

AMSD

CONNECTIONS

News and Updates from the Association of Metropolitan School Districts

November 2009
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AMSD Calendar

November 20, 2009

Executive/Legislative Committee Meeting,
7:30 a.m., TIES Building,
St. Paul

December 4, 2009

Board of Directors Meeting, 7 a.m., TIES Building, St. Paul

December 18, 2009

Executive/Legislative Committee Meeting,
7:30 a.m., TIES Building,
St. Paul

SAVE THE DATE!

January 26, 2010
8:00 AM—12:00 PM
2010 AMSD Winter Conference
Online Learning - Fad or Future?
Grand Hall, TIES Building

AMSD's Mission

To advocate for state education policy that enables metropolitan school districts to improve student learning.



**Association of
Metropolitan School Districts**

AMSD 2010 Winter Conference - SAVE THE DATE! Tuesday, January 26, 2010

It is not too early to start planning to attend the AMSD 2010 Winter Conference! This year's conference will be held from 8:00 AM—12:00 PM on Tuesday, January 26, 2010, at the Grand Hall in the TIES Building. This year's conference will focus on "**Online Learning - Fad or Future?**" We are excited to have Gary Lopez as our keynote speaker. Gary is the executive director of the Monterey Institute for Technology and



Education. He is the past CEO of NETg, one of the leading providers of e-learning solutions to many of the largest companies in the world. Currently, he is leading development of the National Repository of Online Courses (NROC) and Hippocampus, a free resource for creating customized online curriculum.

More details about the conference, including registration information, will be included in the December edition of Connections! Looking forward to seeing you there!

From the Chair:

This month's research article deals with a topic that has generated a great deal of discussion among school officials and state policymakers. Education accounting shifts are not new as they have been used several times over the years to balance the state budget. Accounting shifts can save the state a very significant amount of money on a one time basis and help balance the state budget in tough economic times.

While accounting shifts do have a negative impact on a school district's bottom line, they have been used to avoid even more drastic cuts to education. The shifts that have been implemented this time around are unprecedented in that they were not enacted by the legislature. For the first time in the state's history, the shifts were implemented by the Governor through the unallotment process.

As the accompanying article shows, under current law and current budget forecast assumptions, the deferred payment will be restored in FY 2012 and school districts will return to the normal payment structure for the 2012-13 biennium. However, the looming state budget shortfall has caused some people to speculate that the deferred payment could, in fact, turn into a cut. Such a cut would be so catastrophic that it is hard to fathom.

Fortunately, there are several other alternatives for legislators to consider that would be far less harmful to our schools and our future. It is important that AMSD members continue to communicate with their legislators about the important role education plays in securing Minnesota's economic future and encourage them to act accordingly.

Jon Tynjala, school board member from Mounds View, is chair of AMSD.

Rigor and Choice Welcomed at Minnetonka Middle Schools

Students in Minnetonka middle schools are experiencing increased rigor, support, choice and flexibility—the result of a new middle school model adopted by the School Board last spring. "We set a goal two years ago for the District to take a look at how we're doing serving our middle school kids," said Board Chairwoman Pam Langseth. "We wanted to make sure that the programming we offer meets the needs of our learners and is truly world class."

That goal was largely driven by parents who had expressed concerns about the lack of flexibility, choice, and rigor for their children in the traditional middle school model. Many also believed that the middle schools could do more to prepare students for the high level of rigor they would face in high school. Finally, state and local standards for elementary years have raised student achievement, and Minnetonka middle schools are welcoming children with higher abilities than seen previously. The middle schools needed to respond.

Raising Rigor

Raising rigor in math is a focus for districts across the state. The new Minnetonka model provides three levels of math in sixth and seventh grades, and four levels at eighth grade, ensuring both struggling learners and the highest achievers are appropriately challenged. New "diagonal pathways" now allow motivated students to move up a level (e.g. from regular math into an advanced track) with independent study opportunities over the summer.

This year 79 entering sixth graders took advantage of the diagonal pathway to complete pre-algebra through independent study and test into sixth grade Algebra I. "This is quite an exciting challenge to offer sixth-graders algebra," shared middle school math teacher Tom Condon. "There is no ceiling for these kids." Students who are passionate about math now have the opportunity to complete Algebra I, Geometry and Higher Algebra II during middle school; finally the top 10 percent of the student population is being challenged to their true potential, just as the other 90 percent has been. With four eighth grade math levels, teachers are able to ensure that each student is appropriately challenged and inspired to successfully meet state math standards.



Honors level courses were also added in English and science at each grade, and a new Pre-AP U.S. History class in eighth grade will better prepare students for the rigor of high school Advanced Placement courses. Heterogeneous groups remain in all other courses. The new middle school model maintains traditional teaming in grades six and seven, but forgoes teams in eighth grade to accommodate more elective options.

In addition to core classes, every encore course was rewritten to increase rigor and relevance. An interdisciplinary STEM course was added, and family and consumer education now focuses on 21st century skills, global awareness, educated consumerism and interpersonal effectiveness. In the fine arts, new before school and single-gender choir options, small group and individual instrument lessons, drama and specialized visual arts courses all increased opportunities for excellence based on student interests and aspirations.

World language opportunities expanded to include a quarter-long introductory language course in seventh grade, in preparation for the full-year high school level one language options in eighth grade.

A Writing Center at each school opened and is staffed by a writing specialist who supports students and works with other teachers to increase non-fiction writing across the curriculum as an instructional strategy for all students. Finally, a high potential sixth grade seminar was designed to address both the intellectual and affective needs of gifted students.

(Continued on page 3)

"... the middle school model needed to change..."

Minnetonka Superintendent Dennis Peterson

Systemic Academic Interventions

With increased expectations for students, the district promised increased support and academic interventions. Preschool parents are regularly reminded that children will not learn to walk or talk at the same time. Likewise, middle school students may not achieve mastery in mathematics, reading or writing at the same time. Minnetonka is committed to ensuring every student achieves a year's growth (or more) in a year's time. For students who struggle in reading, math or study skills, targeted support classes provide a double-dose of reading or math to accelerate growth. NWEA Testing in both fall and spring allows the district to measure achievement and prescribe interventions. A morning homework help center, implementation of RtI (Response to Intervention), and access to technology such as Study Island are vital interventions.

Choice and Flexibility

An age-old debate in middle level philosophy revolves around choice and flexibility. Decisions are often driven by the master schedule and teacher schedules rather than student interests or goals. Minnetonka's middle school study included difficult decisions regarding exposure vs. elective opportunities. There is no clear cut advantage—both elective and exposure opportunities have value and drawbacks. Elective choices increase the probability that students will be engaged and view content as relevant. Exposure opportunities open students' minds to new interest areas that might otherwise never be discovered.

In planning the new model, Minnetonka leaders aligned their decisions with other district goals and strategic priorities. For example, a goal to provide world-class opportunities in the fine arts supported the decision to continue to require music through seventh grade and expand the visual arts offerings.

The new program has been well received by current and new families. "We were pleasantly surprised in September to see a 7 percent growth in enrollment," noted middle school Principal Bill Jacobson. Fifty-four students transferred from private schools into Minnetonka's public middle schools, 50 new open enrollment students transferred in, and dozens of new families moved into the district.

Looking forward

Minnetonka is a district with an aggressive strategic plan embodying significant change initiatives. The middle school study provided an opportunity to prepare for two major elementary programs that will dramatically impact the middle schools in a few short years: Those programs are the exceptionally gifted program and Spanish and Chinese Language Immersion programs. Students from the Navigator Program (exceptionally gifted) will enter middle school in the fall of 2010. In 2013, students from the district's highly successful immersion program will enter sixth grade. By 2015, almost half of the district's middle school students will enter sixth grade fluent in either Spanish or Chinese in addition to their native English language. Plans are already in place to maintain an immersion curriculum within both middle schools.

Focused on World-class Excellence

There are four essential characteristics of high performing middle schools: a rigorous academic program that encourages students to exceed their own expectations; a strong family-like community that ensures every student makes new friends and knows a sense of belonging and support; high quality teachers with high expectations and an ability to connect with middle school kids; and a diverse curriculum that allows students to wonder, discover, create and envision a future with a wide variety of potential interests.

Dr. Dave Peterson, University of St. Thomas director of administrative licensure who served as a consultant on this study told the Minnetonka School Board, the new Minnetonka middle school program possess all of these: "a strong commitment to academics, a sense of family to build social and emotional relationships, and a commitment to excellence by staff, students and teacher."

"We are preparing children to be leaders for the 21st century," noted Superintendent Dennis Peterson. "These children are different and the middle school model needed to change to meet the needs of these unique learners."

To learn more about the middle school program visit: www.minnetonka.k12.mn.us/mmw.

This month's member spotlight was submitted Pete Dymit and Bill Jacobson, Minnetonka Middle School Principals, and Janet Swiecichowski, Executive Director of Communications, Minnetonka Public Schools.

Sorting Out the Education Aid Payment Shift

After the last legislative session, Governor Pawlenty used the unallotment process to defer payments to school districts to help balance the state budget. The Governor indicated his intent was to “mimic” a payment shift that has been used previously in the legislative process to balance the state budget. While the payment deferral implemented by the Governor is similar in many respects to a legislatively enacted payment shift, there are some important differences. Most significantly, the unallotment process can only be used within the confines of an enacted budget. Consequently, education aid payments return to the 90/10 configuration in the 2012-13 biennium absent any action by the Governor and Legislature.

It should be noted that the Governor also used the unallotment process to implement a property tax recognition shift. This is another accounting shift that has been used over the years to bring the state budget into balance. The analysis below, however, deals only with the education aid payment deferral.

Basics of an education aid shift

- The Minnesota State government is on a cash accounting system. This means all transactions must be accounted for in the year they occur.
- Minnesota school districts use an accrual method of accounting. Under this system districts can accrue or “book” future payments in the current year.
- Because of the difference in the two accounting systems, the state can withhold payments from one fiscal year (*thus realizing a one time savings for that fiscal year*) and return to a “normal” payment schedule in the next fiscal year. School districts can accrue this future payment thus “booking” the full entitlement in the current fiscal year.
- The State has an existing practice of paying 90% of education aid entitlements in the current year and the remaining 10% in the succeeding fiscal year. This helps the state avoid over paying school districts by making payments on actual student counts rather than projected data.
- School district budgets are based on the existing 90% - 10% payment structure. When the state decreases the percent of the aid paid in the current fiscal year, it has an adverse impact on a district’s cash flow. This can cause school districts to incur short-term borrowing costs or to spend down fund balances that would have otherwise earned interest.

If the aid payment shift had been enacted legislatively, the payment schedule would have been changed from the current 90/10 configuration to a 73/27 payment structure and the shift would have been repaid at some point in the future when the state budget improved. Because this payment deferral was implemented by executive action, there is not a consensus among state policymaker as to whether or when the deferred payments will be restored. As the chart on the following page shows, under current law and current budget forecast assumptions, the deferred payment would be restored in FY 2012 and school districts would return to the 90/10 payment schedule. However, the projected budget shortfall for the 2012-13 biennium has caused some policymakers to discuss some of the alternatives listed on page 5.

AMSD Members: Anoka-Hennepin, Bloomington, Brooklyn Center, Burnsville, Columbia Heights, East Metro Integration District 6067, Eden Prairie, Edina, Elk River, Fridley, Hopkins, Intermediate District 287, Intermediate District 917 (Associate Member), Inver Grove Heights, Mahtomedi, Minneapolis, MSU Mankato Center for Engaged Leadership (Associate Member), Minnetonka, Mounds View, Northeast Metro Intermediate School District 916 (Associate Member), North St. Paul/Maplewood/Oakdale, Orono, Osseo Area Schools, Richfield, Robbinsdale, Roseville, Rosemount-Apple Valley-Eagan, Shakopee, South St. Paul, Spring Lake Park, St. Anthony/New Brighton, St. Cloud, St. Louis Park, St. Paul, Stillwater, TIES (Associate Member), Wayzata, West Metro Education Program, West St. Paul, and White Bear Lake.

Sorting Out the Education Aid Payment Shift

AMSD Education Aid Entitlement Shift Analysis

The chart below shows current law and current budget forecast assumptions.

Fiscal Year	Current year	Previous Year	Total Payment	(Sample) District Entitlement	Payment for Current Year	Final Payment Previous Year	Total State Payments	Revenue "booked" by Schools
2008	90%	10%	100%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,000,000	\$ 1,000,000
2009	90%	10%	100%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,000,000	\$ 1,000,000
2010	73%	10%	83%	\$ 1,000,000	\$ 730,000	\$ 100,000	\$ 830,000	\$ 1,000,000
2011	73%	27%	100%	\$ 1,000,000	\$ 730,000	\$ 270,000	\$ 1,000,000	\$ 1,000,000
2012	90%	27%	117%	\$ 1,000,000	\$ 900,000	\$ 270,000	\$ 1,170,000	\$ 1,000,000
2013	90%	10%	100%	\$ 1,000,000	\$ 900,000	\$ 100,000	\$ 1,000,000	\$ 1,000,000

Would not affect the revenue booked by school districts
(see Revenue "booked" by Schools column above)

If the Governor and the Legislature are not able to arrive at a budget agreement that funds forecast expenditures in the 2011 legislative session, the alternatives listed below could be considered.

Continue the shift at 73% - 27% indefinitely

Would not affect the revenue booked by school districts

Continue the shift at 73% - 27% in the short term and buy the shift back when the state budget improves

This would mimic the process that would occur under current state law if the shift had been enacted legislatively.

Would not affect the revenue booked by school districts

Leave statutory formulas unchanged, but appropriate only enough money in the 2011 education act to cover a 10% final payment for FY 2011.

Under this option, school districts would receive full payment of general education aid under the open and standing appropriation, but other aids would be prorated at 83%.

School districts would be cut approximately \$197 million

Enact legislation in 2011 eliminating the State's obligation to pay for 17% of aid entitlements for FY2011.

In other words, change the aid entitlements for FY2011 to 83% of the entitlements called for in the statutory formulas.

This would result in a final payment of 10% in the fall of 2011 for FY 2011 (83% - 73% paid during FY2011).

Restore the 90% - 10% funding for FY2012 and later.

School districts would realize a \$1.17 billion cut

** Information obtained from budget documents and consultations with House Research, House & Senate Fiscal Analysis, MDE, and MMB.
<http://www.mmb.state.mn.us/doc/budget/report-fba/july09-detail.pdf> [Association of Metropolitan School Districts (AMSD) 11/2/2009]