

School capital matching funds bill awaiting vote to advance

Many of Oregon's K-12 school buildings are badly in need of repair or replacement, and bonds passed by local voters have often failed to bridge the gap. When budgets are tight, maintenance funds and capital investments are usually the first to be cut.

Some potential relief is in sight, however. A bill that would begin to address the statewide need for capital construction funding had a hearing earlier this month and has reached a critical juncture – awaiting a subcommittee vote to advance.

Senate Bill 447 grew from a Task Force on School Capital Improvement Planning report concluding that state matching dollars can spur local communities to invest in school construction. OSBA President **Dave Krumbein** (Pendleton School Board) served on the task force, which met during the last legislative interim.

OSBA's membership has directed its legislative team to make state matching dollars for capital construction a top priority during the 2015 session. Morgan Allen, an



Many Oregon school buildings are badly in need of repair ... a sad example of the old adage, "an ounce of prevention prevents a pound of cure."

OSBA legislative services specialist, thanked Sen. Richard Devlin (D-Tualatin) and Rep. Shemia Fagan (D-Clackamas), for their leadership in drafting the task force's recommendations as SB 447.

Their key recommendations to the 2015 Legislature included:

- \$125 million in new state general obligation bonds for K-12 matching grants in 2015-17. Grants would range from \$4 million to \$8 million.
- Establishing an Office of School Facilities in the Oregon Department of Education as a resource for local school districts.
- Providing technical assistance and small grants to assess district needs, support long-term capital programs and inform statewide capital planning.
- Launching the Oregon School Facilities Database to start tracking local district and statewide capital planning information.

On May 1, the Ways and Means Subcommittee on Capital Construction heard testimony supporting SB 447 from an OSBA-organized panel that included: Condon School Board Member **Nichole Schott**; Grant School Board Member **Gordon Larson**; West Linn-Wilsonville School Board Member **Betty Reynolds**; Task Force Member Ted Wolf; OSBA President Dave Krumbein; Don Grotting, superintendent of the David Douglas School District; Mark Witty, superintendent of the Grant School District; Kathleen Rodden-Nord, superintendent of the Junction City School District; and Bill Watkins, superintendent of the Marcola School District.

Wolf kicked off the testimony by telling the committee that the task force "...believes that the availability of state matching grants can increase the chance that school districts can win the support of their voters. In Oregon, raising capital for K-12 school facilities is an uncertain proposition. Reviewing the 79 school bond elections held around the state since 2009, the success rate is 50 percent."

Schott talked about the challenges facing her small district with declining enrollment. With fewer than 150 students, the district wants to locate students in one K-12 facility. She said the ability to get matching state funds



Peeling paint, a common sight in schools across Oregon, highlights the need for capital construction funding.

would help their board persuade voters to make a significant investment in students.

Krumbein told the committee that the legislation has broad support, including endorsements from the Oregon Small Schools Association, Oregon Education Association, Confederation of Oregon School Administrators, Oregon School Employees Association, Stand for Children and the Oregon PTA.

Witty and Larson described the urgent maintenance and capital needs in John Day and districts across Oregon, compounded by budget cuts in recent years.

The bill is now awaiting an as-yet unscheduled subcommittee vote to send it to the full Ways and Means Committee. OSBA's Allen urges anyone interested in getting involved to contact him at mallen@osba.org.

View SB 447:

www.osba.org/Resources/Article/Legislative/BillTracking.aspx?s=15&t=&r=&q=sb_0447&c=50&key=SB_04470&ptadd=: SB 447 Details

In the Loop

It's time to build bridges with new board members

Elections are over, and the work begins! As you welcome new board members, you should now start giving them district and board information, assistance in learning the ropes, and the kind of collaboration and cooperation you would hope to have received when you were first elected.



*Betsy Miller-Jones
Executive Director*

Where to start? Does your district provide new members with a packet of information about the district budget and demographics, policies, goals, meeting minutes, expectations and board operating agreements, even before they

are sworn in July 1? Invite them to attend meetings between now and then, and recognize them. Invite them to meet administrators and tour the schools. Have one-on-one conversations to gain understanding of their positions and interests, and build trust. Attend the OSBA Summer Board Conference on July 17-19 with them and discuss the content of the training sessions together. Make sure they are aware of the OSBA resources for new board members:

www.osba.org/Resources/Article/Board_Operations/NBM_Resources.aspx

In some cases board members run on platforms to make change – maybe even substantial change. Some may have run on platforms critical of the work done by the current board and superintendent. Maybe they were even critical of you or your actions as a board member. This is not uncommon, and there are some ways you can make the transition smoother. The most important first step is to think about the situation constructively and how steps taken now can make things better going forward. As elected officials, you each have a seat at the table and a right to be heard. Process is important and an agreed-upon operating protocol and policies for board communication, agenda-setting and meeting operations can go a long way to starting things out on a positive note.

Whether you had open board seats with no candidates that now must be filled by appointment, or hotly contested elections, your board may want to now consider ways to ensure smooth transitions and excellent future representation of the community. Does your board truly represent your community, in demographics and experience? Talk to representatives from your communities of color. Are there individuals who would be great additions to district leadership in the future? Encourage them to participate on committees, in ad hoc work, and to attend meetings. Building a pipeline of knowledgeable citizens willing to serve in this very important role can ensure that your district continues to provide the best possible public education for students.

Schools expected to get funding boost from jobs growth

K-12 schools are expected to receive an extra \$105.8 million in 2015-17, thanks to stronger-than-expected job growth and income tax collections.

In a revenue forecast released May 14, the state Legislative Revenue Office said, "Oregon's economy is experiencing full-throttle growth today."

The forecast shows an increase in net General Fund revenue of \$264.5 million from the previous forecast in March. Under a promise made by the Legislature when it appropriated \$7.25 billion to the State School Fund earlier this session, schools will receive 40 percent of any increased revenue. Through that formula, schools would get \$7.36 billion in 2015-17.

The forecast also indicates that the state's "kicker" will return \$477.5 million to taxpayers, probably as a tax credit.

While the new revenue for schools is encouraging, Betsy Miller-Jones, OSBA's executive director, warned that any funding amount under \$7.5 billion will likely lead to districts facing cuts.

"Under this forecast Oregon's economy appears to be recovering from the Great Recession of 2008, providing some additional resources for schools," Miller-Jones said. "But districts are telling us that many will be looking at cuts in the next school year.

"That translates to fewer school days, increased class sizes or reduced programs. Allowing such cuts to take effect while returning over \$470 million through the kicker law does not make sense. We have to find a way to reach that \$7.5 billion figure for the State School Fund."

The full forecast can be seen at: www.oregon.gov/DAS/OEA/pages/economic.aspx#most_recent_forecast

Supreme Court ruling expected to raise PERS costs

A recent state Supreme Court decision is likely to lead to significantly higher school payments into the state Public Employees Retirement System (PERS) in 2017 and beyond.

On April 30, the court struck down major provisions of 2013 legislation designed to hold down spiraling PERS costs, effectively eliminating much of the legislation's anticipated \$5.3 billion in savings. As a result, the PERS Board will calculate what are expected to be significantly higher employer contributions in the years ahead.

Preliminary estimates from the Legislative Fiscal Office show that for the 2017-19 biennium, K-12 schools could see increased PERS costs of \$358 million, or 5.5 percent. That cost picture might become clearer this Friday (May 29), when the PERS Board meets; rates for 2015-17 are likely to hold steady, however.

The court's ruling upheld a portion of the legislation limiting tax benefits to out-of-state retirees, but struck down provisions that would have limited cost-of-living adjustments (COLA) to retirees. The court held that the Legislature could limit cost-of-living adjustments on benefits earned after the law took effect, but that such limits could not be applied retroactively.

In other words, those who have already retired cannot see their cost-of-living raises reduced. Those public employees who are still working could face the prospect of a COLA that somehow factors in earnings before and after the effective date of the legislation.

Jim Green, OSBA's deputy executive director, said OSBA's legal firm is still analyzing the decision and weighing options.

"We need to look at every legal avenue in light of the decision," Green said.

To see a legislative update video that includes a discussion of the PERS ruling, visit: www.osba.org/News%20Center/Announcements/2015-05-19_Legislative_Update_Video.aspx

Board 'Summer Camp' is just around the corner

"Summer Camp for School Boards" – a chance to meet with school board members from across the state – is coming up July 17-19 at OSBA's annual Summer Board Conference.

The conference provides an opportunity to learn more about the critical issues facing Oregon's schools and their leaders in an idyllic setting, the scenic Riverhouse Hotel & Convention Center in Bend.

The keynote address on "Breaking the Unwritten Rules" will come from motivational speaker Mike Weber of Southwestern Consulting. Weber has spoken to groups across the country about honing leadership skills and adapting to rapidly changing environments. Workshop offerings range from Common Core/Smarter Balanced to school finance to superintendent evaluation.

Attend the pre-conference July 17 and you can learn more about school trust lands from Margaret Bird of the Children's Land Alliance Supporting Schools. You'll also hear how to run great meetings using parliamentary procedure from Ann Macfarlane of Jurassic Parliament.

Administrative professionals' (Board secretaries') workshops will also be held on July 17. Once again the conference will offer a no-host networking reception for attendees and a guest, at 4:00 p.m. on July 17.

For a complete agenda and to register, visit: www.osba.org/Calendar/Events/Summer_board_conference-2015.aspx



PACE Day provides members with valuable safety resources

PACE members attending the 2015 "PACE Day: Safe and Secure Schools" conference April 24 in Eugene learned about the current school safety climate and met other professionals in the field.

"The most important part of this relationship is you, our members," said Lisa Freiley, OSBA's director of labor and PACE services.



Attendees at PACE Day hear about harnessing student power to stop bullying and violence.

The conference aimed to equip attendees with the support, resources, network and motivation necessary to pinpoint and eliminate potential school safety issues. This year's topics ranged from cyber security to managing crises to eliminating bullying to environmental design.

Keeping students and staff safe online

"Cyber-crimes impact us all," said Michael Bazzell, computer security specialist and privacy consultant for ComputerCrimelInfo.com. As a former law enforcement officer, detective and FBI investigator, Bazzell has seen various high-tech criminal investigations, including online child solicitations, child abductions, cold-case homicides, terrorist threats and high-level computer intrusions.

"Your email account is your No. 1 most important asset; be sure to protect your assets," Bazzell continued. "We need to stop relying on software to save us, and we need to take more proactive steps to train our employees to be diligent and counter these (cyber) attacks."

For schools, data breaches can be devastating, both because of the threat to student information and the possibility that sensitive information can be leaked.

Using some recent examples of information breaches and cyber "hacking," Bazzell walked attendees through some common cyber threats and how to protect against them. He also provided attendees with resources to secure their online assets, including a website designed to test the strength of passwords as well as a website that will indicate whether an email address or website has been breached or otherwise compromised.

"The overall goal: don't be the lowest-hanging fruit," Bazzell said. "Make a few changes. You'll be hack-proof."

Addressing school crisis situations

"Every second counts," said Cheri Lovre, director of the Crisis Management Institute. "If you only had three minutes, do you know what you'd say to someone who called you for advice during a crisis?" Drawing on years of experience managing crises, she proceeded to provide advice and resources that bridge the school-agency gap.

Standing up against bullying

"We can never lock (bullying) out, legislate it away or punish it until it stops," said Rick Phillips, executive director and founder of Community Matters. "Students are the 'first responders' in our schools. We have to wake up our courage and the courage of our kids to speak up and do something." He also showed examples of successful restorative justice cases and explained how schools can implement programs to eliminate bullying.

Designing more secure buildings

Drawing on his knowledge of Northwest construction policies and project management skills, Scott Rose, DLR Group's principal for education, closed out PACE Day by showing school architectural plans that effectively protect students and staff. He demonstrated how simple changes – such as strategically placed fences, different colored floor tiles or additional breezeways – can make school buildings more secure.

Trustees approve 'Learn and Save Program' incentive

Trustees of the Property and Casualty Coverage for Education (PACE) Board approved a new member benefit at their May meeting. Scott Neufeld, director of risk management, explained that through the new "Learn and Save Program," PACE members could receive up to 2 percent back on their General Liability (GL) premiums.

Trustees approved a 1 percent discount for member entities that have at least one representative in attendance at the Standard Response Protocol training presented by John-Michael Keyes during the 2015-16 policy year. There is also an additional 1 percent discount for member entities that have at least one representative in attendance at the risk coordinator training presented by PACE staff during the 2015-16 policy year. This credit will be assigned to members' 2016-17 GL premiums.

The 2 percent GL premium discount is in addition to the 5 percent discount already in place for successfully implementing the PACE *Boundary Invasion Toolkit*.



OSBA Events

OSBA Board of Directors meeting

June 19-21, 2015

NSBA 2015 Pacific Region Summer Meeting

June 26-28, 2015

Summer Board Conference

July 17-19, 2015