Testimony before the
**Senate Committee on Education**
Concerning

**SB 294**
Success Index Education Finance Plan

By
**Randy Watson, Chairman**
Coalition of Innovative School Districts

March 24, 2015

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to comment on **SB 294** on behalf of the Coalition of Innovative School Districts (CISD). We appreciate the hard work that has gone into this bill and despite some shortcomings that the CISD members are concerned with, we see great potential in this concept.

In April of 2013, Governor Brownback signed into law the Coalition of Innovative Districts Act. The new law allowed up to 10% of the state's public school districts to opt out of most state laws, rules and regulations. In exchange for this flexibility, school districts operating under the law agreed to set higher standards of student achievement and outcomes.

In 2014, the law was amended that allowed an additional 10% of school districts to become an innovative district as long as they were either a title I focus school or a title I priority school as described by the state board under the elementary and secondary education act flexibility waiver, as amended in January of 2013.

**The purpose of the coalition of innovative districts board shall be to:**

A. **Support a system, which promotes innovation as a means to ensure the continued growth in student achievement and prosperity of education in the State of Kansas.**
B. **Approve or deny the request of Kansas Unified School Districts to operate as an innovative district.**
C. **Monitor the percentage of districts accepted as innovative districts according to K.S.A. 2013 Supp. 72-1921 through 72-1930, and amendments thereto.**
D. **Monitor district success in meeting the standards for math and reading assessments, in demonstrating progress in achievement of goals and outcomes described in its application for authority to operate as an innovative district also showing improvement in**

**graduates enlisting in the military or completing post-secondary programs.**

E. **Consider submitting a petition for removal of authority to operate as an innovative district when the district has for two consecutive years not met the standards outlined in to K.S.A. 2013 Supp. 72-1921 through 72-1930, and amendments thereto.**
F. **To pilot innovative ideas and report the results to the Kansas State Board of Education, the Governor, the Legislature and peers**.

Since State Board of Education approval in June of 2014, the Coalition Board has been meeting to draft bylaws and review applications from districts wishing to become an innovative district. At our meeting on August 27, 2014, the applications of Blue Valley, Kansas City and Hugoton were approved by the Coalition Board. On December 16, 2014, Marysville was also approved to become a member.

In the short time that the Coalition Board has been operating, some exciting developments are being proposed by school districts. For example, Concordia is proposing new career opportunities in wind energy, KCK is proposing a "Diploma Plus" concept, Hugoton is examining ways to increase student achievement with Hispanic populations, Blue Valley is proposing using the PISA to measure outcomes in their school district, Marysville is examining setting higher outcomes and assessment for their high school students and finally McPherson is requiring that all students graduate as citizenship, college and career ready.

The Coalition of Innovative School Districts was simply created to improve student performance and outcomes post high school, identify barriers to those goals and to function as a center of school innovation in Kansas. We are in the early stages of implementation of the law, but already can see that our work can lead to assisting all school districts in innovative change.

The CISD members are encouraged by many provisions brought forward in **SB 294.**

We like the idea of a pilot, with limited implementation. This allows the CISD members to give input, suggestions and to work the formula before scaling it to other districts. Because it is a pilot, CISD members believe that the bill in its current state will be changed and altered going forward to reflect more research about the components.

The CISD members applaud the efforts to change the conversation in Kansas toward student success. By rewarding the outcomes that we want to see in Kansas, this bill has the potential to really change the discussion and focus in Kansas. While the specifics related to those outcomes will need to be refined and strengthened over the next year, it starts the process.

Unfortunately poverty is an overriding factor in getting all students to be successful post high school. This formula has an equalization component as base aid and

acknowledges poverty in the success portion of the bill. We feel that this is extremely important in any school finance formula.

This bill allows for local control in giving local school boards the ability to raise money through a local revenue budget. This flexibility locally is critical to a school finance formula.

However, there are some aspects of the bill that the CISD members have concern with at this time.

We do not believe that any CISD member should be forced to accept this new formula by simply being a member of the CISD. Because there is no opt out provision in the bill for any CISD member, we are concerned that some members may be forced to withdraw from membership in the CISD.

The CISD members believe that the requirement to adopt General Accounting and Auditing Procedures (GAAP) poses a significant increase in cost for most of the CISD districts without any real benefit to school districts or the public. We encouraged the committee to drop this provision.

Finally, issues of poverty and wealth need to be more closely examined. The careful balance of meeting the needs of all schools districts will need to be carefully studied to ensure that all students in Kansas have their needs met with fair funding.

In summary, the CISD members believe that this bill is a start in the right direction and has many positive aspects to it. However, as currently drafted we have enough concerns, that as a group we would be neutral on the current version of **SB 294.**