Adequacy/Distribution Workgroup
Commission to Study School Funding
Sept. 14, 2020, 3-5 pm


Video recording: https://www.youtube.com/watch?v=ahxERr3cuuI&feature=youtu.be. The automated transcript is available to view alongside the video when you select the three dots next to “save” under the video.

Workgroup chair Jay Kahn called the adequacy and distribution workgroup meeting to order at 3:03pm and conducted roll call.

English language learners—programming and fiscal topics. Jay Kahn noted the Commission’s interest in English Language Learning funding and how students enter and exit programs. Bruce also noted the group has interest in understanding how the funds enter the district, how they are used, and noted the Commission’s concern about the correct weighting for ELL students.

Speakers joining the workgroup included:

- Wendy Perron, EL Education Consultant/Title III, NH DOE
- Robert Cioppa, Nashua Director of Student Services and English Language Learning
- Dawn Higgins, Academic Advisor and NH State-certified English Language; Educator, NHTI
- Melissa White, Administrator for Academics & Assessment, Bureau of Academic Support, NH DOE

Discussion of overall spending. Jay invited Wendy Perron to begin. Wendy introduced herself and noted funding per ELL student is approximately $750 per student for differentiated aide. Wendy described how students are assessed for English language support based on their EL proficiency. There may be more newcomers in communities like Nashua and Manchester which require more supports than other students. Services exist on a continuum. Students exit the program when they reach proficiency under Every Student Succeeds Act (ESSA) requirements. Students are assessed on an annual basis. Once they are proficient they are monitored over four years to make sure language is not a barrier in terms of their learning and moving forward in school. Students who are monitored for four years are counted as ELL by schools/districts. Students are classified as “active” and “monitored” based on their proficiency levels – actively receiving services, being monitored in their classes. Bruce asked if there are dedicated federal dollars? Wendy noted there are Title III supplements – approximately $150 per student that districts are eligible for. Districts opt in or out. Bruce asked how many opt in. Wendy estimated 35 districts opting in currently or approximately 33% of ELLs are supplemented by Title III.
**Services in Nashua.** Bob Cioppa introduced himself to the group and clarified that he is speaking about the adequacy funds. The funds go to the city toward the overall school budget. It does not come directly to the ELL program to benefit the students. Jay asked Bob to describe the concentration of ELL students in the Nashua School District. What kind of programming is identified for students who are new ELLs. Bob explained there is a high Latino population in the community. If you look at students overall, Puerto Ricans, students born as US citizens and/or born in NH are over 50% of the students receiving ELL services. Students also come from Dominican Republic, fewer are Brazilian, and there is a refugee population. The students are diverse in the languages they speak and in their needs. The district provides services at the elementary level via pull-out services (outside the classroom). Newcomers who have just arrived often receive two services a day. Staffing has been challenging. They also offer push-in services (in the classroom). Middle school students are scheduled for one period (48 minutes) of ELL instruction, newcomers receive two periods. In the high school there is block scheduling, and two blocks of their day is in an ELL classroom. The students also access ELL math and science classes. The ELL teachers play not only a case management role, but they also become a sort of social worker for families because of students’ needs – for example teachers help them find clothes/winter clothes. Teachers go above and beyond to take care of students.

**ELL and remote learning during the pandemic.** Jay asked about adult learners in the system. Bob explained the funding is from a different source. Bob noted they do not address adult learners in the school system. There is a classroom in Nashua. Bob shared with meeting participants that during the pandemic many parents struggled with the technology needed for remote learning. This school year the district partnered with the Boys and Girls Club to provide digital literacy classes for parents so they can help their students at home. One night is Spanish, one Portuguese, one Swahili – then they will adjust based on needs. ELL parents have experienced barriers during the move to remote learning. Wendy noted that in terms of funding, the challenge is keeping up with ELL programs and the translation of services and documents for parents. You cannot use the Title III funds for translation, the district holds that cost under Title VI. There are more updates needed for parents now, and it is a challenge for districts. Jay asked for clarification on Title III and Title VI.

- **Title III of ESSA** – Supports English Language Learners - [https://www2.ed.gov/policy/elsec/leg/essa/legislation/title-iii.html](https://www2.ed.gov/policy/elsec/leg/essa/legislation/title-iii.html)
- **Title VI – Civil Rights Law** – [https://www2.ed.gov/about/offices/list/ocr/docs/hq43e4.html](https://www2.ed.gov/about/offices/list/ocr/docs/hq43e4.html)

**ELL concentrations and staffing.** Iris Estabrook asked about concentrations of ELL students in NH noting the number in Nashua (~1,500). Wendy estimated the number of ELL students in Manchester as ~2,000. The Department of State determines which communities receive refugees. Teachers have a much different experience across the state – teachers attending to multiple schools and traveling to support students versus maintaining a caseload at one location. Jay gave the example of Keene, and noted Hinsdale, or Swanzey (smaller districts) – and noted there is a requirement to provide the same services. Wendy noted there is a critical shortage of certified ELL teachers.
**ELL and NHTI.** Dawn Higgins introduced herself. She works at NHTI. Dawn works closely with ELL and social workers in high schools, especially Concord. They work together to determine who is heading to college. She asked about their language education in public school to help predict some of their needs in college – for example: Have you been exited from a program? This helps determine student needs. Entrance questions include self-identified needs via the admissions process. Dawn noted there are ~650 ELLs that attend NHTI with ~65 native languages. The highest number of ELLs have Nepali as their first language. 85% who self-identify as new Americans or resettled refugees. Students have varying experience with formal education, and they may have interruptions in their schooling. The program supports their access to services and does case management to help students persist in school that includes language proficiency but is not limited to this – Practical needs like childcare, automotive repair and maintenance, technology, etc. Dawn emphasized there are many different people with different needs. Jay asked if Concord is a resettlement community. Dawn confirmed this and explained there are centers in Nashua and Manchester. The center in Concord is Ascentria.

**Districts with lower ELL counts, services in general, cost and concentrations.** Dave asked, with districts with low ELL counts, how are districts doing as far as (1) providing specific services, and (2) wraparound/case management, administrative services like translating? Is everything being translated? Dawn explained a few of the models used to provide students with ELL services and an opportunity for an equitable education. In some districts teachers may teach science in a sheltered (by language) course - smaller districts cannot do this. During the pandemic, social distancing made much-needed in-person instruction challenging.

The schools play a role in ELL student supports. Wendy explained 20% of ELL is considered high incidence, less than 5% is low incidence by definition. Dave noted when looking at high incident districts, the Commission has been interested to learn more about concentrations in the estimated cost-model in terms of ELL, Special Education, and Free and Reduced Lunch. Jay asked the presenters, is the cost per student different based on concentration of the number of ELL students? Bob described it may be more challenging in lower incidence communities, a teacher will be traveling to serve students. When the concentrations are higher, Bob noted he thought the costs would be higher.

Iris said, she felt Bob pointed to her thinking that the higher costs associated with higher incidents is real. Jay wondered if the higher costs would be absorbed by lower incidence districts – that include learning a new language and also the additional supports newcomers need. Jay wondered if case management has become a high-cost in each school district – is the overall expense per student folded into supports beyond language specifically. Wendy noted the differences in teachers’ training, efficiency of travel and cost of travel time, measurements of proficiency all play a role. Jay wondered if Wendy has a list of the 35 schools. Dawn noted that from her experience as an ELL teacher, regardless of incidence, the biggest influence is encouraging teachers to become dual-certified (example: dual certified art teacher traveling to provide ELL services).

- Title III Allocations FY 19-20 showing list of districts
When ELL students exit and students’ learning needs. Dick Ames referenced the current formula for ELL students. Dick asked the presenters to talk more about when ELL students exit. Do monitored ELL students still count as ELL students, and how long do they maintain their ELL status. The ELL presenters explained that students exit once they reach proficiency. Students remain under a monitored status for four years under ESSA. The state long-term goal is five years to reach ELL proficiency under the state ESSA plan. Bob referenced the diversity of students. Some students transfer their academic skills to learning the language. This student will have less needs than a student who has gaps in education, in English and their home language. Students with dual academic and language needs are often longer-term ELL students. Bruce asked, how many students who are active ELL students would be identified for Special Education service and/or receive Free and Reduced Lunch. Melissa White, said a data request could go to Diana Fenton for the information. Bruce noted some issues with confidentiality may exist. Based on their experience, what do they believe exists for overlap. Bob suggested a guess, but felt the data at the state would be more accurate. Jane Bergeron-Beaulieu, wondered about the costs of translators, specialists for translating assessments for disabilities – what are these associated and potentially extra costs. Wendy noted that some of these costs could be in the $100,000s. Districts can support parents by talking them through the process and holding meetings with translators, but there are additional costs. Jane was interested in the longitudinal costs – Wendy thought that data would be at the district level if available. Jay thanked Bob, Wendy, Dawn, and Melissa for their insights.

Review and discussion of AIR outcomes scoring (1:05 in recording)
Jay opened the next meeting topic, the AIR report and the clarification AIR made with outcome scoring (composite, z-scores, a means to covert very diverse measures into a uniform index which outcomes can be determined relative to statewide averages). Jay opened the floor for questions. Bruce shared the spreadsheet on the screen that the workgroup discussed.

Bill began the discussion. He explained that he sorted the outcome score by column C (the outcome factor score), smallest to largest. The five plaintiff towns in the current case were in the first 15 rows of the table including, Nashua, Manchester, and Concord – as larger areas. Bill wondered how the ranking of need in this column passes a practical experience test in NH, and specifically his question about the outcome score was, how AIR’s modeling used the score to inform their step one, step two, step three process?

Drew explained the outcome factor score was one of the variables included in the step one cost model. They include the outcome factor score as one of the predictors of spending and then include the different cost factors – student needs variables Free and Reduced Lunch, Special Education, and the grade variables, and then the district size. Drew explained to the group (see approximately 69 minutes into the recording):

> When we predict spending based on the outcome model, we set that outcome factor score to the state average. So, we're saying if all districts were able to achieve the average outcome factor score, which is zero, what would their spending look like or what would their spending be, assuming that there are other characteristics remaining. We're basically holding that outcome factor score at a constant level and allowing the relationships between the other factors and spending, after controlling for the outcome factor score to
drive the differences in predicted costs across districts. That’s why in Step 2, when we estimate weights, we don't have to include the outcome factor score anymore because it's already set at a constant level. So, in Step 2 we're just predicting, or just using the predictions from the first stage to look at what is the variation in those predictions with respect to Free and Reduced Priced Lunch, English Learners, Special Education, district size, and grades to estimate those weights. So, we don't have to account back for the outcomes anymore in Step 2 because we've already controlled for that and step one.

Bill asked for clarification about the cost per pupil dollar numbers, outcome factor scores, the weights, and relationships from the analysis.

Drew explained the outcome factor score is going to drive the overall spending in the state (See 73 minutes into the recording)

In the simulator when you set a higher outcome factor score as the target, you’re going to increase the cost overall in the state. If you set a lower outcome factor score, you’re going to decrease the overall in the state. The differences in costs across districts really stems from the differences in students’ needs and district size and grade levels, but of course there are also relationships between the outcome factor score and those student needs in particular. So, by including the outcome factor score in the first stage model, the relationship between FRL and spending accounts for the outcome factor score and so that’s why you see a positive relationship between FRL and spending in the outcome model or in the education cost model. Whereas, in the equity model we see a flat or negative relationship between FRL and spending, so there’s a covariance between the outcome factors for FRL and Special Education. By accounting for the outcomes, your prediction for that relationship for FRL assumes that you have to achieve the same outcomes. So, obviously a higher FRL district is going to cost most to achieve the same outcome than a lower FRL district. There’s lots of different relationships all happening at the same time, but when you’re talking about the relationship between student needs and spending, when you include the outcome factor scores, that’s different than the relationship between student needs and spending when you don’t include for the outcome factor score.

Jay asked for page 66 of the AIR report to be displayed on screen. Jay noted that this page of the report puts into context Bill’s question and the amount of weight in the simulator that is from the outcome score – short explanation of Drew’s verbal explanation to the group. Iris appreciated Bill’s ranking of column C, the outcome factor score on the spreadsheet. Iris noted that it seemed the negative scores could show where resources needed to be directed, relatively – a clear measure of where the needs are. Bill noted the numbers and ranking were similar to the Governor’s index plan. Bill also noted how the ranking hits the mark, and Jay summarized that it could be seen as a litmus test – how well the model fits previous studies that have been done.

Bill asserted concerns about how the complexities would be explained to the public and how the outcome and performance measures are translated into the dollars per pupil that inform the step process outlined in the AIR report. Commission members expressed a need for a clear explanation of the statistics for public understanding.
Jay referred the group to Exhibit B.6 on page 66 of the AIR report (Appendix B), which shows the regression model being used. Jay explained (~80 minutes in):

Student outcomes are derived from various student need characteristics and school demographics. That's the outcome score. The outcome score though, when you put it into a spending model doesn't have as much weight because outcomes are dependent. Graduation rates, attendance, achievement scores are very much related to student need characteristics. These weights that you see in the regression model here are telling you what is influencing spending needs to get to an outcome score, and you can see that the outcome factor when it's in all of those outcomes are really mitigated by the student need characteristics – not all I'm sorry – but a good amount, right? There's a great relationship between student needs and outcome scores, right?

Drew confirmed there were strong relationships – there is a lot of overlap between student needs variables and the outcome factor score. Then Drew explained how to interpret Exhibit B.6 on page 66 further (~82 minutes in):

An increase in student outcomes increases your cost, so this is a log linear model. These can be interpreted as %. A one standard deviation increase in student outcomes will increase your cost by about 17.8 percent. Holding the outcomes constant, a 100% increase in Free and Reduced Priced Lunch will increase your costs by 69%. Holding all other things constant, a 100% increase in special education will increase your cost by 167%. That is what the model does, so when you account for student outcomes in the model, you’re essentially holding it constant, and so you can isolate the relationship between these other variables while holding student outcomes constant.

Bruce summarized again in lay language – Will increase the cost, to increase the cost so that all students can achieve the statewide average of performance as measured by achievement test scores, graduation rates, and attendance rates. This (report) defines an outcomes-based cost model and that is achieving a relatively high bar or average high-level of performance in our state.

Bruce noted the next round of conversation amongst Commission members is about recognizing, recommending, etc. a shift from an input-based to and outcome-based cost model.

Barbara Tremblay acknowledged the explanations were helpful, and she focused on the number of disparities that need to be covered. Barbara did a similar calculation to Bill. Barbara wants the Commission to make sure – we can do something that is equitable, take care of some of these disparities, that's what I think we have to do.

Barbara wants the Commission and workgroup to be very watchful of this.

(~88 minutes in) Mary Heath referenced the legislation promoted in Maryland as similar. She asserted to the group that as a lifelong educator, someone concerned about the kids in Manchester and former deputy commissioner:

Our goal is to give all kids opportunities. And this process has identified a methodology, seemingly pretty sound, that really points to those areas most in need and what is it that
we need to do to get those kids up to the level of average in the state…These are things we have been talking about for so long. I have to say I am very excited about listening to everything today because finally I think things are coming together in terms of what Mel and David and so many of us have been talking about for so long. That this is coming together to say, this is what we need to do in order to bring forward the needs of those individuals and school districts that need the help the most…I'm saying yeah yeah, sounds great to me, and hopefully we’ll move in that direction.

Val Zanchuck shared Iris’ frustration with explaining this to others and noted the need for a clear story for the public and legislature that is understandable on a first reading. Val asserted:
Several months back we talked about needing a narrative, and I think that's going to be pretty important here because it's going to be hard for not only the general public but the legislature as well to absorb the weeds associated the depth of this report. And we run the risk of just having people throw their hands up in frustration trying to understand it, so I think it's incumbent upon us to really have a very clear story that goes with this…can always use the report as a reference point. But if we try to challenge everyone to use the report as the basis for their understanding, I have a feeling it's going to be difficult to capture people's true understanding of it…an a-ha moment that gets everyone on board.

Mel Myler agreed with Val as far as developing a scenario. He also noted:
This approach is a fundamental shift in how we look and how we’re going to try to provide opportunities for kids across the state. It hasn’t happened before. I mean the idea of dealing with an outcome-based, I think also addresses some of the issues that was made reference in some of the court suits here…I think this is such a dynamic approach to looking at this, and it is going to be a difficult sell because we are looking, for some people, we’re going to be looking at kids who have not been looked at before. I think this is a way we need to go. It’s not going to be an easy road to hoe here. But I think we've got the data that’s there, that cannot be denied. Kids are not getting equity in this state. That's the message. Now some may say, ‘yeah, they chose to live in that town.’ this data doesn’t say that anymore.

Mel expressed overall excitement and support about what the report shows philosophically and what the Commission needs to look at.

Bill agreed and further explained that:
The way that NH has been looking at determining adequacy in the past on an input basis is kind of saying, ‘is your library good enough.’ The way this proposes to look at adequacy is, ‘are your kids in your district reaching an achievement outcome that shows they’re getting a fair shake?’…that’s exactly where accreditation is going as well, from inputs to outcomes. The old way is looking at, what kind of library they have? What kind of teachers do you have? The new way is looking at how are you kids faring in terms of performance and outcomes in every district, and to me that’s the narrative shift. Here, it’s defining adequacy not as input dollars – this plus this plus this, this technical issue plus this hallway plus this class size ratio. It is measuring the outcomes and to me that’s the real difference here. It is very challenging though to think about, having gone through this for 30 years in legislative settings, how to explain to someone from
Cornish where I have a house, where my parents, family, where I grew up, why their number is less than another place, you know in terms of technical detail. That's harder...the narrative is easier, and I think it makes all the sense in the world for, as one member, to move in that direction.

Jay asserted:

Yeah, what I see too is that our constitutional requirement is the opportunity for an adequate education, and this is putting weights to what the opportunities are to bring all those kids up to an average outcome in the state. The opportunity, I think the opportunity is such an important word for what the outcome-based model is about, as opposed to just an adequate education, which is depending on the input measures.

Jay recognized Jane who stated (~96 minutes in):

Philosophically, I am right there, and I think the equity issue is huge. I think that is our narrative as we look at special education. I also want to make sure that as Commission members we are confident that we have really looked at the data related to costs, everything from the court involved kids, to the amount of money that we’re paying the public school districts in regards to special education for our charter schools, the specialized transportation, the out of district kids, the kids with mental health and issues that oftentimes are falling into the bin of special education. Just not sure we have taken and dug deeply to look at the real data. In many instances, we’ve been told it’s not available. I would question that a little bit further just to make sure that we’re very grounded that we have looked at all of that information in depth and when questioned would have information to back us up.

Jay noted that AIR wrote a paper on that topic. There are generalizations regarding that data in the AIR report because there are limitations to the data received by the Commission from the NH DOE. The data is not broken down into discrete categories. Jay acknowledged it is something to note about future data collections and how to mitigate the confidentiality in disclosing more detailed data.

Jay asked Drew to comment. Drew explained what was available and how it was integrated in the models:

I think finding that detailed data on costs of specific types of special education students would help bolster our finding if we could find that and it aligned with our estimated weight, but I think the way that the model works is taking total spending in the district, not broken down by whether that spending is for special education or EL or any particular type of student, and saying just in general – what does it cost for the for this district that has this amount of special education students to achieve the statewide average outcomes? So, our model, unless we had that more detailed data that we could plug into our model on specific types of special education students, we could estimate multiple weights for special education students. But with what we have we can only estimate a single wait for special education student. That weight tells us on average, how much more a district need for special education students to achieve a given outcome. And how that special education money is then spent by the district is kind of up to the district whether, that's spent on special education transportation, out of district placements,
different types of EL or special education services. We don't know, but we're saying that they should get this amount of money to serve their special education population.

Jane followed-up:
Let's just take the three to five-year-old population of kids with disabilities that school districts are responsible for and taking a look at the numbers of those students from the past five years. The cost for those kids not only to educate but to transport them – Are we confident that we looked at that? And then again at the population of kids 18 to 21 which are also the responsibility of a school district?

Drew noted the AIR research used the total spending in the districts per the NH DOE 25 forms with the understanding that the data includes a comprehensive estimate of district level costs, including all costs for special education (whether it be transportation, adult services, etc.). In sum, Drew explained to the workgroup that they divided overall costs by the total number of students in a district inclusive of pre-K students and adult services to come up with a per pupil spending for the district – using that total spending as inclusive of all costs to estimate the differences in costs across districts according to the needs that they have. Drew expressed confidence that the costs identified in the report are comprehensive costs that districts incur.

Jane noted that was good to hear and provided a little more confidence as those in the field ask about specific special education populations in the state.

Jay acknowledged Val. Val commented upon outcomes in terms of making sure in the Commission’s narrative that there is at least a qualitative explanation of economic outcomes of an equitable education system. He noted specifically:
Employees that are capable of doing the jobs that are going to be there in the future. If we're going to try to meet the 65 by 25 goals, we have to have people coming out of the school who can continue into the training that's required to meet those economic needs. So I think there's a compelling economic interest of the state to have students, and you can certainly tie companies having difficulty hiring people with the schools that have the negative numbers on that outcome. So, I think you would find a lot of support from the business community, if you would be able to explain what the impact of this would be on the pool of potential employees they have in their geographic area if all these outputs could be raised. I think that has to be sort of a long way, at least from my perspective, a very long-range target. Because this is just not education in some sort of abstraction, it's what is the impact of this education on the state and its needs in the future? As we have a declining demographic of school-age students the need for those students to be well prepared is incredible. Because even if every student graduating from New Hampshire were brought into the workforce capable of contributing, we would still not satisfy the 65 by 25 demand. So it's anything that we lose off of that is just going to hurt the economics of the state, and I think we need to make that as part of the argument of why this is so important from a statewide basis and why people can't put their educational, you know, community into silos and say I just care about this and don't care about that. We should have you know a legislature and a Governor saying this is critical to the economic well-being of the state in the future.
Jay noted that Val’s point could support the public engagement workgroup’s final report to tee-up some of those concerns that have already been brought up in the public engagement activity findings.

Jay then acknowledged Rick who referred back to the Page 66 Exhibit and referenced challenges with small, rural schools and pupil services. He explained his concerns in local context:

I love the way we're seeing the weighted formula applied for our students here. I'm concerned, probably as Jane is too, that we have special situations in our smaller schools specially when they’re more rurally located. And I can recall a situation. I was working with the superintendent of schools here in Haverhill about six years ago, and we had a school that had a child in need of speech pathology. And that school did not have a speech teacher, and the only way we could get a speech teacher…we needed that speech teacher, and not necessarily having the instruction talk by a para but through the direct services of that teacher. We had a contract with a person out of Concord. We ended up having to pay the transportation of that individual up to this small school to provide that service three days a week, and that was a huge cost. And I don't know how we're going to cover that costs in some of our small schools.

Rick also wanted more definition regarding enrollment categories stating there are a number of schools below 125, noting that costs start to skyrocket on a per capita basis. There are a lot of schools in that state. He wanted to avoid the waterfall effect and referenced Dave Luneau and his work on a funding formula where that effect from one category to another would not occur – it would slide gradually. Rick asked:

If I move from a 200 to the next category up, there's going to be a waterfall effect. Can we fix this, so that a school is not going to really be hammered when their population changes? And we have population changes going rapidly because of decline of enrollment in the state.

Dave noted what Rick referred to as the Waterfall effect is called the Cliff effect, and reiterated the importance of the point – noting:

I think this workgroup does need to talk about it, and we do need to see if AIR may be able to address this because I think this is a structural concern about the current cost model.

Jay asked Drew to note if AIR could advise the Commission on in written form – what would it take to do an analysis that Dave noted is graduated. Dave explained:

For the first 200 students you get this weight. The next 800 students should get this weight. So that you don't fall off a Cliff. You don't say, well we can't take that 200th student in our district.

Dave asked Drew does the AIR report show steps or go into a single category? Drew confirmed it goes into a single category. Drew noted (~109 minutes in)

There is a step off when you go from 200 to 201. I think that there are ways that you could address that through hold harmless provisions or if a district was 199 last year and now this year there are 201, you could keep them in the less than 200 category for a year and see if their enrollment changes again the next year. So I mean there's things that you
could do in terms of that, but I also agree that…there are ways you could model it…to
smooth out those steps. I will have to talk with the rest of the AIR team to think about
how much effort that would take to think about that and to advise the Commission on that
but yeah I mean there are options that could be taken.

Jay agreed that that needs to occur noting, the step at 200 is 38%, the stay at 2000 is 10% -- there
is a linear path and asked Drew to take the question to see what AIR’s proposal would be.

Rick confirmed there are huge cliffs in the pass, and there needs to be more of a slide.

Jay recognized Dick Ames who affirmed he is against a model with cliffs and hopes for a model
with a slope. He also affirmed that philosophically he thinks the outcome-based approach makes
a lot of sense in terms of common sense regarding needs – seems to direct the assessment of
funding need in the right direction. Dick asked what does it signify? (referenced pages 28-29)
explaining:

Where [the AIR report transitions] from all the modeling you’ve done into costing it out,
getting it into a formula. You speak of the cost of adequacy and talk about estimating the
cost of adequate education. The question is, is this formula, this build off from outcomes
that are the state average to an analysis of differential student needs that need to be costed
out to a formula lead us to, in each school district, to a cost of adequacy for that school
district that is constitutional? So is the word being used in that sense?

Drew noted that they had in mind a functional definition of adequacy – using the state average
outcome and justifying that based on NH’s standing in the nation and among New England
states.

Jay reiterated that the operative phrase is “the opportunity for an adequate education.” He further
explained (~115 minutes in)

The opportunity is measured in terms of the outcome, and we are driving to an average
outcome. And that is a different approach than the way that we've come at this before.
When we truncate the opportunity for an adequate education we're focusing on just an
adequate education like it's like it's an input measure. Like you can actually build it up for
the same cost for each student, and or even the small weights that we apply…This is an
emphasis on a student. What does it cost to educate a student to a common educational
outcome in the state? And you know it'll fall to the districts as it does, but the emphasis is
on the student. And as we've said, this is educating all our kids to that common
educational outcome.

Bill followed up on Jay and Dick’s question and reply, noting (first and last dollar language):
If the cost per pupil that's determined by this formula is $21,000 per pupil in Manchester
and $14,000 of pupil in Wolfeboro, say, then under the particular reading “first and last
dollar” that is applied by some people in the past, that the court said, that the state budget,
not any local government budget, the state budget must pay every dollar of that resulting
dollar cost. By the way Jay, I agree with you. I think there's a real policy outcome-based
argument here that is not been made before and that will have a big impact practically in
the constitutional world, but I think that we have to address the fact that there are many
people who are stuck in the mold that says, and Rick Ladd pointed to the annotation from the Londonderry case earlier today at 10:00 o'clock, says once you decide how much it is, the state budget has to pay for it, every dollar.

Bill replied that it is critical to address as a Commission:
Why this holistic approach that’s based on the AIR number, looking at the functional meaning of adequacy as a whole, and the local input plus the state input that we’re achieving something that’s better for children across the whole state, and we have to take that on, so thank you…I agree with the concern, and I think we have to address it.

Jay noted the points made, and asserted there needs to be an opportunity to examine how the AIR model fits in with the judicial findings to date and the arguments put forth in the current court case on September 24th, and asked for further comments.

Dave noted that the Fiscal Policy workgroup had a similar conversation about this question at their 10:00am meeting earlier in the day. The Carsey School staff are tasked to brief the “First and Last Dollar” to promote further discussion. AIR does not have to weigh in on education dollars; it is the Commission’s responsibility to talk more about it and provide an answer to the question.

Jay recognized Iris who agreed the Commission needs to address the issue of “first and last dollar.” She asserted that the perspective does not reference being “stuck” in a certain viewpoint, but rather it is a different viewpoint and looks forward to the analysis. She would also like to see the question put out for public comment.

Bill concurred. Dave thought they could set it up for the extended public comment sessions. Bruce noted, the concept can be re-worded and posed to focus groups. Iris wanted to hear about it from experts who have history on the issue.

Bruce reminded the adequacy workgroup that early in the Commission’s work they heard from the Dept. of Justice, Ann Edwards, Daniel Will, plaintiff attorney Michael Tierney – they can resurrect this input to consider.

Bill noted the input was generic and pre-AIR concept being laid out. Do people believe the AIR simulator as it stands – does that pass their view of the constitutional test, and invite people to make a comment on that and see what kind of controversy it brings.

Jay asserted the need to identify that audience because those people that are committed to a case are not going to be the unbiased opinions. Who can the Commission go to that has not already been approached? (~123 minutes in).

Does this question need to precede the recommendation about an outcomes based measure of the opportunity for an adequate education. Jay asserted:
I think this group needs to set its positions before the full Commission next week. This question really is the acceptance of the report. And I think we don't have necessarily the words, as to how to tweak the statutory language, but we have a concept…that's just my
feeling that this work group has been asked by the committee to make that kind of statement.

Dave summarized the report includes the estimated cost model, more work to be done. AIR will report back about smoothing out the school-size weighting factor, understanding and double-checking how the school size is being done in towns that operate an elementary school and co-op for high school. Dave noted that during the public engagement meeting that perhaps:

Some of the Commission members with a lot of experience in those cities and towns can look at those numbers and see if they sort of line up with their experience, Dave Ryan in particular, his SAU is a pretty complex one.

Dick wanted to know if the co-op issue was addressed in the report. Drew noted there are complexities that simulator is not fit to address. It would be outside the simulator and require a separate sheet – finishing the sheet Dick started or incorporate it in the simulator. Drew can add a notation. Drew asserted time is limited on the AIR contract to finish up the work on the report. Bruce noted the Commission may extend the consulting agreement in the contract. No decision has been made.

Bill furthered the conversation about the Commission’s current work regarding the AIR report:

If what we need to do, as an adequacy workgroup is state to the Commission that we believe there should be, as Mel described earlier, this revolutionary shift from the way we've done it in the past which is input-based to an outcomes approach to defining adequacy...I've not heard one person say they don't support that. Now remember just that concept alone doesn't raise the constitutional issue. The constitutional issue comes up kind of in the guts of the model, and so I think, you know, I haven't heard anyone on this group say that they wouldn't support that fundamental shift. Some of the details on cooperative stuff some of the details...Massachusetts did a Commission like this in 2015, it took them four years to crunch all the details about cooperatives about cliffs about all of those issues that get done before they passed a revised law. And so I think that concept is something that I'm perfectly prepared, if when you the leadership think it's necessary I'm ready to vote for that myself.

Iris also addressed Jay’s question as a member of the committee and said (~130 minutes in)

I agree with Bill that in concept we're ready. I think your agenda language about E2B, the alternative language, I'd like an opportunity to actually discuss that. That it wasn't grounded...I do differentiate that and my and willingness to work on a way of expressing it there that expresses agreement with this concept shift. But I don't think I'm ready to embrace the AIR report and with its recommendations for specific weights or all of the other details that Bill was just alluding to. I'm not ready to do that. I don't feel like I've had an opportunity to fully discuss the weights and where they come from and their varying applications and the things that are not considered such as the physical capacity regarding small schools and the concentration issues. I mean I think there's a whole lot left to discuss. So, I'm not ready to tell the Commission that I embraced the report and want to see it translated as is into legislation. I'm not there yet.
Jay asked members to write down and describe their questions so the right amount of discussions can occur. Jay asked Bruce to describe the workgroup’s tasks for homework, so the group can talk specifically about:

Do we move the linear model on ELL, for instance, which is what we have now to a concentration model. What is to do to our overall concept? The question about size of district can that be put to a linear test as opposed to the categorical cliffs that are measures that we've got? And there's a question about the transportation funding and then I throw out just one more that we haven't talked about yet and that's we haven't applied inflation indices to this. So we're kind of talking about a 2019 price to the cost per student. But in fact, we're going to be putting this out to a legislature that's looking at 2022-2023 costs, and we haven't discussed that. And how would we get to that place with our discussions with people?...we do need to talk about inflation 'cause it's something that the AIR model will allow us to include but it is not there yet.

Commission workgroup members will send their questions to Bruce via email.

Reserved agenda items due to time constraints

Costing Adequacy—discussion of statutory language re: cost modeling

E:2-b, current: https://www.gencourt.state.nh.us/rsa/html/xv/193-e/193-e-mrg.htm#:~:text=E%3A2%2Db-,193%2DE%3A2%2Db,Cost%20of%20an%20Adequate%20Education%20%20%E2%80%93&text=Cost%20of%20an%20Adequate%20Education.%20%E2%80%93&text=The%20general%20court%20shall%20support%20the%20opportunity%20for%20an%20adequate%20education%20as%20evidenced%20by%20measured%20student%20outcomes.

E:2-b, alternative language:

I. To determine the cost of an opportunity for an adequate education as defined in RSA 193-E:2-a, the general court will apply an Education Cost Model to identify the costs necessary for students to achieve measurable student outcomes (as defined in RSA 193-E:3-c [may need to revise that language to be consistent here]) such that all students have a comparable opportunity for an adequate education regardless of need or location of the district in which they are enrolled. The costs necessary to achieve a comparable (equitable?) outcome may be weighted for individual students whose needs exceed those of the average student. The general court shall make an initial determination of the cost and subsequent funding necessary to support the opportunity for an adequate education as evidenced by measured student outcomes.

II. The general court shall create a process for the periodic determination of the cost and funding necessary to provide the opportunity for an adequate education. The review should occur no less frequently than every 5 (10?) years.

Note: RSA 193-E:3-b calls for an “input-based accountability system” and E:3-c references a “performance-based accountability system.”

Further topics for discussion at subsequent meetings: concentration as a factor, accounting for transportation, accounting for inflation in setting base adequacy rates.