OREGON EDUCATION INVESTMENT BOARD

Nov. 21, 2011
Tigard High School Library
Tigard, OR

OEIB Members Present
Gov. John Kitzhaber, Chair; Nancy Golden, Chair Designee; Richard Alexander; Yvonne Curtis; Julia Brim Edwards; Matt Donegan; Samuel Henry; Nicole Maher; Mark Mulvihill; David Rives; Ron Saxton; Mary Spilde; Kay Toran; Hanna Vaandering

Advisors Present
George Pernsteiner, Chancellor, OUS; Susan Castillo, Supt of Public Instruction; Camille Preus, Commissioner of Community Colleges; Josette Green, Director, Oregon Student Assistance Commission

Members/Advisors Excused

Staff/Other Participants

Tim Nesbitt	Mgr, Education Investment Proj	Sarah Ames	Communications, Ed Inv. Proj.
Ben Cannon	Office of the Governor	Jan McComb	OEIB Staff Support
Margie Lowe	Policy Ad., Ed Invest Proj.	Todd Jones	Policy Advisor, Ed Invest Project
Dorothy Waller	Office of the Governor	Gary Cordy	Dept. of Justice
		Whitney Grubbs	Gov's Education Policy Advisor

Welcome and Introductions
Governor John Kitzhaber

The Governor called the OEIB to order at 1:11 pm. He welcomed members and visitors. The OEIB nominees were confirmed last week by the Oregon Senate. He introduced additional staff of McComb and Cordy, and noted Nancy Golden would be his designated chair in his absence. Upon request, board members introduced themselves. The Governor introduced the board advisors: Josette Green, Susan Castillo, George Pernsteiner, Camille Preus. He introduced Ben Cannon, his education policy advisor, as well. He thanked Rob Saxton for the loan of the meeting room. He noted that those members of the public that wish to testify may sign up to do so. The meeting is being live streamed.

Opening Remarks: Governor John Kitzhaber
Governor John Kitzhaber

The Governor reviewed his guidance memo to the board.

Achievement Compacts: There has been a good deal of robust input from a variety of groups. Director Saxton and his team have developed a conceptual proposal for the compacts. He recommended that the board take the recommendations and incorporate them into the legislation for the February 2012 session. These compacts will be living documents that change over time. They will provide a two-way framework for accountability between the state and education institutions. In establishing a first iteration of these compacts for 2012-13, he asked the board to consider how compacts might reflect key momentum points across the learning continuum; ensure the compacts align with the requirements of the federal NCLB waiver; address how outcomes and measures might be improved over time; and consider how these compacts can be made meaningful to students, parents, and the public.

Regulatory Relief: With achievement compacts, it will be reasonable to provide education institutions with relief from unnecessary regulatory burdens. Supt. Castillo is leading this work and the OEIB should partner with her and the Oregon Dept. of Education to continue this effort.

Streamlining and Consolidation of Governance Functions: By the end of the biennium, the board needs to identify ways to consolidate boards and executive position such that there is not more than the number that existed in 2010. This is also an opportunity to make the board's decision-making structure more effective, transparent and accountable.

Chief Education Officer: The Governor recommended that the board develop and adopt a position description and that it launch a national search by early December with the goal of filling the position by March 31, 2012.

Outcomes-Based Budgeting: The board will need to define outcomes for the 2013-15 biennium and the ten-year budget plan. He added that he was committed to establishing a sustainable funding baseline and targeting additional resources to meet outcomes.

Longitudinal Database: The goal is to implement the first phase of a statewide database by June 2012, with initial return-on-investment data by that date.

Early Childhood and Early Learning: The board will receive the Early Learning Council's initial report in December.

OEIB Policies and Procedures
Tim Nesbitt, Manager, Oregon Education Investment Project

Nesbitt drew the members' attention to the proposed *Policies and Procedures Manual*. It had been reviewed by Gary Cordy, Assistant Attorney General. He asked for any comments. There were no comments.

MOTION: Alexander moved adoption of the proposed *OEIB Policies and Procedures Manual*; Henry seconded the motion.

VOTE: Hearing no objection, the motion passed unanimously.

Review of Prior Work and SB 909 Work Team Reports
Tim Nesbitt, Manager, Oregon Education Investment Project

Nesbit reviewed the prior work done by the OEIT and other entities and drew the members attention to a summary of reports transmitted to the Governor and the Board. There were four major reports:

1. The Governor's Oregon Education Investment Team report
2. OEIT subcommittee report, "Oregon Learns."
3. Learn Works Report
4. State Board of Education report

He then reviewed a summary of strategies and plan that included next steps for each strategy and an outline recapping the board's thinking to date.

Discussion:

- Whether the full board has discussed the merger of the various boards.
- The OEA recommendation to slow down and have additional conversations.
- Whether some (terminology in the documents that would make it difficult for the Board to engage the public) points of Oregon Learns made sense and whether strategies needed to be vetted further.

- There were concerns and edit recommendations for the Oregon Learns strategy document related to incentive funding that have yet to be addressed.
- Elements will be phased in.
- The need for documents to be understandable to the public.
- That the 40-40-20 report was an initial, brain-storming draft.

Outcomes-Based Investment Strategies
Ron Saxton updated the members on the work done to date by this group. The assignment was to develop a framework and models for outcomes-based investment strategies. To accomplish this, they coordinated with the database work group and the NCLB waiver efforts. They also needed to develop an implementation and communication plan. The recommendation of the group was to base the investments on achievement compacts. The state will enter into agreements with school districts, ESDs, community colleges, and OUS. They have not determined whether OHSU and its sub-entities would be subject to achievement compacts. Each achievement compact will specify the desired outcomes and measures of progress on completion; quality; and connections to the workforce, economy, and community. Achievement compacts will be required as a condition of receiving state funds, beginning with the 2012-13 school year. Data collected will enable comparisons.

Still under discussion are the terminology and definitions of outcomes and measures; how many benchmarks there should be; responses to underachievement; and levels of intervention compacts/improvement plans. The plan for the 2013-14 school year is to develop and require the achievement compacts, based on key outcomes. We need a path to the 20-40-40 Goal by 2025; education institutions will need to improve each year.

There would be no change in funding levels and the School Funding Formula for K-12. 2012-13 would be the baseline year. These ideas will be included in the legislative draft due to Legislative Counsel by Dec. 5, 2011. In 2013-15, the budget process would include both baseline and incentive funding. Progress indicators would be identified by then.

We've worked on what these compacts would look like and they are recommending that the legislature require compacts.

Discussion:
- Whether legislation is needed for achievement compact requirement (yes).
- Whether the compacts idea has been vetted enough such that people on the ground understand what is being asked of them.
- ESDs will present at next meeting.
- Extending achievement compacts to the community and state agencies.
- What steps need to occur to implement achievement compacts.
- Whether the full board would review the different variations of the compacts.

Longitudinal Database
Mark Mulvihill updated the members on the work done to date by this group. In order to measure outcomes, there needs to be a database. The charge has been to provide an integrated, statewide, student-based data system that determines return on investments. This has been a challenge—defining what "return on investment" means and how to measure that. The database work team has coordinated with the achievement compact work team. A key area of support has been the Project ALDER, administered by the Oregon Dept. of Education, which is a pre-K–20 database. The work team has also looked at what other states have done in terms of return on investment. Recommendations are organized by learner group. They have short- and long-term recommendations. The team has a solid, preliminary step. Lots of states have looked at this. There's been some focus on formative assessments, but that not within their short term objective.

Discussion:
- No need for legislation at this time.
- Whether additional funding will be needed.
- Identifying what makes a difference for student achievement.
- Confidentiality issues with student records.
- Different levels of data; work that remains including assessments and training.

Chief Education Officer Recruitment and Search
Julia Brim-Edwards updated the members on the work done to date by this group. They have two work product assignments: recommending a recruitment firm and creating a position description. They have a subset of finalists for the recruitment firm; they will be rating the firms based on written responses, interviews, and reference checks. They will be making a recommendation to the Governor who will make a recommendation to the board. She drew the members' attention to the Draft 8 position description. The position description is being circulated among a wide variety of education stakeholders. This is an opportunity to have a discussion with stakeholders about the positions responsibilities and duties. Some feedback received is that they need a clearer sense of "deliverables" for the position, and identify success factors, both in the build up phase and the sustained phase. The board will take public testimony on the position description at the December 1 meeting, and adopt on December 7. Among the policy questions are the reporting relationships. Changing reporting relationships will require legislative change, but it would be helpful to the team and the prospective chief education officer what the board's expectations are on this issue.

Early Learning Council
Richard Alexander updated the members on the work done to date by this group. The Early Learning Council has been busy preparing its reports by the deadline and are on track to do so. They created five teams: 1) Coordinated System Development; 2) Early Identification; 3) Integrated Support; 4) Accountability; and 5) Governance. At the last meeting, he and Samuel Henry made recommendations about the disbursement of the State Commission on Children and Families responsibilities. Reports will be complete by December 5. They have formed a kindergarten readiness assessment team. National Head Start is adding accountability measures and performance standards. Under the new standards, they expect about one-third of the Head Start centers would fail to measure up. Those that fail would be subject to a "rebid" to see if someone else can do a better job. The long term benefits of Head Start have been debated; research differs.

Discussion:
- Head Start Centers that fail to perform would be subject to further evaluation on the federal level.

Governance Issues
Matt Donegan reviewed the work of he and Mary Spilde have done on higher education governance issues. The State Board of Higher Education identified three major needs for OUS: 1) prepare for achievement compacts between OEIB and OUS; 2) consider proposals from UO and PSU for local boards; and 3) look at centralized v. decentralized services between the campuses and the Office of the Chancellor. There's been a lot of governance work underway for a long time at OUS; they are trying to align that work with the OEIB work. The objectives for his and Spilde's work was to streamline governance and keep the number of boards down. This conflicts with the desire to have local university boards. They are trying to get the function before the form. Community colleges and universities have different governance models and functions; they are trying to optimize between the two. That's a long discussion. They serve different functions. Another major objective is to accelerate the grade 11-14 pathway. Another objective is to ensure the work is supported by the larger legislative objectives for the board.

The recommendation is that, for now, the State Board of Higher Education and State board of Education remain intact. Community colleges should maintain their coordination function. Higher education should maintain its coordination function, but the governance functions continue to be examined. The higher education local boards are moving forward; they are trying to do that in a thoughtful way that coordinates with OEIB objectives. Compacts might be made between OEIB and OUS and OEIB and individual institutions. There's a lot of work to do. He added that he did not think there will be a net increase in the number of boards.

Nesbitt added that an additional challenge is the new Higher Education Coordinating Council; that law takes effect January 1, 2012. There is no funding for the HECC, but a workgroup is looking at that. One idea is that the Chief Education Officer take on the role of the HECC Executive Director until the end of the biennium. They are also looking at better aligning the work of the Quality Education Commission and the Postsecondary Quality Education Commission with the OEIB, along with OSAC's relationship with HECC.

Discussion:

- Whether the full board will discuss governance issues.
- Clarifying roles of boards; desire to streamline.
- Need to analyze the functions of the existing boards, and who will do them in the future, coordination. Some are regulatory functions, some are administrative, some are policy.
- That the legislature will expect some answers regarding consolidation.
- The Early Learning Council is consolidating some existing commissions.
- That a work group be formed to analyze the duties of the various boards and bring something back in January.

Review of OEIB Strategies and Plans

Golden referred the board to the Summary of OEIB Strategies and Plans and asked if board members had any concerns regarding the identified "next steps."

Strategy	Concern/Question/Comment on the Next Steps
1	• Spend some time on poverty issues
2	• That many boards, and many boards not overseen by a Chief Education Officer, would not be a unified system. Are we moving to a big change at some point in the future or not? • Move data base plan to #6.
3	• At what point do we involve other state entities in achievement compacts? The need for a community support base. • Might need to explicitly call out partners, particularly with ELL students, to ensure they have the same success rate, e.g. ELL Collaborative. • The need for more concrete specifics in the report. • Importance to address poverty and ELL issues and be student-centered.
4	• Need to agree on definitions of terms. • "Ready for school" better than "ready to learn"; children are born ready to learn.
5	• The need to identify what state supports are available. • The need to discuss further what Division 22 regulations could be discarded. • The desire to not make it "tighter" (more regulatory) on community colleges. • Whether performance-based funding is part of the "tight-loose."
6	• Highlight database work in this section. • Move wrap around services to #3.
7	• Leadership-professional development area; how a teacher deals with her 25 kids. • Whether calling out proficiency-based learning in a "tight-loose" system is appropriate. When proficiency-based learning is pushed on teachers it doesn't work well. There are many obstacles in implementing statewide. • Add best practices to this section.

	• Whether assessment would be included. • Clarify what "0-20" means. • Capture the idea of individual student growth.
8	• Add that achievement compacts will evolve toward a target of 40-40-20. • That compacts are in partnership with the community, parents, school.
9	• Include incentive grants concept; omit (unknow) details. • #9 and #10 are related.
10	• That the vast majority of funding would be in the stability fund. • Prior discussion to drop "innovation" from grants. • Include flexibility as another result of success, not just funding. • What might work for higher ed might not work for k-12
11	• Whether performance should be "rewarded." "Support" or "invested in" would be better.
12	• Change "Consolidate and streamline governance structures ~~and~~ to improve decision-making."

Other:
- The importance of impact the motivation of individual learners; it likely cuts across many of the strategies.
- The importance of what not the how; the need to communicate to local boards that are concerned about losing local control.
- The need to communicate to students the importance of staying in school; changing culture and expectations across the state.

Nesbitt drew their attention to the "Deliverables in SB 909" page and next steps page.

Report to the Legislature
Tim Nesbitt, Manager, Oregon Education Investment Project

Nesbitt stated that he would bring back to the next meeting an outline of the report and the 12 strategies; those will be interwoven. He will share draft language with the teams. The board still needs to finalize the top-tier of outcomes.

Outreach and Communications
Sarah Ames reviewed the recent communications and outreach efforts. In the meetings staff has attended, people have expressed concern about the board and want to know what the board means to them. She reviewed some of the meetings and one-on-one conversations that have occurred to date. She saw a need to explain to parents and teachers in more specific, concrete terms what the board and its goals means to them. She noted that she has been posting meeting materials and information on the website. There is also an online survey that people can take.

Discussion:
- Whether the board would have its own webpage.

Future Meetings
Tim Nesbitt, Manager, Oregon Education Investment Project

Nesbitt confirmed that the OEIB would meet December 1, from 1:00 – 5:00 pm in the State Board of Education boardroom on the Portland State University campus, Room 515 of the Academics and Student Recreation Center. On the agenda will be the report outline, ESD testimony, public testimony on position description; approve legislative concepts. The Dec. 7 meeting will be held in Salem, at the State Capitol Building, in Hearing Room F, from 1:00 – 5:00 pm. He is currently trying to set January and Feb. dates.

Discussion:
- Adding Cradle-to-Career presentation to future meeting date.
- The possible need for a longer discussion on the Chief Education Officer position description.
- Desire to have information in advance when possible.

Correspondence
Nesbit reviewed the correspondence the board had received:
- A letter from Siwash Resources
- A letter from the American Civil Liberties Union of Oregon
- A letter from the Healthy Kids Learn Better Coalition

Public Testimony
Tom Olsen, Oregon Save Our Schools, testified. He thanked the members for taking on this role. SOS believes there are four essential conditions needed if they are going to reverse the disinvestment in public education (handout).

1. Achieve adequate, equitable state funding for education. What is the explicit state policy toward a quality education as defined by the QEM? Given what we know about poverty effect on learning, what supports are there to address this? Learn Works did not address either question.
2. In high stakes testing used for school and teacher evaluation, the best testing experts have found serious flaws in current assessments. Should the state declare a moratorium on such testing? Should the state replace current assessments with tests that guide instruction? If so, what will that cost?
3. Respect and foster teacher, family, and community leadership in forming public education policies. Given that the OEIB is responsible for policy that affects over 500,000 students, what process will you it use to collect ideas to improve education?
4. Given the states' recent adoption of the Common Core State Standards, what are the parameters for local control of curriculum?

He added that there is great confusion about achievement compacts. What problem does this solve? He advised the board consider the public social context and wait before making decisions. The board should invest in leading a public dialogue over these questions over the next year. He recommended the board hold six regional forums to solicit the public's ideas.

Deb Mayer, Oregon Save Our Schools, testified that every child deserved a great education—one that was locally controlled and fully funded. Nationally, some business leaders have decided that they know how to reform public schools. This board seems to be headed in that direction. That is not in the best interest of the children or taxpayers. States that have tried to implement this kind of change without public input have met fierce resistance. The public needs to know what the board is doing; the board is making decisions that affect every student and every citizen. The taxpayers should know what they will be paying for. It is not about getting "buy-in" from the public; it is about getting ideas from the public. She suggested the board not rush to make legislative changes by February; we don't understand all the ramifications of the proposals, including local boards giving up their autonomy. We also don't know the cost of these proposals. The state is not raising revenue; that means other programs will be cut. It would be in the best interest of the board to let people know what it going on.

Chair Golden adjourned the meeting at 4:10 pm.

OTHER MEETING MATERIALS
The Politics of K-12 Education Reform in Select States
Waivers from State Education Requirements

Illinois Report Card