



## Meeting the changing needs of boards and holding the line on our expenses

*2009-10 marked the third year of OSBA's transition into a leaner and stronger organization.*

Starting with the loss of the OSBA Health Insurance program after the 2007 legislative session, we have adjusted to a reduction of approximately 60 percent in our traditional revenue sources. We have done this in part by increasing revenues from other operations and in part by reducing expenses. We also have built a strong reserve fund.



### Fiscal year 2009-2010

We spent much of the past year reviewing our services and reorganizing to provide continued support for the more than 1,400 elected school leaders in Oregon. We lost \$920,000 in revenue as the phase-out of the Health Insurance Trust concluded. However, we achieved revenue growth from contracted services, conferences, publications, sponsorships and interest income. We expect these areas to continue growing in the future, and we expect overall growth in operating revenue for 2010-11.

On the expense side, we reduced personnel costs by about 13 percent and continued to hold office expenses below 2006-07 levels.

Looking forward, we are encouraged that demand for our services continues to be strong as we remain attentive to the changing needs of our members. A primary focus in 2009-10 was our work to assist boards in their role to improve student achievement. We also devoted considerable time to financial transpar-

ency and accountability, as well as improving our position as a leading advocacy group in Oregon.

Some key developments during the year included:

#### Securing growth in education funding

During the supplemental legislative session in February, OSBA Board members and staff successfully advocated to secure \$6 billion for school districts. The allocation was jeopardized by a continuing decline in revenue. Nonetheless, legislators accelerated release of \$200 million to meet the \$6 billion total.

OSBA Board members were active and staff provided factual information in the successful campaigns for three ballot measures that strengthened funding for schools. Measures 66 and 67 raised taxes, and Measure 68 allowed the state to sell bonds to match local revenue measures. Our team visited editorial boards across the state and conducted numerous phone interviews to advocate on behalf of public education. Staff developed communication plans, sample resolutions and community voter information for use by local districts. Staff also communicated weekly with the Measure 68 coalition on internal, external and media outreach.

Staff educated local board members and legislators about the continuing decline in the share of general fund and lottery funds dedicated to public schools. Key documents were distributed at Fall Regional meetings to 629 attendees from 164 school districts, ESDs and community colleges.

Staff continued strategic meetings with legislative leaders including the chairs of the Education and Rules Committees, and the co-chair of the Ways and Means Committee. Staff also held targeted meetings with new legislators and continued hosting meetings of legislative caucuses. Speaker of the House Dave Hunt and Superintendent of Public

Instruction Susan Castillo were featured speakers at the Annual Convention. Congressman Kurt Schrader spoke at Summer Board Conference.

Working with the Legislative Policy Committee, staff began developing OSBA's 2011 Legislative Policies and Priorities. Our proposed priorities call for student achievement, shared accountability and funding at the level defined in the Quality Education Model; reform of state and local taxes, including the kicker to increase support for schools; and new state funding for K-12 capital construction.

### **Establishing OSBA as a statewide leader for public education in Oregon**

OSBA conducted over 80 percent of the executive searches in the state for districts that chose to use an outside consultant. In addition, several districts asked for our assistance in conducting their own searches. We successfully completed 11 full superintendent searches, two interim searches and two search facilitations. We launched an online applicant management system to enable boards to be more effective while recruiting quality candidates.

OSBA led contract bargaining for 54 districts and met with numerous boards to discuss goals and parameters. Staff drafted new contract analysis language and sample bargaining language to address economics, efficiency and student achievement. Staff completed 18 analyses including elements of these recommendations.

OSBA provided assistance to 50 percent of districts with charter school applications. We developed a notification system that alerts us when the Oregon Department of Education receives a charter application. This allows our staff to contact the affected district and offer our services.

Our legal staff answered nearly 1,000 phone calls and emails from OSBA members seeking advice. Staff assisted PACE entities with almost 400 legal matters through the PACE pre-loss program.

Our labor and employment services staff took over 500 calls from members who were not receiving contracted services from us and returned calls in less than 24 hours, providing accurate and timely advice.

We launched a new website after more than a year of planning. The site is driven by new technology with many more capabilities so we can begin using social media to increase OSBA's reach and effectiveness. The site includes an organizational Facebook page and additional Twitter accounts for general news and convention updates. RSS feeds have been added for all news

announcements, giving members the ability to subscribe to their chosen topics. The site also adds an Improving Education topic area, where staff posted more than 40 articles during the year.

The 2009 Annual Convention featured an expanded number of workshops and used discounted registration fees to enable members from financially strapped districts to attend. As a result, we held attendance at pre-recession levels. We also began providing workshop materials on our website.

The 2009 Summer Board Conference featured a new all-day pre-conference titled "Making Meetings Matter," which was extremely well received. Attendance held steady at pre-recession levels.

### **Equipping local boards with the tools to increase student achievement**

Forty-nine workshops were presented to boards in their home districts on topics including Roles and Responsibilities, Effective Meetings, Goal Setting, Superintendent Evaluation, Key Works, Board/Superintendent Relations Facilitation and Public Meetings Laws.

We secured a grant from the Oregon Department of Education to train local school boards in the use of student achievement data to guide policy development and resource allocation. Data training was also a key topic at our spring regional meetings, and we have been granted additional funding for the coming year. Staff completed extensive training with the Oregon DATA Project and other initiatives in order to effectively implement this project. We provided training to 20 school boards in 2009-10 and will expand to 40 boards in the current year.

We continued to promote equity training in districts by sponsoring participation in Coaching For Educational Equity, by adding this topic at our Annual Convention and the Summer Board Conference, and by participating in the Oregon Leadership Network. Our encouragement has helped foster a climate in which many more local districts are embedding equity training into their organizations as a means of reaching some of their most challenged students.

Staff updated sample policies in the areas of diploma requirements, credit for proficiency and academic achievement, reports of staff sexual misconduct, and harassment, intimidation and bullying. Staff also updated policies for FMLA, bidding requirements, fiscal management and approval for safe harbor. Additionally, staff reviewed policies related to governance and community engagement.

## **2010 OSBA Staff**

Kevin McCann, Executive Director  
Dori Brattain, Deputy Executive Director/General Counsel  
Melanie Bevens, Director of HR/Board Operations  
Ron Wilson, Special Projects Director

### **Board Development & Policy Services**

Joe Wehrli, Associate Executive Director  
Betsy Miller-Jones, Associate Director  
Peggy Holstedt, Associate Director  
Steve Lamb, Specialist  
Rick Stucky, Specialist  
Leslie Fisher, Assistant  
Maricela Highsmith, Assistant  
Meri Patterson, Assistant

### **Communications**

Tanya Gross, Associate Executive Director  
Judy Bennett, Graphic Designer  
Diane Efseaff, Assistant  
Dan Peterson, Print Services Manager

### **Legal, Labor & Employment Services**

Lisa Freiley, Associate Executive Director  
Jessica Knieling, Associate Director  
Donna Herren, Executive Search Consultant  
Jeff Heinrich, Attorney  
Morgan Smith, Attorney  
Tom Lenox, Attorney  
Stacy Davis, Assistant  
Ashley McKay, Assistant

### **Legislative and Public Affairs**

Tricia Yates, Associate Executive Director  
Lori Sattenspiel, Specialist  
Morgan Allen, Specialist  
Jenny Fedler, Advocacy Logistics Coordinator

### **Operational Support Services**

Sharon Addison, Bookkeeper  
Kathy Knock, Management Information Specialist  
Eric Mousel, Webmaster  
Josie Hummert, Enhancement Services/Event Specialist  
Tonya Hammer, Receptionist/Assistant  
Megan Haner, Assistant

## 2010 OSBA Board of Directors

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Brenda Frank

We launched eight online courses: Board Governance Through Policy; Superintendent Evaluation; Special Education; Extended Day Learning Opportunities; School Law Basics for Board Members; Updated AIA Construction Contract Modifications; New Board Member Orientation; and Community Engagement: An Overview. A total of 232 people accessed the free New Board Member Orientation module. Ten additional courses are in development by various departments.

We provided continuing guidance about board procedures and legal issues on the popular Ask Betsy web page. Ask Betsy generated 585 phone and e-mail inquiries from individuals, all of which received an answer. From those inquiries, we developed 16 new questions and answers, which were posted on the website. In just the first four months of 2010, the Ask Betsy page received 5,636 hits.

## Sustaining a financially viable organization

During the past year we officially closed down operation of the OSBA Health Insurance Trust when the final financial settlement with Regence Blue Cross was completed. While this program was highly valued by districts, we successfully transitioned without our actions negatively impacting districts. We also completed transfer of all assets and liabilities of our Property and Casualty Trust (PACT) program that was being phased out.

The OSBA Finance Committee made significant progress in understanding and guiding what has become a much more complex financial picture for OSBA. They have analyzed rich data about investments of the OSBA endowment. They also have worked with staff to safeguard assets by contracting with a third party administrator who assures that our transactions are completed correctly and who holds our investment instruments.

In the Board Development area, we successfully marketed the board training component of the Oregon DATA Project. In addition, 60 board members accessed fee-based courses through the Online Learning Center.

Communication Services transitioned the *Outlook & Review* newsletter to *School Leader News* and changed from bi-monthly mailing to monthly electronic format. This reduced printing and mailing costs by 90 percent. Staff also shifted event marketing to include electronic postcards, further reducing printing and mailing. Commu-

nication Services also earned revenue by providing graphic design and printing for organizations such as the Oregon School Safety Officers Association, Oregon Community College Association and Central School District.

In the Labor and Employment area, each professional staff member has a revenue goal and is on track to deliver services that meet those goals. We expanded our service offerings in human resource areas, and developed staff capabilities to deliver the services cost-effectively for OSBA and members alike. We signed service agreements for five job description projects, and assisted one district with design of a compensation model and another with a new evaluation model.

Legal Services successfully increased the use of pre-loss legal services fee-for-service work and general-counsel services. The staff also expanded workshops for member districts, developed new legal publications and developed new web-based seminars on legal topics such as employee discipline and dismissal.

Operational Support Services developed and implemented a new convention exhibit-hall plan incorporating space for three additional exhibitors and the student art show within the existing space. This resulted in greater attendee-exhibitor interaction and satisfaction, and increased booth revenue. Staff also implemented the online Pay-Schools service for OSBA exhibitor, sponsor and publications transactions.

## Financial Standing

### Year Ending June 30, 2010

The association had a fund balance of \$77,893,610 at the close of the 2009-10 fiscal year. During 2009-10, expenditures totaled \$4,458,932. Personnel costs made up about 80% percent of the association's total operating expense. OSBA has 33 fulltime and seven part-time employees. Of the remaining operating expense, most consisted of legislative, travel, publications, office, dues/subscriptions and building costs.

Only 6.19% percent of OSBA's revenue in 2009-10 came from membership dues. The largest share (22.14 percent) was generated by our interest and investment earnings, followed by contract fees (8.74 percent). Other sources of revenue included insurance, conventions and conferences, sales of publications, rents and sponsorships.

