John A. Kitzhaber, M.D.
Governor

Memorandum

To:	Members, Oregon Education Investment Board
From:	Governor John A. Kitzhaber, M.D.
Date:	Nov. 18, 2011
Regarding:	Implementation of SB 909 and Next Steps for the Board

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Congratulations on your confirmation to the Oregon Education Investment Board and thank you for your commitment to the goal of building a unified public education system in Oregon from early childhood to college and careers.

I greatly appreciate the time you have already committed to our Senate Bill 909 Work Group. Your efforts over the past two months will enable us to meet our reporting deadlines to the Legislature and to put in place the foundation for a transformation of our public education system that is focused on effective teaching and learning and student success at every stage of our education continuum.

Senate Bill 909 (2011) gives our Board the responsibility for ensuring "that all public school students in this state reach the education outcomes established for the state." Further, Senate Bill 253 (2011) established the goal for high school and college completion by the year 2025 that we know as "40-40-20," namely that 40 percent of adults have a bachelor's degree or higher, that 40 percent have an associate's degree or postsecondary credential and that the remaining 20 percent have at least a high school diploma or its equivalent. I see this goal as our North Star for the path we will travel together in the years ahead – a path on which we will be guided by our determination to expand opportunities and achieve the potential of every student in Oregon to strengthen the civic fabric of our society and achieve economic prosperity for our state.

When we convene for our first meeting on Monday, I will ask you to focus on the following priorities.

1. Achievement Compacts. The SB 909 Work Group has devoted considerable attention to the concept of achievement compacts and has received constructive input from the Confederation of School Administrators, the Oregon School Boards Association, the Chalkboard Project, the Oregon Education Association, the American Federation of Teachers, the Oregon Community Colleges Association and from the Oregon University Association, among others. I understand that testimony from the Oregon Association of Education Service Districts has been scheduled for Dec. 1. This outreach and consultation should be continued and expanded in the weeks and months ahead.

   Ron Saxton's work team has developed a conceptual proposal for the compacts that would establish them as a requirement for receipt of state funding in 2012-13 for all 197 K-12 districts, 17 community colleges and the Oregon University System. I recommend that we take up the work team's recommendations and move forward with the goal of establishing incorporating this concept in our legislation for the February 2012 legislative session.

   I view these achievement compacts as new partnership agreements with our educational institutions and as living documents that we will continue to improve over time. These achievement compacts will enable us to:

   - Foster communication and two-way accountability between the state and its educational institutions in setting and achieving educational goals;
   - Establish a mechanism to foster intentionality in budgeting at the local level, whereby local boards would be encouraged to connect their budgets to goals and outcomes; and,
   - Provide a basis for comparisons of outcomes and progress within districts and between districts with comparable student populations.

   With achievement compacts in place, we will be better able to spotlight the "islands of excellence" and best practices that have proven to be most effective in our educational institutions and to better diagnose and intervene to overcome obstacles that are impeding progress in others.

   In establishing a first iteration of these achievement compacts for the 2012-13 school year, I ask that you:

   - consider how the Achievement Compacts might best reflect the findings of Oregon Education Investment Team regarding key momentum points or "learning stages" across the P-20 continuum;
   - ensure that the achievement compacts for K-12 align with the accountability component of the state's No Child Left Behind waiver application;
   - address how the quantifiable outcomes and measures of progress might be improved over time, in partnership with our educational institutions, to best reflect student success and the 40-40-20 goals of SB 253 and,
   - give more thought to how these compacts can be made meaningful to students, parents and the public.

2. Regulatory Relief. As we proceed to establish achievement compacts in 2012-13, it will be reasonable to provide greater flexibility and relief from unnecessary regulatory burdens for our educational institutions. This is consistent with the "tight-loose" model of oversight in which the state will be tight on defining and securing its educational outcomes but loose in how our educational institutions are expected to achieve those outcomes. Senate Bill 800 (2011) made significant progress in reducing outdated and redundant regulations affecting our K-12 school districts. But more can be done to reduce reporting requirements and to continue to review existing regulations for modification, suspnsion or repeal. Work is underway on this issue under the guidance of Superintendent Susan Castillo. I recommend that we partner with the Superintendent and Dept. Of Education to align these efforts with the initiation of achievement compacts, so that school districts are given more leeway to focus their efforts on the goals and objectives of those compacts.

3. Streamlining and Consolidation of Governance Functions. With the creation of our Board under SB 909 and the creation of the Higher Education Coordinating Commission under SB 242 in 2012-13, we have increased the number of education-related boards and commissions and executive leadership positions without yet identifying reductions elsewhere. It is now incumbent on our Board to identify consolidations in our governance structure which can reduce the number of boards and executive directors to no more than the number in existence in 2010 and, preferably, to a lesser number, by the end of this biennium. I believe this is also an opportunity to make our decision-making structure more effective, transparent and accountable as we proceed to build out our oversight of the state's P-20 education continuum with the help of a Chief Education Officer.

4. Chief Education Officer. I recommend that we complete the work undertaken by the work team headed by Julia Brim-Edwards to adopt a job description for the new Chief Education Officer, that we launch a national search by early December and that we make our best effort to fill that position by March 31, 2012.

5. Outcomes-based Budgeting. The Oregon Education Investment Team provided a framework for advancing outcomes-based budgeting in its August report. As we look forward to the budget process for the 2013-15 biennium, I will ask your Board to define outcomes and guide the budget development process for our education continuum in the context of a ten-year planning horizon.

   I am committed to establishing a sustainable baseline of funding for the state's educational institutions going forward and to directing additional resources to achieve the best possible outcomes across the education continuum. In the latter category, it will be important to find ways to incentivize the identification and adoption of best practices and to direct investments to initiatives with the highest returns.

6. Longitudinal Data Base. I look forward to receiving the recommendations of the work team led by Mark Mulvihill so that we can proceed to implement the first phase of a statewide data base by June 2012, with a first look at return-on-investment data for early childhood and our K-12 system by that date.

7. Early Childhood and Early Learning. I appreciate the work underway by the Early Learning Council and the staff and members of the Oregon Commission on Children and Families, as evidenced by the report you received from Dick Alexander, Samuel Henry and Iris Bell at the work Group meeting on November 10, and I look forward to receipt of the Council's initial report early next month.

Clearly, we have much work ahead of us. But I am convinced that the effort and expertise that you have already brought to this effort during the past two months and your continued commitment to our goals will enable us to make the most of what I believe is a once-in-a-generation opportunity to transform our education system and achieve the culture of excellence in teaching and learning that is already evident in so many of our schools and communities. I look forward to joining you in that effort at our first meeting on Monday, November 21.