

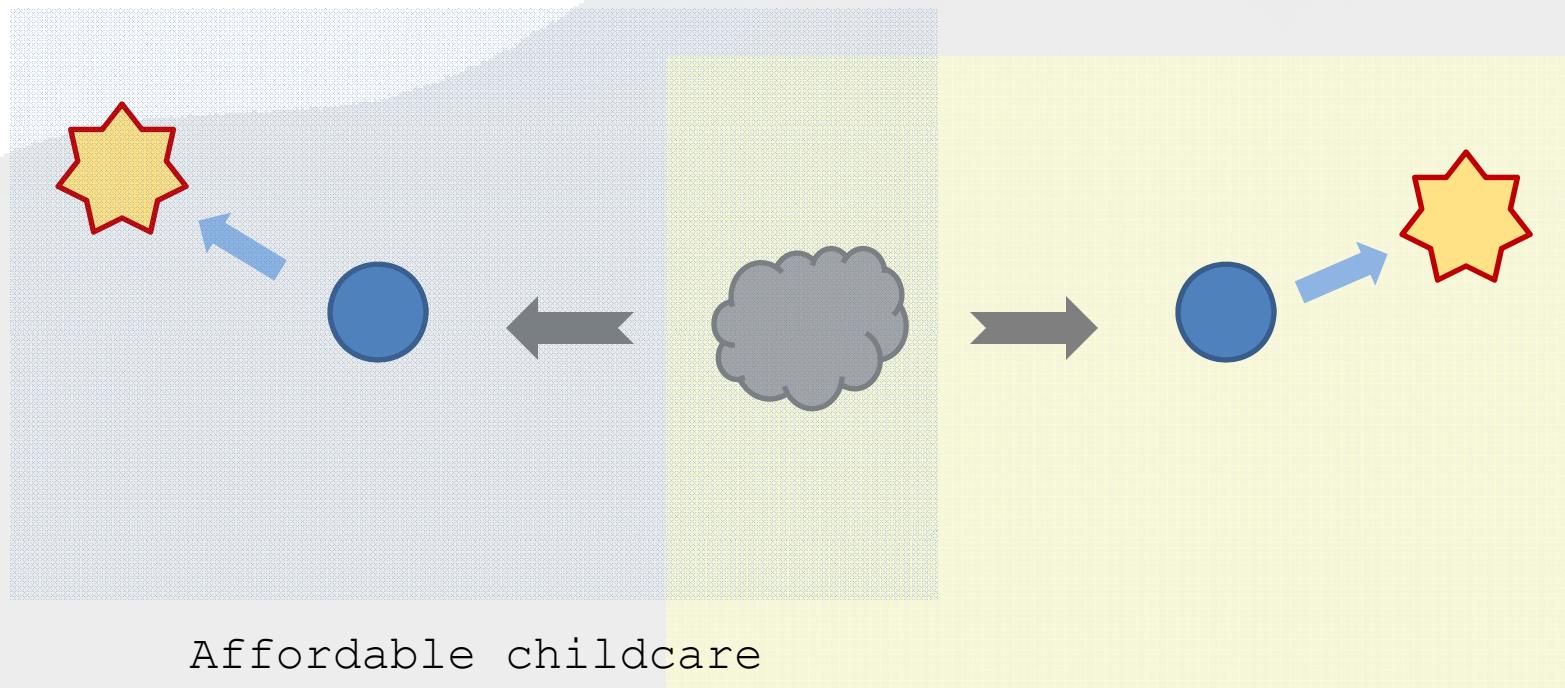
Connecting Audits

PNIAF, Olympia, 2015

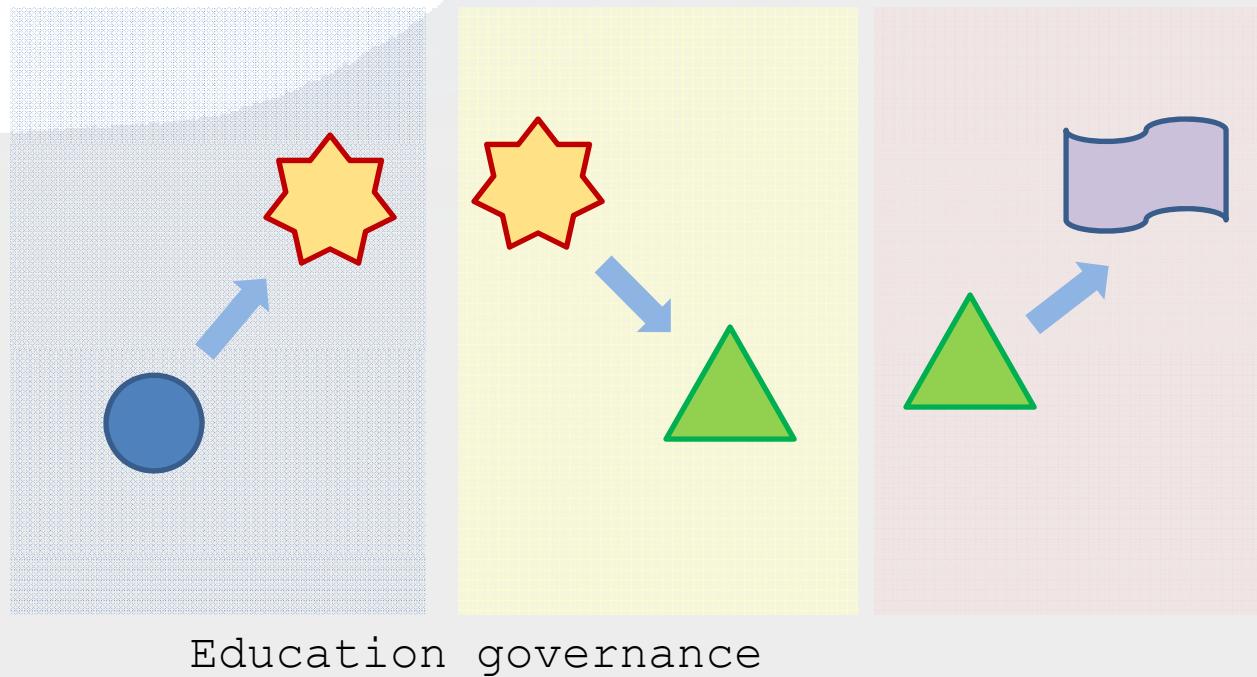
Gary Blackmer, Oregon Audits Director

Building a bigger perspective

Separate audits may have findings with common causes



Multiple audits may build larger themes



Jeanne Atkins, Secretary of State
Gary Blackmer, Director, Audits Division

Oregon Secretary of State
Audits Overview
Report No. 2015-XX
March 2015

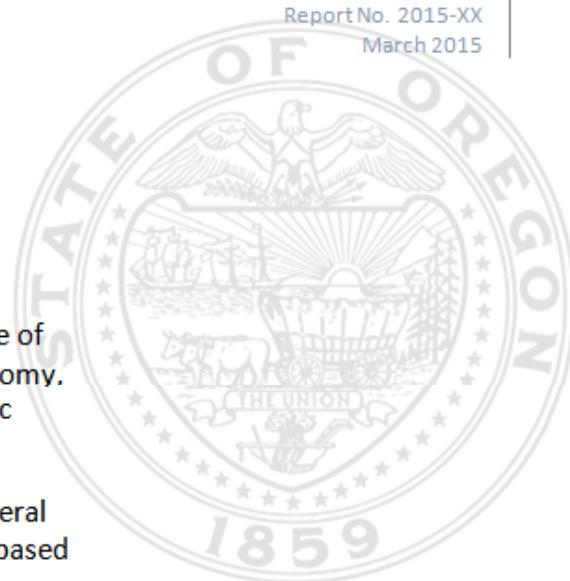
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Education Audits Capstone Report: *Achieving Oregon's Education Goals for All Students*

A strong education system is vital to the health and welfare of Oregonians. It strengthens our workforce and overall economy, and can help individuals and families transition off of public assistance.

Large changes in Oregon's education structure the last several years are intended to create an integrated and outcomes-based system of public education. Despite plans and efforts to improve our education system, Oregon continues to struggle in areas such as low on-time high school graduation rates and high absenteeism, poor national rankings for overall student achievement, low community college and university completion rates, and continued increases in college student debt.

Additionally, over 340,000 adult Oregonians (11%) do not have a high school diploma or equivalent. Oregon's workforce no longer provides the types of jobs it once did for individuals



Stitching together the parts of an education system

Oregon has made progress in addressing the education system's gaps and coordination challenges. Yet statewide coordination continues to be a challenge with 240-plus governing bodies that comprise Oregon's education system. For example, elected board members of the 197 school districts and 17 community colleges may favor local interests and priorities over system expectations. The newly created public university boards may encounter similar challenges.

Students experience the consequences of Oregon's fragmented education system. For example, some students have difficulties crossing the gaps between the distinct and independent schools and colleges. Oregon's high schools have some of the highest dropout rates in the nation, yet we found few provisions made to re-engage the 340,000 Oregonians who had dropped out.

For example, high schools do not forward contact information of drop outs to Oregon's 17 community colleges that could promote their GED classes and testing. With this information, community colleges could attempt to contact former students about GED preparatory programs and the exam. Without this

Data informed instruction and decision-making essential to student achievement

Effective school practice research suggests that extensive use of data is key to monitoring and supporting achievement for all students. The regular analysis of student data is essential to identify areas for instructional improvement and student development. Data informed decision-making and instruction translates analysis into actions for improvement at the student level as well as the system level.

During our 2012 audit, we identified significant 8th grade student achievement gaps and found that one of the methods schools used to close achievement gaps between students of color and economically disadvantaged students was data analysis to place of incoming students in level appropriate classes. These successful schools also used data to identify students for

Targeted support services can increase student success

Students and teachers need support for better educational success. For example, mentoring for new teachers can increase student success, and guidance counseling for community college students can help improve their completion rate.

Our audit of teacher education and support found that comprehensive professional development and support, especially during teachers' first three to five years on the job, is instrumental for professional growth and improved student outcomes. Professional development includes high quality mentoring, ongoing learning opportunities, and standards-based teacher evaluations.

While some Oregon school districts reported they provide professional development to beginning teachers, other districts face challenges in doing

High child care costs restrict learning at every level

In 2012, the average annual cost of infant care in Oregon ranked the 5th highest in the nation and the state median income ranked in the bottom third for married couples and single mothers.

The high cost of child care is problematic for Oregon's education system because it impacts student learning potential at each level, including early childhood learning, adults attempting to obtain a high school equivalency or GED to enter/reenter the workforce or get a higher paying job, and individuals wanting to attend college classes.

Our audit of child care found that new federal rules scheduled to take effect this year will increase Oregon's oversight of child care providers and could improve safety for children. However, the new rules risk reducing the number of regulated providers and raising costs in a state where child care is already difficult to afford.

Education funding to support education goals

In recent years, state funding for K-12 schools has not kept pace with rising costs and enrollment. Despite increased spending in the past ten years, ratios worsen from an average of roughly 21 students per teacher ten years ago, to 22 students per teacher in the 2013-14 school year. Districts also reduced administrative staff, froze pay, cut professional development, closed schools, and cut school days.

Oregon has spent less than the national average per student since 2002-03, when the Legislature made significant cuts to the K-12 budget. For the 2011-12 biennium spending was at just 89% of the national average. However, for the 2013-15 biennium, the Legislature boosted state school funding by \$774 million to \$6.55 billion.

Some of our rationale

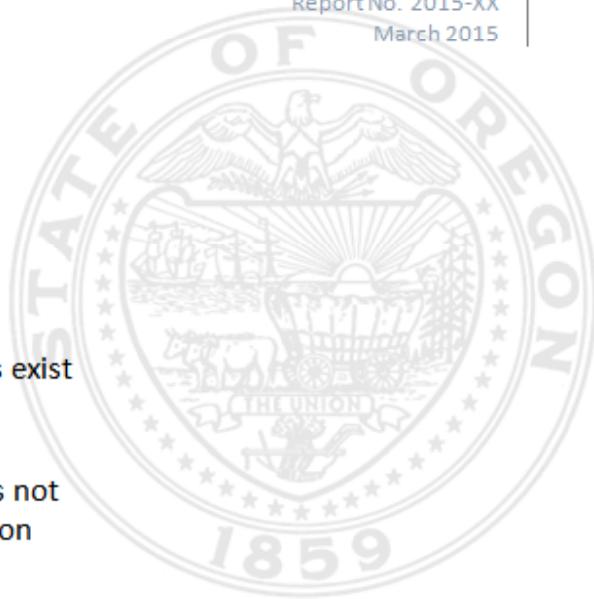
- Time separates our cumulative work
- Our audits stay within their own scopes
- Need to digest multiple audits into accessible ideas
- Only a careful reader sees the thematic issues
- Opportunity to show our impact in agencies and policy-making

Our method

- Look for similarities among related audits
 - Conditions
 - Causes
 - Recommendations
- Look for larger patterns across the audits
 - Findings
 - Parallels, similarities

- Limit the list to 5-7 broad issues
- Organize the ideas from the audits under each of the issues
- Draft, boil down – readable, clear and short
- Link back to previous audits
- Identify any changes, impacts related to our audits

- Tried to produce a Workforce Capstone – too many gaps, abandoned for now
- Will consider when we assemble our audit schedule
- Some other capstone ideas got into Top 7 report



Oregon Challenges *An Audits Overview*

Introduction

This report identifies seven challenges critical to Oregon's progress that we identified in past audits. More challenges exist and we will periodically report on them, highlighting key recommendations and agency efforts underway that could address those challenges. While this particular document is not an audit, it synthesizes past Secretary of State Audits Division reports and related research to focus on key issues facing Oregon.

Seven growing and persistent challenges

1. Aligning the education system for student success
2. Smoothing the entry of Oregonians into the workforce
3. Addressing Oregon's struggling county partners
4. Improving the state's poor debt collections
5. Funding future transportation in Oregon
6. Upgrading state information systems
7. Strengthening the finances of Oregon government

Capstone summary



2. Smoothing the entry of Oregonians into the workforce

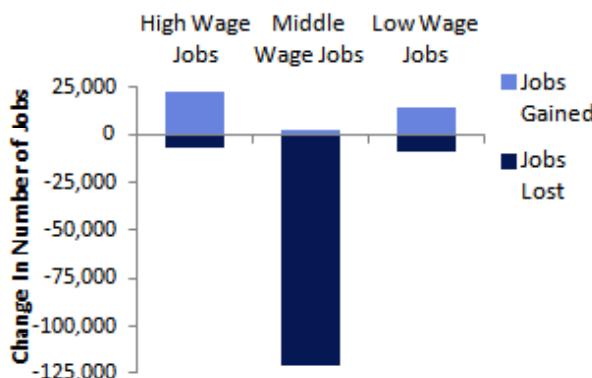
Jobs in Oregon are changing. For the past three decades employment growth has polarized, with the majority of job gains occurring in the lower and higher wage ranges. Eight out of every 10 jobs lost in Oregon during the recession were middle-wage jobs. The loss of middle-wage jobs increased competition for lower-wage jobs, discouraging new entrants to the workforce. Although employment is rebounding, projections show that when middle-wage jobs peak in 2017, they will still be less than before the recession.

Not only are middle wage jobs shrinking, workers available to fill these jobs often don't have the right education and training. As we noted in our 2012 audit on meeting Oregon's middle-skill workforce needs, we have too many workers for some jobs, such as service sales representatives, and too few for others, such as financial clerks.

Several obstacles stand in the way of Oregonians making a smooth transition into the workforce. Increasingly, workers need to have specific training and education beyond a high school diploma in order to compete for available jobs.

Yet, in 2011, the U.S. Census Bureau reported that 340,000 Oregonians or about 11% of Oregon's population 18 years and older lacked a high school diploma or equivalent. Citizens on public assistance fared far worse. In our 2014 audit of the Temporary Assistance for Needy Families program, we noted

Job Polarization in Oregon, 2008-2012



JOBS Services Cut in 2011

Currently Available

- Job Search
- Work Experience
- Subsidized Employment (limited)

3. Addressing Oregon's struggling county partners

The recession was most harsh in Oregon's rural counties, with jumps in unemployment rates and welfare rolls. Declining federal timber funds compounded the situation for some counties, and only a few obtained voter approval for local tax increases. Many county residents still hope that Oregon's congressional leaders can increase logging on federal lands to stop or slow the reductions in funding.

The demographics for many of these counties show an aging population, as 18- to 25-year-olds migrate elsewhere. A diminished workforce may further reduce the resilience of these local economies.

State government depends upon a partnership with its counties to address critical needs of Oregonians such as mental health, community corrections, juvenile justice, and elections. Some partnerships may be at risk where counties lack the local revenues to pay for their own critical services such as law enforcement, jails, and road maintenance.

It is important to track the financial health of Oregon's counties and monitor those at most risk. Our two reports cannot encompass the varied community needs and priorities that shape the solutions to these challenging local problems. Instead, counties with more warning indicators were invited to describe their remedial actions and plans, which we included.

**Unemployment Rate by County,
2007-2009**



2007



2008



2009

Percent unemployed

4.0 - 6.0	10.1 - 12.0
6.1 - 8.0	12.1 - 14.0
8.1 - 10.0	14.1 - 18.0

**Percent change in TANF cases,
2007 - 2013**



Tie back to previous audits

Key audits and recommendations

1. Aligning the education system for student success

Opportunities to Increase Adult GEDs in Support of 40-40-20 Education Plan – Report No. 2013-02 Issued in February 2013

We recommended that CCWD work with ODE and the community colleges to help facilitate the sharing of allowable information about students who recently dropped out of high school or did not fulfill the requirements to earn a high school diploma for the purposes of providing them information about the GED program and exam.

Efforts to Close the Achievement Gaps – Report No. 2014-10 Issued in April 2014

We recommend that ODE develop, analyze, and report an achievement gap measure statewide and at the school level for one or more grade levels. We also recommended ODE consider using a gap measure that incorporates the difference in average scores.

Additional Efforts and Resources Needed to Improve Teacher Preparation and Professional Development

Objectives

- Introduce/remind readers of past audit results
 - *Reader's Digest* versions
- Convey some bigger issues
- Show our impact
- Replay some recommendations
- Get readers to key in on our future audits

Questions?

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