also forcefully advocated strengthening public schools as part of Oregon's strategy for long-term economic recovery, a cause Duerst-Higgins endorses.

"By strengthening our schools, we enable students to achieve their best, and that's my highest priority," she said. "We also strengthen our workforce by helping our students qualify for higher-paying and more fulfilling jobs. That makes Oregon more attractive to investors and makes us more competitive with other states and countries."

Duerst-Higgins also noted that school districts are generally among the biggest employers in their communities. "The investment we make in schools goes directly into our local economies," she added. "It's an investment that sustains good jobs and provides economic stimulus at the local level."

In addition to chairing the local school board, Duerst-Higgins serves on the board of the Cottage Grove Community Foundation and the executive board of the Lane County Council of Government. She is also a member of Rotary Club and the Cottage Grove Hospital Foundation.

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very seriously. In districts throughout Oregon, high school students can get college credit for high school courses.

In the Portland area, for example, students may participate in an "articulated credit" program at Portland Community College. By the time these students graduate from high school, they will have a start on post-secondary education, saving both time and money as they prepare for entry into the workforce. In addition to earning credits toward degrees in such areas as literature, world languages, science and math, they can earn credits in such diverse applied sciences as automotive service technology, computer applications, construction, welding, early-childhood learning, and many more.

Unfortunately, the state budget for schools hasn't kept up with costs, and

schools have suffered real hardship in keeping alive the programs that speed the process of preparing people for good jobs. Gladstone High School, for example, has forged a tight bond with Clackamas Community College, in part by helping students earn inexpensive community college credits while still in high school. But like other schools throughout Oregon, Gladstone High has trimmed or eliminated some proven programs because of state budget realities.

We must convince the legislature and the governor that investing in the partnership between schools and business must receive a high priority. The health of that partnership will likely determine whether Oregon competes successfully in the world economy of this young century.



PACE is financially strong, data-driven

At its meeting on Dec. 3, 2012, the PACE (Property and Casualty Coverage for Education) Board of Trustees heard a presentation of the Capital Equity Report by Kevin Wick, an actuary with PricewaterhouseCoopers (PwC).

The report estimated funding needs within a range of scenarios and set forth a process to develop funding for underwriting, reserving, asset and credit, and operational requirements. The report reflects the steps PACE continues to take toward data-driven decision-making as its driving force.

PwC's presentation was the first part of a two-part study, beginning with a "quantification" of where PACE now stands. The second part of the study will include a calculation of how to achieve a desirable level of risk with adequate funding to ensure continued operation.

The financial report by Mike Doherty showed that general liability claims for the 2012-13 policy year were slightly above average, though such claims have slowed over the past several months.

Property claims are above average at this point in the policy year. The total picture shows that overall claims, however, are slightly above the target of 33.9 percent.

The trustees heard many other presentations during the daylong meeting, including an audit presentation, an update on the trust's investments and a loss-control report. The trustees also approved the draft Underwriting Manual.

The overall picture presented to the trustees reveals a sound institution with strong finances and diligent management. PACE continues to dominate a niche that provides affordable and reliable insurance to school districts and ESDs against property losses and liability.

KEEPING YOU IN THE LOOP

New faces, new challenges, a New Year!

Two Thousand and Thirteen is upon us, full of challenge and promise. The Oregon School Boards Association is well equipped to meet the new year, having formulated an ambitious agenda to pursue with the next legislature. We have laid the groundwork for a coalition of education advocates to strengthen schools as part of Oregon's strategy for long-term economic growth. And we have taken steps to make our services to members even more effective and valuable.



Betsy Miller-Jones
Interim Executive Director

As happens every January, new leadership takes the reins of OSBA's Board of Directors. Terry Lenchitsky (Oregon Trail School Board) becomes president of the association, while Kris Howatt (Gresham-Barlow School Board) moves to the office of past president.

As affirmed unanimously by the Board at its September meeting, Lori Theros (Klamath Falls City Schools Board) becomes president-elect, and Dave Krumbein (Pendleton School

Board) becomes vice president. Bobbie Regan (Portland Public Schools Board) becomes secretary-treasurer.

I want to extend a special thank-you to Kris Howatt, who served so energetically and passionately as our president over this past year. Kris inspired us with her commitment to keeping OSBA at the fore of the movement to strengthen Oregon's public schools. She served during a period of profound change in the executive ranks of OSBA, and I am thankful on a personal level for her steady guidance during a challenging year.

I also want to acknowledge the steadfast service of our outgoing past president, David Beeson. Always an eloquent advocate for schools and kids, David gave his wise counsel and sound advice whenever the need arose, and our association is better for it.

We have welcomed some new faces to our Board membership. Doug Nelson of the High Desert Education Service District board and Doug Montgomery of the Multnomah Education Service District board will join OSBA's Board of Directors, having won election to the Central Region and Multnomah Region respectively. Sherry Duerst-Higgins of the South Lane School District and Lane ESD now represents the association's Lane Region.

As the new year gathers steam, and as the legislature occupies the attention of advocates and news reporters, OSBA's staff follows the main imperative that motivates us—providing high-quality services to our members and their districts. Our legislative team has rolled up its sleeves and is ready go, but so have our other teams. Board Development and Executive Search, Policy Services, Communication Services, and Legal, Labor and PACE Services all recognize the importance of their respective services to individual member-districts (and to the association as a whole). As always, our Operational Support and Financial Services folks work faithfully to ensure that our organizational gears continue to turn.

With our array of dedicated professional staff and experienced Board leadership, I look forward to the weeks and months ahead with anticipation and optimism. Though we cannot expect to win every legislative battle, and while we will no doubt encounter bumps in the road ahead, I have great faith in our OSBA team.

Two Thousand and Thirteen will be a year of progress, and Oregon's public school students will be the winners!

Update on PERS reform

As the news media and OSBA have reported, Governor Kitzhaber has proposed to change the cost-of-living adjustments for retirees in the Public Employees Retirement System (PERS), as well as taxation of out-of-state PERS recipients. OSBA considers the governor's proposal to be a positive first step in the long-term cause to lighten the burden of PERS employers' contributions on school districts, ESDs and community colleges.

OSBA will work closely with key

legislators to support the governor's initiative on PERS and to develop additional forward-looking proposals to reform PERS while still ensuring fair, serviceable pensions for teachers, education workers and all other public employees. Our main concern—as we have expressed on many occasions—continues to be the urgent need to invest in the resources schools require to prepare Oregon's children for the realities of life and careers in this global economy.

Legal research. OSBA has retained a law firm to conduct in-depth research into the legal issues of the various proposals to reform PERS, and to offer advice and recommendations. Such research is an important aspect of OSBA's initiative to reform the system, since any change to PERS must withstand the test of judicial review. Our staff will report the results of this research to date during the upcoming OSBA Board of Directors' meeting in January.



School Leader News

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2013 Labor and Employment Regional Meetings

During the first week of February, the Oregon School Boards Association will send its negotiators and attorneys to a location near you, where they will host informal roundtable discussions in which you can raise issues and ask questions on labor and employment issues.

You won't want to miss one of these sessions if you have questions about recent court decisions that affect your workforce. You may also want clarification on how legislation affects labor and employment issues in your district.

No legal question is out of bounds—you can ask about health care reform, collective bargaining and anything in between. We've created a full agenda to update you on labor and employment data, trends and best practices, and to offer you sound advice. Dinner is scheduled from 4-5 p.m., and the registration fee covers the cost. Attendees are welcome to attend an entire meeting, or any portion thereof. Register online, <http://www.osba.org/Members.aspx>.

Labor & Employment
REGIONAL
CONFERENCES

FEBRUARY
4th – 7th

Medford | Pendleton
Baker City | Roseburg
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