

# 2009 Annual Report

## Encouragement amidst tough economic times



**Julie Manning**  
Board Chair

Education's role as the gateway to realizing one's potential stood out as a beacon among the clouded economic climate of the past year. As unemployment rates climbed, so did enrollment in high schools, community colleges and graduate schools. Unable to find work, or advance in their profession, people opted to re-tool their careers and boost their knowledge and skills.



**Duncan Wyse**  
Interim Executive Director

With students motivated to remain in high school, a rare opportunity emerged for opening doors and opening minds. Out of challenging circumstances, promise grew for learning and for advancing. As U.S. Education Secretary Arne Duncan said in January, 2010, "everyone recognizes that education is not only the path out of poverty for people who have been denied opportunity, but is also the most important foundation to a strong economy."

E3 enjoys a rich understanding of the vital role education plays in Oregon's economic future. Our conviction in the importance of involving employers and entire communities to ensure our students are prepared for the very real challenges of the 21st century is why we bring together educators, employers, and entrepreneurs to support innovative work in education.

2009 opened new doors for E3. The Department of Community Colleges and Workforce Development, which is leading Oregon's **Career Readiness Certificate (CRC) program**, invited E3 as a partner for the statewide launch. René Léger, E3's executive director, is serving as an executive on loan to help guide planning and strong involvement by the business community. Dedicated involvement in the CRC program simultaneously supports education, workforce development and economic development.

Another new initiative in 2009 builds on our recent exploration into **proficiency-based education** and creates two demonstration sites for evaluating best practices and scalability of a collection of practices.

As an incubator for innovative practices, we are especially proud of programs that live on long after our direct involvement ends. **Partnership for Student Success** is a shining example. It came to a successful conclusion in 2009 and leaves a self-sustaining legacy of schools and community leaders who will continue working toward common goals to improve local education.

When the 2009-2010 school year comes to a close, the largest program in E3's history will reach its grand finale that was eight years in the making. The **Oregon Small Schools Initiative** has touched over 25,000 high schools students and dramatically improved graduation rates and achievement results. This is especially so for disadvantaged students, as you will see later in our report. Though the official end of the Initiative will soon be upon us, the journey for our partnership schools has only just begun. They will continue building on the strong foundations laid for professional development, personalized teaching and classroom innovation.

The work of E3 is always accomplished as joint ventures with schools, district leaders, employers and community leaders. We thank you for your continued support and commitment to help provide educational excellence to all students in Oregon.

## A unified education platform E3 and the Oregon Business Council

Since 1996, E3 has pursued its mission to improve student learning and achievement through a variety of innovative programs: advocating for high standards, building partnerships between employers and schools and introducing schools to new education practices.

In 2009, E3 and its affiliate, the Oregon Business Council, came together to forge a unified platform that builds on the unique strengths and focus of each organization.

The motivation was simple. Combining E3's practice-based approach with OBC's policy oriented work in education positions us both to make a deeper impact. The better we understand on-the-ground issues related to specific practices, the better we can formulate policy recommendations characterized by practicality and substance. Similarly, education policy explorations can help shape new pilot programs where theories are tested and vetted.

Working in concert, E3 and OBC engage business and educational leaders from a cross section of Oregon to bring truly innovative solutions. We tackle issues where we can make a unique contribution to improving Oregon's education system by examining the issues from a fresh perspective and relying on data as the ultimate gauge of effectiveness.

## Small schools, big impact Oregon Small Schools Initiative

Time has worked to the advantage of the Oregon Small Schools Initiative and its partnership schools. The Initiative began in 2003, and by 2004 our first wave of small schools were actively restructuring from large comprehensive schools or opening as new starts. The Oregon Small Schools Initiative, with 42 schools in all, became the largest high school reform demonstration project in Oregon's history.

Early indicators hinted at the effectiveness of small high schools in improving graduation rates, lowering dropout rates and advancing student achievement. With the passage of time, however, the Initiative now has trend data that points directly to small schools' role in closing the achievement gap.

Results are especially encouraging for low income students, where their rates for meeting or exceeding state benchmarks in math and reading more than doubled since 2004-2005. In terms of academic achievement, economically disadvantaged



## Oregon's 40-40-20 Vision

During his tenure, Governor Ted Kulongoski laid out a vision for Oregon's education reform that calls for helping each and every student succeed. By 2025 all high school students will graduate and:

**40%** of Oregonians 25 years and older will have a bachelor's degree or higher,

**40%** will have an associate's degree or post-secondary credential in a skilled occupation, and,

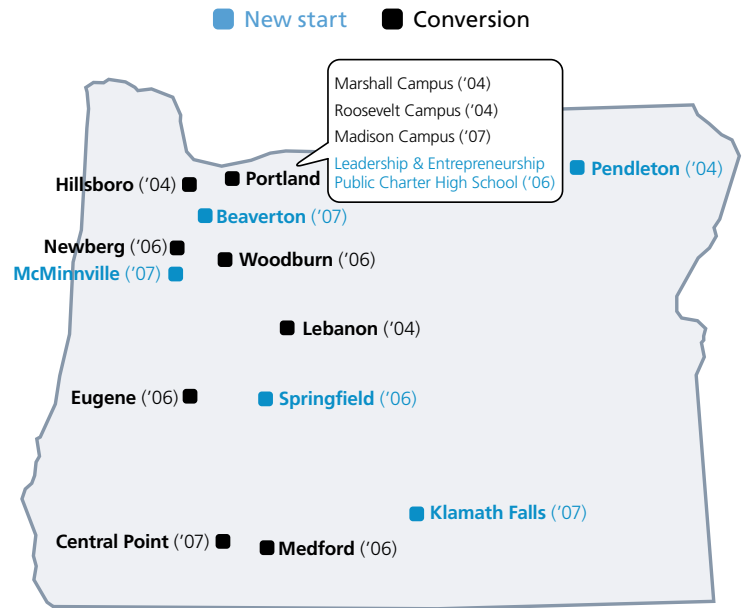
**20%** will have at least a high school diploma representing a high level of academic and work readiness skills.

students at Initiative schools now outperform similar students across the state, as measured by OAKS achievement tests.

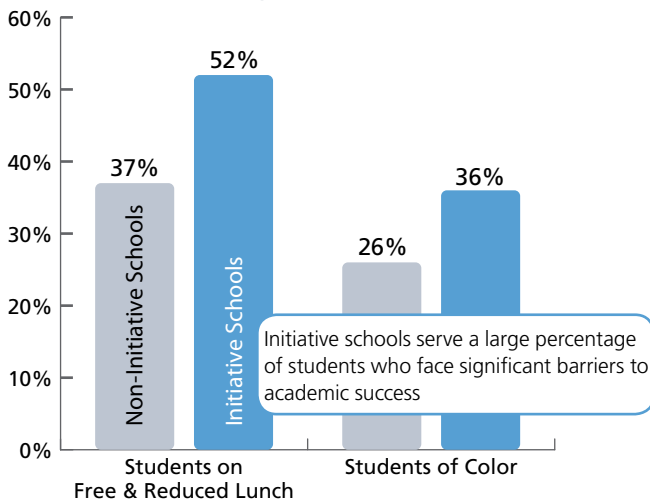
The Initiative concludes in June 2010 with the current class of graduating seniors. The schools themselves are well-positioned for sustainability as small schools going forward, and will build on the foundations already laid for professional development and classroom teaching and learning. Urban schools in Portland are being examined within the larger context of the district's high school redesign effort, and may undergo changes based on new district criteria.

A change effort of this magnitude and with this degree of success wouldn't have been possible without the dedication and commitment of leaders at every level of the schools and the districts. We honor the accomplishments of the schools and celebrate the tremendous difference they made for their communities.

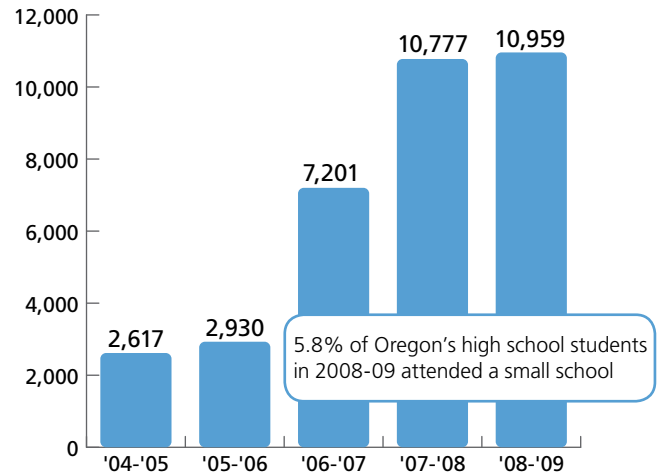
## Making a difference statewide Initiative small high school start dates



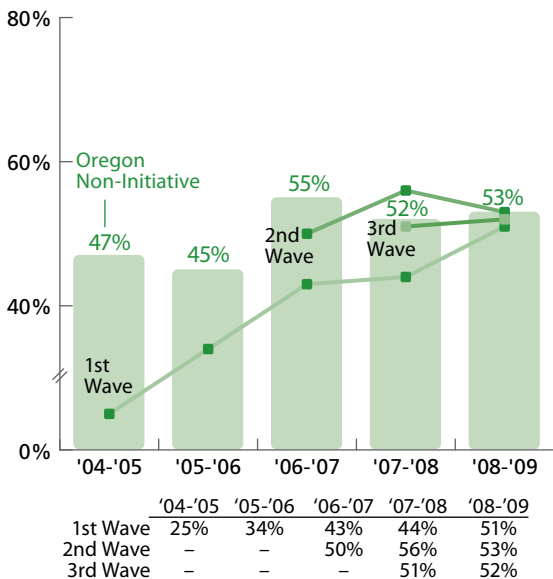
### Student demographics ('08-'09)



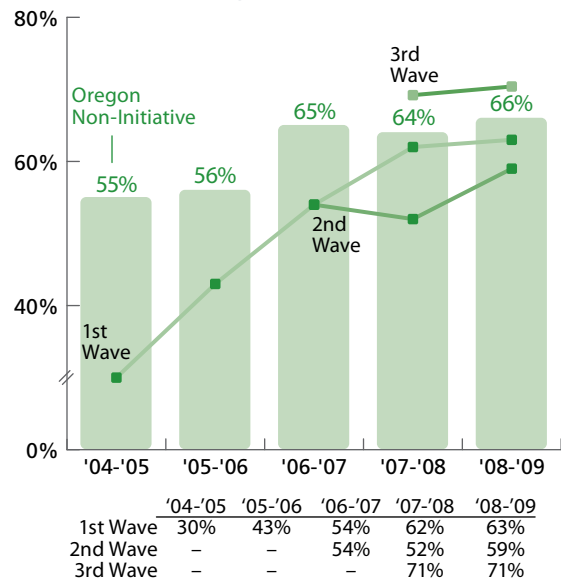
### Enrollment at Initiative schools



### Math Achievement



### Reading Achievement



All data is from the Oregon Department of Education and ECONorthwest. Enrollment includes all Initiative schools as they implemented the model, and excludes planning years.

## Fulfilling a dream



**Taylor Roland, '09**

High school graduation is a celebrated rite of passage. Given the improved graduation rates at partnership schools in the Oregon Small Schools Initiative, even more seniors are arriving at the gateway to higher education, equipped with the tools for success.

Taylor Roland, a graduate of Crater School of Business, Innovation and Science, applied herself to keep a grade point

average of 3.0 or higher. She credits the integrated model of the small school experience with giving her focus.

“For our senior project we had to create a business of our own,” said Taylor. “In English, we wrote the business plan. In physics, we worked on product design and pricing. In Spanish, we wrote a promotional booklet.”

For Taylor, the experience was both fun and practical with the added bonus of a completed business concept and plan that she can utilize in the future.

Taylor’s scholastic performance merited an award from the Crater Foundation as well as a Fairy Godmother Scholarship from the Rogue Valley Manor Foundation, honoring high performing students who overcome significant obstacles. Taylor observed, “they could tell I worked hard. And they said I had a good head on my shoulders.”

In the Fall of 2009, Taylor started Southern Oregon University’s dental hygiene program. With trademark perseverance, she stands to be the first member of her family to earn a four-year college degree as a member of the class of 2014.

“In my first term at SOU, I struggled, but now I’m getting the hang of it. It’s amazing to be in college. Being in a small high school definitely helped. It connected to my interests so I paid attention and learned.”

## Communities with co-pilots Partnership for Student Success

*Partnership for Student Success* was designed by E3 with a clear end in mind – a self-sustaining model for bringing together local employers and educators to tackle issues unique to the school district. Since its inception in 2003, partnerships have formed in fourteen communities spanning the state, from Hermiston to Redmond, Corvallis and Newberg. In 2009, Salem-Keizer’s partnership program was honored with the Oregon Governor’s Volunteer Award in the Outstanding Volunteer Program category. *Ready to Learn – Ready to Work* brought collective recognition to the Salem-Keizer School District, the Keizer Chamber of Commerce and E3.

On the seventh anniversary of *Partnership for Student Success*, E3 concluded its role as facilitator and convener for district and community leaders. However, of the 14 districts that participated in the program, 11 remain active with targeted plans and teams of local volunteers for addressing local education concerns.

Based on the tangible value that communities derived from their involvement, we have archived prototype tools on the E3 Web site as open source material for communities that want to build focused partnerships.

As we reflect on our experience in forming school-employer partnerships, three essential learnings surface. First, employers are eager to help schools, especially when their involvement supports measurable outcomes. Yet while schools welcome the help, there is often a lack of knowledge in where to begin and how to structure the collaboration. Second, setting and tracking quantifiable evaluation measurements is a difficult but critical step for charting direction and keeping employer partners engaged. Third, a hallmark of successful partnerships is strong organization and dedicated resources, including the ongoing engagement of top leadership in schools and at the district.

## Deep dive into promising trends

### Proficiency-based practices

Our affiliate, the Oregon Business Council, through The Education Roundtable, facilitated a concentrated exploration with education leaders in 2008 to identify practices that can significantly improve education in Oregon. Proficiency-based practices emerged as the most promising approach.

In 2009, E3 invited two high schools to participate in a special track of work intended to cultivate an expanded understanding of and expertise in proficiency-based practices. We are partnering with both schools to deepen their proficiency practices during the 2009-2010 school year, accessing skilled resources from the Center for Educational

Leadership at the University of Washington. The project is on track to deliver open-source resources for practitioners in 2010.

The Proficiency Project has also convened a select panel of education leaders from around the state who are learning from the two pilot schools as well as from practitioners from many districts and schools in Oregon who are developing expertise in proficiency-based practices. This policy panel will identify policy options for expanding the scalability of proficiency-based practices in Oregon.

## Aligning resources with performance

### Reforming Oregon's education budget model

One of the barriers to achieving Oregon's 40-40-20 Vision is our state's outdated approach to education budgeting. In an era of tight budgets, it's more important than ever to construct meaningful ways for developing, debating and delivering education budgets to all of our learning institutions.

The Oregon Business Council and E3 are designing a new model of education budgeting that calls for a broad perspective across the entire PreK-20 continuum. Revamped budgets would be unified, transparent, comprehensive, student-centered and performance-based. As Oregon migrates to a new budget model, policy discussions would refocus on the level of investment per student and on learning outcomes, not on institutions.

Such large scale changes to transform the budget system can't happen overnight. In 2009 we continued spotlighting the problems of the existing system and articulating the methods Oregon could deploy in its budget redesign. To give rise to new dialog and spark thoughtful consideration, we will continue to explore budget redesign in 2010 and share our findings with key policy leaders.



## Certifying job readiness Career Readiness Certificates



With the passage of HB 2398, signed into law on July 28, 2009, Oregon joined a growing list of states to offer the Career Readiness Certificate (CRC). For job seekers, the CRC can assess skills, pinpoint specific training needs and measure competency. From the standpoint of hiring managers, the CRC removes layers of guesswork in hiring and promoting while reducing training expense. In 2009, Oregon began 13 pilots as prototypes for broader implementation of the CRC throughout Oregon. By year-end, over 1,000 certificates had been issued.



shape the program. To support statewide design and rollout, E3's executive director, René Léger, stepped into a new role as the executive on loan to provide dedicated leadership and focus, working closely with staff and key partners on planning and implementation of the statewide program.

The Oregon Department of Community Colleges and Workforce Development (CCWD) is leading the charge on CRC. Our experience with developing partnerships between employers and education leaders earned E3 an invitation to partner with CCWD to

The funding stream of \$3.35 million, secured through 2011, will support CCWD plans to implement the CRC program throughout Oregon-cultivating awareness and understanding among employers, and building the delivery system. As the infrastructure comes into place, Oregon will gain a cost-effective system for testing, training and connecting employers with a highly qualified workforce.

## E3 2009 Financial Results

### Revenue

Foundations	\$4,273,001
Corporations	\$408,939
Education Organizations	\$86,500
	<b>\$4,768,440</b>

### Expense

Oregon Small Schools Initiative	\$3,588,885
Proficiency Project	\$783,147
Other E3 Programs	\$262,050
Development	\$78,410
Administration	\$55,948
	<b>\$4,768,440</b>

E3 appreciates the generosity of our funders for the Oregon Small Schools Initiative and the Proficiency Project.



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**Duncan Wyse**  
Interim Executive Director  
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*Special thanks to our board members who completed their service in 2009*

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**Duncan Wyse**  
Interim Executive Director

1100 SW 6th Avenue,  
Suite 1625  
Portland, OR 97204-1017

tel (503) 595-7600  
info@E3oregon.org  
[www.E3oregon.org](http://www.E3oregon.org)

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### Pages 2, 5 and 6:

Students at the Leadership and Entrepreneurial Public Charter High School in Portland, Ore. Photos courtesy of Kat Nyberg.