

The following are Superintendent of Public Instruction Tom Luna's prepared remarks for the Joint Finance-Appropriations Committee on January 24, 2013.

Thank you for inviting me to be here today to share my proposal for the State Department of Education agency budget in fiscal year 2014 and the public schools budget.

A lot has occurred since I last stood before you a year ago. I submitted proposed budget requests in September for both the State Department of Education and Idaho's public schools.

However, we both know much has changed since September, and it changed quickly.

First, I would like to start by discussing the State Department of Education budget.

My request for the agency budget has not changed since the September request I submitted. I am requesting \$35,756,400 and 1 FTE.

As requested by DFM in September, this budget includes a 1% CEC. However, as with every other year, I understand that will be ultimately determined by this Legislature.

So, let me walk you through the rest of the budget.

\$180,000 of one-time money in this request will be used to fund a new phone system within our state agency. The current phone system in place at the State Department of Education is an aging system that is no longer supported by its manufacturer. The Department will transition to the Department of Administration's new phone system as it comes online this spring. We are pleased to partner with another agency to realize cost efficiency and effectiveness in the future. However, this will take some upfront costs in the beginning to install the new phone system at our agency.

We also are requesting one FTE and ongoing funding for the Indian Education Coordinator position at the Department. This position is focused on working with tribal leaders and school districts to raise student achievement among Native American students across Idaho and eliminating the achievement gap that exists there. As you will recall, I created this position at the Department in 2007 without additional funding. However, due to the recession, we have not been able to fund this position since 2011 when our Indian Education Coordinator left to take another position. Currently, we do not have the resources to fund this position on an ongoing basis and are therefore requesting the FTE and funding to do so.

My request includes \$4.5 million of one-time spending authority to finish the \$21 million grant from the J.A. and Kathryn Albertson Foundation and the 7 FTE associated with that activity. This grant has provided Schoolnet and the necessary professional development to implement Schoolnet in local school districts across the state. I will discuss this grant and Schoolnet in further detail in my public schools budget request.

I want to make you aware of a challenge we will be facing in Fiscal Year 2015 regarding our fingerprinting and criminal history check program. Currently, we collect \$40 from teachers to process a fingerprint card for the criminal history check required in Idaho Code. However, last year, Idaho State Police ran a rule approved by the Legislature to raise their fees, so now the total cost for fingerprinting will be \$50 beginning on July 1st. For FY14, we have a free-fund balance that can carry us through the

current year without charging teachers additional dollars; however, we know this one-time money doesn't last forever.

To address these increased costs, the State Department of Education will either need to begin charging teachers \$50 beginning in FY15 and will need legislative authority to do so. Or we will need additional funding from this Legislature to make up the difference in costs. I am not asking for resolution this year, but I am bringing this your attention today so you are aware of the situation and will not be surprised when I address it next year.

If you will remember, when I took office in 2007, Idaho was one of just 3 states in the nation without a longitudinal data system. By 2008, we were the last state in the nation to have such a system. Instead, Idaho had an outdated and very cumbersome data collection system that required districts to report the same data to the State Department of Education multiple times throughout the year. In fact, we conducted 184 different data collections during a single school year. Here is a graphic we refer to as the "spaghetti bowl." It depicts how confusing, cumbersome and time-consuming our data collection processes used to be. It wasn't easy to use, the accurate was questionable and it definitely wasn't efficient.

The statewide longitudinal data system, known as the Idaho System for Educational Excellence, or ISEE, has streamlined the data collection process at the state and local level. Under ISEE, all data collection – no matter the program or type of data – goes through just one system. It is all uploaded at one time once a month. That's 12 times a year, compared with 184 times a year under the old system.

ISEE has not only streamlined data collections, but it also has improved the quality of the data we are receiving at the state level. We now have verifiable, student-level data. Because of the success of ISEE, we are now working with the State Board of Education to expand this system into higher education. It has not been an easy process. Change never is. It has taken a considerable amount of work at both the state and district levels. I want to thank our district superintendents and the Idaho Association of School Business Officials for working closely with us throughout this process to constantly improve the system and the quality of data along the way.

Last year, the Legislature approved \$2.5 million for District IT staffing. That's money that districts can be used for IT Support to implement the ISEE System. I will discuss this line item in the public schools budget request, but, this is just one reason why I support continuation of that funding.

In 2008, I laid out a 3-year plan for building, deploying and operating ISEE. This new system has been fully operational for three years now. We now have more current, accurate data than we have ever had before. Because of the data we collect through ISEE, we have made significant progress in our education system. For the first time ever, we were able to implement a growth model to better measure student achievement.

Through the Five-Star Rating System, we have now moved away from Adequate Yearly Progress, which only measured our schools based on proficiency, to a better system that uses multiples measures of student achievement, including growth, to measure the true progress our schools are making. We are now measuring our schools and districts on academic growth, graduation rates, student scores on college entrance exams and the number of students who take advanced courses. None of this was possible before we had ISEE in place.

We also were able to use the more accurate data from ISEE to produce the state Fiscal Report Card. Here is an example of what that looks like. We began producing this in 2011 and again in 2012 and will continue to in the future. It is readily available on our website now for parents, patrons and taxpayers to peruse. As you can see, this provides answers to questions our citizens often have on

- How much does my district spend each year?
- What percentage is spent on administration?
- What is the average teacher pay in my district?
- How does this compare to other districts in the state?

From this, parents can begin to ask informed questions of their school boards and local administration. We now are working to expand the Fiscal Report Card to make it more robust and easy to use for parents and patrons. As State Superintendent, I still get questions everywhere I go: like

- How is my school performing,
- How much do they spend per student,
- Is that affected by how many low-income students they serve?

These are critical questions and questions that I agree deserve answers and must be part of our discussion going forward. And every parent, educator, taxpayer and policymaker should have easy access to these answers. For too long, they didn't. Not because we didn't want them to have access to this information, but we didn't have the technology or the data to make it possible. For years, we have seen data on international and national comparisons on spending and achievement. Now, because of ISEE we are able to provide similar data the state level.

In this software, you can use different variables to display a bubble chart. The bubble can represent a number of variables of the user's choice. The list of options includes:

- Number of Students
- % of LEP
- % of Homeless
- Economically Disadvantaged
- First-Period ADA
- Education and Experience of Teachers
- Average Teacher Salary

The X Axis can represent a number of different variables of the user's choice.

The list of options includes:

- Academic Growth
- Academic Excellence, or Proficiency

The Y Axis can represent a number of different variables of the user's choice.

The list of options includes:

- Total State Revenues
- Support Unit Revenue
- Levy Revenue
- Total State and Levy Revenue
- Average Administrator Salary
- Average Instructional Salary
- Education and Experience of Administrators

- Education and Experience of Teachers

With these variables, the user can construct any number of combinations to display information. Here are a couple of examples.

In this chart, each bubble represents the number of students in a district. The bigger the bubble, the larger the district. The vertical axis represents spending per student, which includes state funds and levies. The horizontal axis represents student achievement based on excellence. Taking into account all those factors, here's what it would look like: a bubble chart that compares all districts statewide. The bubbles vary in size based on how many students are in each district.

You can hover over a bubble to see a specific district. Here for District A, you would be able to see the median excellence score, or how the students in a district performed academically in a given year.

Let's look at another example. In this example, each bubble represents the percentage of Limited English Proficiency students in each district. The bigger the bubble, the higher the percentage of LEP students in the district. The vertical axis represents spending per student, which includes state funds and levies. The horizontal axis represents student achievement based on excellence. Taking into account all those factors, here's what it would look like.

Very soon, parents, policymakers, school board members, and educators will be able to go to the Fiscal Report Card and see real-time information showing these different variables for their schools and their districts. They can then see how their local district compares to a district with similar demographics. This allows policymakers at the local level to see how districts similar to them are performing. If they are getting better results with less per-student, we need to find out how they are doing it and share those best practices.

I will not pretend this model holds all the answers to the challenges we currently face in education. But I do know it holds critical information and answers to questions that policymakers, educators and parents have been asking for years. We now have the capability and technology to give you this data and use it in discussions going forward.

I have already presented this model to several superintendents and am getting their feedback. I look forward to sharing it with others in the coming days. I am sure there are ways to add other data points to increase the amount of information in the future. We plan to deploy this in its initial form very soon.

These are just some of the ways in which we have been able to use Idaho's new statewide longitudinal data system to help improve the conversation around public education by providing access to current, accurate data on education in Idaho. I will discuss more of the opportunities as I move on to the public schools budget.

Mr. Chairman, that is my proposal for the Department Budget. With that, I will move on to my request for Idaho's public schools.

As I said, a lot has changed since I submitted a budget proposal to you in September.

We all know that many laws went away when the voters repealed Students Come First on November 6th. Much of the funding found in the FY2013 and proposed FY2014 public schools budget were tied to those

laws. At the same time, we have to recognize that many things have not changed. The data has stayed the same. It tells us we have good schools.

- 60% of Idaho's schools made AYP last year.
- 58% of our schools were rated as Four-Star or Five-Star Schools.
- When measured against other states, Idaho students do quite well. Students in just 8 states outperform Idaho 8th graders in reading; students in just 11 states outperform Idaho 8th graders in math.

So by any number of measures it is obvious that Idaho has good schools. And we are blessed to live and raise our families here. But just as the data tells us we have good schools, the same data also tells us that we still face many challenges in our education system. No matter the laws that are on the books or the funding situation we currently face, Idaho students still face the same challenges they faced a year ago.

In Idaho, we still have a high graduation rate, which is a good thing. Yet, still, far too few students go on to education after high school. Of those who do go on, too many are unprepared for the rigors they face once they get there. Following the lead of the Education Alliance of Idaho, the State Board of Education set a goal for 60% of Idahoans to earn a postsecondary degree or certification by the year 2020. Why? Because we know 60% of the jobs today require more than a high school diploma. Those students are 8th graders today. We must keep that in mind as we discuss education funding and policy going forward.

With that 60% goal in mind, let's look at a classroom of students today. Every one of these students has hopes and dreams. When I visit their classrooms, each student tells me how they want to become a doctor or lawyer, a pilot or a veterinarian. Unfortunately, the reality is, the data tells us many of them will not go on after high school.

For every 25 kids, 23 will graduate from high school. That's more than 90 percent. - Idaho has one of the highest graduation rates in the country. But of those 23 who graduate from high school, only 12 of them will go on to some form of postsecondary education. Of those 12, 41 percent will need remediation once they get there. And 38 percent will not continue on to a second year of college or postsecondary education. What we end up with is just eight of these kids growing up to earn a postsecondary degree or certificate. That's just 34 percent.

Sixty percent of jobs today require more than a high school education and that number will only go up in the future. This is the challenge we are facing today. And one we cannot ignore. We cannot risk the futures of 17 students. Or even one student. As State Superintendent, I feel a sense of urgency, and I expect you do too to address the challenges that our children face.

Well, we are here today to focus on the budget: so let me get into that now.

This year, we are in a unique position where we must address both the FY2013 budget for Idaho's public schools as well as well as look ahead and set the FY2014 budget for the upcoming school year.

For the current 2013 fiscal year, many questions still are unanswered.

I want to thank Paul Headlee for his presentations over the past two weeks. I believe he has explained clearly the situation our districts face today.

For FY2013, this Legislature appropriated more than \$1.2 billion, a 4.6% increase in General Funds to Idaho's public schools.

The budget included a 5% increase in total compensation for teachers.

It included:

- \$13.6 million in funding for classroom technology and professional development
- \$4.85 million for more math and science teachers
- \$842,400 for dual credit for high school students

It unfroze the education credits in the salary grid and included additional use-it-or-lose-it flexibility for local school districts. And through this budget, the state provided \$16.2 million in matching funds for the Albertson Foundation grant in the current fiscal year.

Based on this appropriation, districts set budgets, signed contracts, and made commitments. Teachers engaged in expected professional development to implement new tools in the classroom. None of this was one-time funding for one-time needs. It was ongoing funding for ongoing needs. It's important and necessary that districts and schools receive the money they were expecting and that educators continue to receive the professional development that they planned for and need. It's not only "important and necessary": it's the right thing to do.

So I am pleased that Legislators on both sides of the aisle and educators from across the state have made it clear that they support the Legislature following through on the original fiscal year 2013 appropriation. I think it's important to remember that even in the deepest part of the greatest recession our generation has ever seen, this Legislature never cut our public schools in the middle of the year, and not restoring these funds would amount to that. I see no reason or justification to cut schools in the middle of this school year, either.

I have spoken with both House and Senate Education Chairmen about their germane committees bringing necessary legislation forward to address these necessary fiscal year 2013 fixes. These fixes will not require this Committee to reopen the Public Schools Budget for the current year. Therefore, I will not go into greater detail on the FY2013 budget at this time.

Let me move on now to my FY 2014 budget request. Mr. Chairman and Members of the Committee, as you know, I did submit a budget request for Idaho's Public Schools for Fiscal Year 2014 in September. The budget request I am presenting today does look different than the one I submitted last year, and I appreciate you giving me time to prepare this new budget request for Fiscal Year 2014.

Today, I am presenting and outlining my ideas, a plan if you will, for funding Idaho's public schools for next school year. I am requesting a 3% increase in General Funds for Idaho's public schools in Fiscal Year 2014. Let me walk you through my revised budget proposal for Fiscal Year 2014.

First, I will review those things that have not changed since the budget request I submitted in September. This budget request includes \$5.8 million in funding for growth. We are still seeing growth in our schools but at a slower pace than in past years.

I am requesting continued funding to implement Idaho's increased high school graduation requirements that were adopted by the State Board and approved by the legislature in 2007. Among other things:

Idaho students must now complete 3 years of math, up from 2 years and all high schools juniors must take a college entrance exam. In 2011, the Idaho Legislature began providing funding for every high school junior to take a college entrance exam. Last April, we administered the first-ever Idaho SAT School Day. Nearly 17,000 high school juniors all across Idaho, all took a college entrance exam at their school all on the same day. Students have never had this opportunity before. It went very smoothly, and I must give credit to our talented high school principals and teachers out there for this great success.

By giving all high school students the opportunity to take a college entrance exam their junior year, it will give many more of them the chance to go on and pursue education after high school. Having all high school juniors take this test, the state now has quality baseline data for how students are performing on college entrance exams. These first-ever results showed that just one in four high school juniors taking the exam met or exceeded college- and career-readiness benchmarks. States like Maine and Delaware, which test all students on the SAT, showed similar results the first year they tested all students. Now that we know this, we can begin working to ensure these students are better prepared before they graduate. The next Idaho SAT School Day is this April 17.

To build on this, I am requesting an additional \$740,000 in funding to continue to improve our student achievement assessments in the coming year. \$140,000 of this funding will be spent to administer the PSAT to Idaho's sophomores. The PSAT is a pre-test that Idaho high schools can voluntarily administer to high school sophomores. High school teachers and administrators tell us this will serve as a great resource to identify early which students are struggling to meet certain benchmarks so they can provide interventions right away, before students take the SAT in their junior year.

I am also requesting \$600,000 to begin administering the Science End-of-Course Assessments in biology and chemistry. As you will recall, this body appropriated \$250,000 in dedicated funds in Fiscal Year 2012 for the State Department of Education to work with Idaho teachers to develop these End-of-Course assessments for high school students. To keep the cost the down, we worked closely with the State of Utah and borrowed assessment items they had already developed.

These new end-of-course assessments aid us in our efforts at the state level to replace the Science ISAT as a graduation requirement in the 10th grade. The State Board addressed this in 2010 and decided that the end-of-course assessments will be a greater measure of student knowledge in science at the high school level. Not only can these assessments better predict student success in this subject area, but they help better prepare students for the rigorous science content they will face in postsecondary education. Therefore, we embarked on the process of developing these end-of-course assessments to replace the science ISAT as a graduation requirement, beginning with the graduating class of 2017. These assessments are now developed. The \$600,000 in funding will be an ongoing cost each year to deliver and administer these assessments.

In addition to improving our assessment system, I am requesting ongoing support for math and science teachers. Two years ago, the Legislature provided this additional funding for Idaho's districts to hire more math and science teachers or to access highly effective math and science teachers or the Idaho Education Network. This was a commitment the State Board of Education and the Idaho Legislature made in 2007 when they approved new high school graduation requirements. I believe it is critical that we follow through on this commitment. Even though the legislation behind this funding has gone away, my budget proposal includes the \$4.85 million in on going funding for math and science teachers.

Second, I am requesting continued funding for the Idaho Math Initiative, Idaho Reading Initiative and ISAT Remediation funding. We have seen great success out of the programs in this line item. The Idaho Reading Indicator continues to identify students in grades K-3 who are not reading on grade level and provides schools additional funding so they can provide much-needed remediation before they reach 4th grade. Today, 76% of our 3rd graders are reading on grade level before they go into 4th grade, and we are working hard every day to increase that number.

Through the Idaho Math Initiative, about 85% -- more than 10,000 -- of the necessary teachers and administrators have taken the Mathematical Thinking for Instruction course. The MTI has proven a valuable and popular course for those teachers who teach math in our elementary and secondary schools. Also part of the Math Initiative, more than 33,000 Idaho students are now working both in the classroom and outside the school day on solving complex math problems through the web-based Think Through Math program. This is a great supplement to classroom instruction.

Last year, Idaho students spent more than 200,000 hours solving 8.9 million complex math problems through this program. One-third of this was done outside the classroom: at home, in libraries: on evenings, weekends and holidays. Many parents have let us know how pleased they are -- and a bit amazed -- at the amount of time their children are spending doing math from home without being required to, asked to, or compelled to. They are choosing to. Our goal this school year is for Idaho students to solve 10 million math problems. As of January 15, students have solved 5.5 million problems! We set the goal high, and our students are having no trouble meeting it!

Also through this funding stream, districts still receive remediation funding each year to help those students who are struggling on the ISAT.

After waiting for almost seven years for the reauthorization of No Child Left Behind, Idaho moved out from under the tenants of No Child Left Behind and implemented our own new accountability that better identifies students who are struggling and how schools are making progress. This Five-Star Rating System is an important, significant achievement in Idaho's public education system. For more than a decade, Idaho's teachers and administrators have been demanding an accountability system that uses multiple measures to track school progress. We now have that through the Five-Star Rating System.

Whereas AYP (or Adequate Yearly Progress) only looked at whether students in a school could pass a test, we now look at proficiency as well as academic growth, graduation rates, advanced opportunities and student scores on college entrance exams. These multiple measures give us a much better evaluation of how a school is performing, what's working and what needs more attention. It also allows us as a state to focus our resources on those One-Star and Two-Star Schools that need additional resources and technical assistance the most.

Under AYP, our resources as a state were spread very thin trying to meet the needs of schools that may have missed just 1 indicator and those that missed all 41 indicators. Now, we are able to focus on those that truly are struggling the most. This is a better accountability plan, tailored to meet the needs of our unique state. Currently, we are able to use federal funds to assist One- and Two-Star Schools that are identified as Title I schools. I am requesting \$1.1 million in additional funds to provide technical assistance to the One- and Two-Star Schools that do not currently receive Title I funding. While we in Idaho hold all schools accountable to the same measures, we have not always provided the same level of technical assistance. Now we can, and this \$1.1 million will help us provide technical assistance to our most needy schools.

I am requesting \$300,000 for the implementation of Administrator Evaluations next school year. Since 2008, Idaho has been a leader in developing a Statewide Framework for Teacher Performance Evaluations. This system, based on the Charlotte Danielson Framework, was implemented in 2010, and has been very successful. It ensures each local district's model and policy for teacher evaluation is tied to standards that are consistent across the state level, so every teacher – no matter where they teach – knows the standards they will be evaluated against. The state then embarked on a similar process for Administrator Evaluations. A group of educators has been developing a Statewide Framework for Administrator Evaluations over the past year. This committee will wrap up its work in April and take its recommendations to the State Board of Education.

The \$300,000 in funding will be used to train and educate administrators across Idaho on the new Principal Evaluation Standards and to continue training principals on how to effectively evaluate teachers in the classroom. This is all about ensuring we have a highly effective instructional leader in every school across Idaho.

Now, I will address the new items in my revised budget request for Fiscal Year 2014.

Since I took office in 2007, I have always advocated for the state to fund dual credits for high school students who have met certain benchmarks. We discussed this in 2007 and had a task force study this issue and present recommendations to the Legislature in 2009. One of the goals of the Education Alliance of Idaho, made up of all education stakeholders, was that by the year 2015, Idaho high school students would have the ability to earn 30 college credits before graduating from high school. In response, in 2011, the Idaho Legislature created and implemented the Dual Credit for Early Completers Program, allowing high school students who met their high school graduation requirements early to stay in high school and take up to 36 dual credits a year – paid for by the state.

In the short time the Dual Credit for Early Completers Program was available, 32 students took advantage of this program. The first student to participate was Justin Hoffman, a student in Plummer-Worley. He earned 26 credits through this program. Because of this boost and help from other programs, such as Gear Up, he graduated high school in Spring 2011 and entered the University of Idaho just 3 months later as a junior. We just helped cut his postsecondary education in half – and Justin is on his way to becoming an engineer in just two short years after graduating high school.

While I consider this story quite amazing for Justin and students in Idaho, we have to realize it is not unique for students in other states. Students in neighboring states, like Washington and Utah, have been enjoying these benefits for several years. We must give Idaho students these same opportunities. That is why I am requesting \$250,000 to restore and continue the Dual Credit for Early Completers Program in the coming year. This program requires students to plan ahead in order for them to take advantage of this opportunity. So we know today that many students today are working hard to qualify to take advantage of this opportunity. This will require a statute change through the germane committees, and I look forward to working with them on legislation this session.

I must also give credit to Senator Thayn. His forward-thinking has created the Eight in Six you now see in the base of this budget today. While many students are capable and ready, it still isn't easy to meet your high school graduation requirements early. The Eight in Six program gives students access to additional courses so they can accelerate and take full advantage of dual credit opportunities once they get into high school. Thank you for your leadership on this critical issue.

I also have included a line item for classroom technology. You will note this is not the same line item you saw in the budget request I submitted in September. While technology has been a hotly debated topic over the past two years, one thing became clear: Teachers do utilize technology in the classroom. In the 21st Century, technology is not a silver bullet or an end-all, be-all. It's also not a one-time capital expenditure. It should be treated like a utility.

Just as we wouldn't cut all the funding for transportation or all the funding districts use to pay the electric bill, I think it is critical that we continue to provide funding for districts to purchase and implement technology in the classroom. Schools across the state – from Castleford to Craigmont – are seeing great success with integrating iPads into daily instruction. Or take a trip out to Melba, and the teachers there will show you how a secure social networking site Edmodo helps them keep students engaged and on task. It also helps the teachers share best practices with each other on a daily basis.

Last fall, more schools than ever also logged on and used the Idaho Education Network to share courses. Through this form of distance learning, students in every high school today can benefit not only from the teachers in their building but also from every other great teacher we have working across Idaho. 1,800 students took a course from another Idaho high school or college or university over the Idaho Education Network last semester. That's up from just 800 students last year. And what's exciting is that more than half of these courses are dual credit or Advanced Placement courses that students in some of our most rural and remote districts are now gaining access to that they never had the opportunity to take before. A student in Richfield, for example, is now taking Advanced Placement History from a charter school in Coeur d'Alene.

Another 941 students used the Idaho Education Network to take a live field trip to the Botanical Gardens or the Baseball Hall of Fame, or to talk to a content expert – like a medical professor about how drugs can affect your brain. Thirty-seven school districts across Idaho have now created seven different consortia throughout the state, adopting common bell schedules and school calendars so they can work together to share courses and instructors via the Idaho Education Network. Now, a student in any high school not only has access to the great teachers in their own school: they now have access to every other great teacher in any other high school in Idaho.

These are great examples of how our schools are using technology and distance learning to innovate and better educate this next generation of students. And so it's important that we continue to promote these exciting innovative opportunities.

Since 1995, there's only been one year the state did not distribute at least \$8.4 million to districts for classroom technology. Now, I am not going to get down on bended knee, but I am just as passionate in asking this Legislature to restore this line item for Idaho schools. I am requesting \$10.4 million for classroom technology in Fiscal Year 2014.

I understand the use of this funding may change in future years over based on the work and recommendations of the Task Force for Improving Education in many areas of education reform, including classroom technology. But I believe it is critical this year for us to restore this dedicated line item for our schools and classrooms today so it is available now and in the future.

As we continue to implement and use more technology in our classrooms, we all know the critical role that IT Staff play at the district and school level. For that reason, I have left the line item for District IT Staffing at \$2.5 million, the same as last year, and support this continued funding.

Another great example of how technology is changing the classroom is the instructional management system we have deployed across the state, known as Schoolnet. This is the second phase of ISEE.

The first phase was creating the statewide longitudinal data system to not only meet our state and federal reporting requirements but more importantly to provide the kind of data and information I displayed earlier in the bubble graphs and the fiscal report card.

The second phase is making sure this current, accurate and useful data gets back into the classroom – where our teachers, principals, and parents can use it the most!

The J.A. and Kathryn Albertson Foundation stepped up in 2011 when we were still facing a recession and provided a \$21 million grant to deploy Schoolnet to every classroom in Idaho.

Schoolnet is a portal through which any classroom teacher can log in and see how each individual student is achieving. Teachers can also see how their entire classroom of students is achieving throughout the school year or on a daily basis.

Through Schoolnet, teachers can download and share lesson plans that are tied to Idaho content standards. They can develop assessments and give assessments through Schoolnet. The assessment data will feed back immediately into the system so they can see how students are performing and areas in which students need to improve either on an individual basis or as a whole class.

Current, accurate student achievement data at the fingertips of every teacher, principal and parent has been my goal and our goal for many, many years. Now we are there

Schoolnet is secure. Teachers have access to information on the students in their classroom. Principals have access to information on students in their school. Superintendents have access to information on students in their district. Parents can get access to information on their child.

This spring, we will provide access to our colleges of education, so our pre-service students can learn how to use this technology before they get into the classroom as first-year teachers.

Through Schoolnet, teachers also gain access to Discovery Education digital content, which provides nearly 10,000 videos, audio files, digital images, teacher resources and professional development opportunities that are all aligned to Idaho's content standards.

If you are familiar with the Discovery Channel, this is the same type of content that our teachers now have direct access to in the classroom. In the past, districts had to pay extra to get provide this type of content to its teachers. Now, the state is providing it through Schoolnet.

Teachers are telling us that Schoolnet and Discovery are becoming an invaluable resource in their classrooms.

Michelle, a special education teacher in Kimberly, uses Schoolnet to track ISAT scores among her students and see what growth has occurred.

She said, "I can quickly see what areas are pulling the scores down and adjust goals as needed in the classroom as well as on the IEP. ... They also help to open up some discussion with the parents as to what they can possibly do at home to help their student."

Heather is a vice principal in Coeur d'Alene.

She tells us, "Schoolnet enhances instructional practice through the use of "real time" data, highly engaging materials, and endless assessment opportunities. Its easily understood format promotes teacher collaboration and parent communication."

Kasey, a middle school teacher in Raft River, says, "Schoolnet is an excellent resource for teachers! The ability to create self-grading tests and quizzes on Schoolnet will save me hundreds of hours each year. It is also very nice to be able to give an assessment on clickers in my classroom if the computer lab is not available."

A high school teacher in Declo said she uses Schoolnet every day to access educational videos, audio and other multimedia to incorporate in her English classes. "I enjoy going to DiscoverNet because I don't have to worry about any questionable material popping up on the suggested video area of YouTube. I also love how I have the option of looking up text, video, or audio for the topic at hand. Downloading the videos to my computer is simple, and I seriously use this website if not daily, then every other day."

I could go on...

We have received lots of positive support and feedback from teachers and principals who are using Schoolnet and the access to Discovery Education in their classrooms every day.

When the Albertson Foundation provided the grant funding in 2011, they did so based on a commitment that the state would provide matching funds during the 3-year grant cycle and then pick up the ongoing costs at the end of the grant. The state provided this commitment through the Students Come First legislation. This program remains strong in our schools today.

Therefore, I have requested \$4.9 million to continue our commitment to Schoolnet in Idaho's public schools next year. This line item provides funding to not only operate Schoolnet in Idaho's schools, but also provide maintenance, updates, the necessary technical support, and access to the robust digital content from Discovery Education.

I also am requesting \$3.2 million to continue providing professional development to Idaho's teachers and school administrators on how to effectively integrate all the tools available in Schoolnet into the school and classroom. While every teacher and administrator currently has access, the majority have not yet received professional development on how to use this yet on a daily basis. We also want to expand this access to parents and policymakers.

One of the biggest improvements happening in Idaho's education system today is the fact that we have raised our academic standards in mathematics and English language arts. In the mid-1990s, Idaho first worked to create and implement achievement standards. These are what every student should know

and be able to do by the end of each grade in order to be successful in the next grade. We go through a process to update standards in each subject area every five years.

In 2009, I worked with my counterparts in other states to develop what we called Common Core State Standards. The fact is for too long, we as state chiefs recognized that we were facing the same challenges. Our students were making progress on assessments like the Nation's Report Card, or on our statewide assessments. But too few students are graduating from high school prepared for the rigors of postsecondary education or the workplace. In addition, our students continue to lag far behind their peers in other countries. We all recognize a need to raise academic standards in the core subject areas of mathematics and English language arts. So we decided, as states, to partner and work together to develop more rigorous standards that we all agree are fewer, clearer, higher and competitive with any other country in the world.

After we developed these standards, each state had the opportunity to review the standards and choose whether or not to adopt them. In Idaho, we followed the same process we follow every five years to review and adopt new standards. We brought in Idaho teachers to review the standards. Idaho's colleges and universities also weighed in, telling us these are college- and career-ready. The State Board of Education adopted these standards in 2010. The Idaho Legislature adopted these standards as our new state standards in 2011. Just like the standards we had in place before we adopted these, the federal government has never reviewed or approved state standards. And they have NOT reviewed or approved these. These are Idaho standards. If the federal government ever tries to approve or regulate these, no one will fight harder than we will.

Idaho teachers will begin teaching these new, more rigorous standards next school year, and our students will be measured against these higher standards in the Spring of 2015.

At the State Department of Education, we have been working since 2011 to familiarize teachers and school administrators with the new standards and offer professional development.

In Fall 2011, we provided initial professional development to leadership teams from every school district and public charter school to explain the new standards, how they align with previous standards and how these districts can begin designing local professional development opportunities.

In Spring 2012, we worked with 250 master teachers from across the state to develop sample lesson plans aligned to the new Idaho Core Standards. These have been uploaded into Schoolnet and are available for teachers to access and draw on them as they begin to develop lesson plans at the local level.

Also in 2012, we provided more specific workshops for teacher leaders in Math and in English language arts. The goal was to give them the tools and strategies so they could re-create professional development opportunities in their own schools.

Now, over the next two fiscal years, our plan is to provide more face-to-face and blended professional development opportunities to ensure every elementary teacher and every secondary teacher who teaches Math or English Language Arts in Idaho receives this necessary professional development.

That is why I am requesting \$3.7 million in additional funding for Idaho Core Standards Professional Development.

At the first Task Force for Improving Education meeting, we heard over and over again about the need for this level of professional development. It is clear Idaho teachers are excited for these opportunities.

The state has made similar efforts in the past. When the state implemented achievement standards for the first time, it provided funding for professional development for Idaho teachers.

When Idaho implemented the Reading Initiative, the Legislature provided professional development funding in the initial years to ensure every teacher in the early grades received the necessary training.

The same effort is needed as we implement these college- and career-ready standards.

Even with the best professional development we are going to provide and the most highly effective teacher in the classroom, we recognize that these standards are higher, and we must recognize it will take a few years for Idaho students to master them.

Our colleges and universities and the business community strongly support these new standards.

Our colleges and universities tell us that when Idaho students master these standards, they will graduate from high school prepared for postsecondary education – without the need for remediation. That is our ultimate goal and has been our goal.

But I want to make this very clear: it will take several years for our students to get there. This will not happen overnight.

States that have already implemented higher standards, and measured their students for the first time, have seen a significant drop in the number of students performing at grade level.

Kentucky, for example, saw the number of students scoring proficient drop by one-third.

At the elementary level, the percentage of students scoring at grade level dropped from 76% to 48% in reading and 73% to 45% in math.

We can expect similar results here in Idaho.

You will hear me repeat this over and over again for the next two years. When we give the first assessments on these new standards, our students will score lower. It is not because our kids woke up one day and weren't as smart as they were the day before.

It's because we are holding them to a higher standard – and that's a good thing for them and their future. I am confident that Idaho students are just as smart, just as capable as any other child in America or anywhere in the world for that matter. My experience has always been that students rise to the level of expectations. Every time we have raised our academic standards or increased graduation requirements there has always been some who were convinced that our students couldn't or wouldn't meet the higher expectations. In every case the opposite has happened. Idaho students have always risen to the occasion and I am convinced they will again.

Since I submitted my initial budget request in September, another important topic has surfaced that requires our continued attention: school safety and security.

The recent tragedy at Sandy Hook Elementary School in Newtown, Connecticut is a stark reminder that no community – large or small – is immune to random acts of violence.

Before I first took office in 2007, a similar incident occurred in a small, Amish community in Pennsylvania. A man entered a small schoolhouse and killed five young girls.

It's senseless and tragic. None of us can explain why these events occur. But I know that it is our duty as policymakers and school leaders to ensure we do everything we can to prevent violence in our schools.

In 2007, to gain a better understanding of school vulnerabilities and readiness to respond to crisis, this body appropriated funding for a statewide school safety and security assessment. This assessment included surveys, site visits, focus groups and community meetings.

Based on the results of the assessment, the state worked closely with local school districts to develop recommendations and improve safety and security for Idaho's students.

Here are just some of the steps we took at that time:

- We convened a stakeholder group to establish a crisis response template for Idaho schools based on best practices known at the time.
- We delivered statewide training for school personnel on creating and implementing crisis response plans, threat assessments, de-escalation, and student health and safety.
- We worked with vendors to leverage reduced costs for statewide security equipment purchases for Idaho schools.
- We partnered with the Bureau of Homeland Security to incorporate County Emergency Coordinators in school crisis response planning efforts.
- We required updated crisis response for districts.
- We established safety and security recommendations for new school construction.

Based on the most recent tragedy, I think it is time that we re-convene the stakeholder group from 2007. A lot has changed. We know a lot more today, and we should incorporate new best practices. Therefore, we should take a renewed look at school safety.

We never want to look back and ask ourselves, *"Could we have done more, or should we have done more?"*

I am grateful to Governor Otter for asking retired Col. Jerry Russell to help us in this effort. You will see the line item for \$150,000 for us to work with Col. Russell and assess school safety and security over the next several months.

I expect this group to have a report or recommendations for this Legislature by next session.

I also am requesting funding for school facilities and maintenance in Fiscal Year 2014.

Since 2006, a certain amount of money has been required each year to be spent on facilities and maintenance. A portion of that money has come from the state and a portion has come from local school districts.

Over the last four years, we have backed away from this requirement. The state funding was shifted to discretionary funds, and the state provided some flexibility in the local match.

Now, however, I do believe we need to begin restoring this requirement at both the state and local levels.

I recommend a phased-in approach over 2 years. This will provide our school districts with funding to spend on facilities and maintenance but ensures that our local districts are not overwhelmed in the next year with a large matching requirement at the local level.

Therefore, I propose \$10 million in FY 2014 for School Facilities and Maintenance. I will propose the phase-in of the remainder of these funds in FY2015.

I also am recommending a 4.25 million dollar increase (1.5%) in discretionary funds for Idaho school districts in this budget proposal for fiscal year 2014.

Finally, let me finish by talking to you about compensation for Idaho's teachers.

My budget includes a 1.67% increase in base salaries. However, this does not address the issue of the minimum salary, which is not affected by the increase.

Therefore, my budget recommends increasing the minimum salary by \$500 to keep pace with this increase in salary-based apportionment. This will increase the minimum salary to \$31,000.

As I said before, this Legislature appropriated an unprecedented increase in overall teacher compensation last year – a more than 5% increase. Much of this increase came about because of the implementation of the state's pay-for-performance plan.

Whether you agree or disagree with that plan, the fact is that every penny went to Idaho's teachers. In recent months, I know there has been much discussion over how to spend this funding going forward. As State Superintendent, I believe it must remain in compensation for Idaho's teachers – not only this year but in years going forward.

Since I took office, we have worked to increase teacher pay. In years past, when the state saw a surplus in revenues, we worked to increase teacher pay: a 3% increase in base salaries in FY2008, and a 2% increase in FY2009. But even in the best of times, we never saw the 5.8% increase in total compensation we saw last year through a combination of the salary grid, minimum salary and a statewide differentiated compensation plan.

I am convinced the only way we can continue to see this unprecedented amount of funding go toward teacher compensation is if the state develops a form of differentiated compensation for Idaho's educators – similar to what other professions have in place today. As you know, I have long supported not only paying Idaho's teachers better, but paying them differently – so we can recruit and retain the best and the brightest in the teaching profession for years to come. I understand this plan will look

different than the plan that stakeholders crafted in 2009 and that the state implemented last year. I am comfortable with that. I am committed to working with the members of the Task Force for Improving Education and this Idaho Legislature so that together we can ensure every penny continues to go to Idaho's teachers and educators, not only this year but next year and in the future.

Let me return to what I believe is the most important thing we have considered today.

We can talk about policies, laws, rules, budgets, one time funds versus ongoing revenue, temporary rules versus proposed rules, germane committees and budget committees, but really it all comes down to this one thing.

How many of our children will be ready to prosper when they are adults? Who gets to decide who are the eight, and who are the 17? Now, I have 8 grandkids, I know I want my grandkids to be those 8 kids. I am sure you want your kids and grandkids to be those 8 kids too. So who will be the other 17?

The next time you visit a classroom of elementary school children at any number of Idaho's good schools and look into their eyes and see hope and dreams. Pause and realize that over 60% of them will not be prepared to receive the education they will need to prosper in today's world and economy. And then look into those eyes again and ask yourselves: are good schools good enough today?

And I think you will agree that the answer is, no. We must have great schools, filled with highly effective teachers and great leaders with classrooms that have all the 21st century learning tools at the fingertips of every teachers, not just some, not most, but all teachers.

Folks, our children face an uncertain future for any number of reasons beyond their control. Federal deficit and debt, economic uncertainty... Many things that frustrate you and I, but that we little ability to effect.

But when it comes to education we can have a tremendous effect.

With all of the challenges our children will face in their future shouldn't we do our best to make sure that they have a world class education that will provide them with the skills and knowledge necessary to succeed as adults.

Some insist that more money is the answer others insists its more accountability. I suspect the answer is somewhere in the middle.

More money funds a growing student body and needed learning tools and programs. But strong accountability forces us to answer tough questions about the effectiveness of current programs and justifying the benefits of continued funding of programs or the willingness to spend those dollars differently.

I am always looking for solutions, I think you are too. And I am convinced that the solutions will require challenging and difficult decisions.

All of us here have chosen to live in this world that requires us to make decisions. No one forces us to run for office and when you decide to run for re-election then you definitely have no excuse to complain about the stress and the tough decisions we are forced to make.

And so I will close with this final thought that I believe holds the key to the solutions to the difficult challenges we face:

If a leader is not willing to risk his or her political future on bold ideas they will never bring forth the solutions that will solve the most important issues of our day.

Thank you Mr. Chairman.

I will now stand for your questions.