JOHN A. KITZHABER, MD
Governor

December 1, 2011

Oregon Education Investment Board
155 Cottage Street NE, 3rd Floor
Salem, OR 97302

Dear Board Members:

At our first meeting on November 21, I heard many of you express a range of opinions about how and when to address the governance and management issues inherent in the design and implementation of an integrated state education system from pre-K to college and career. I also heard agreement that form should follow function in the design of the management and governance components of that system. And I am sure that you agree as well that the focus of our educational system should be on student success rather than institutional interests. With these principles to guide us, I recommend that we take the following steps to address and resolve the issues surrounding management and governance in a timely and deliberate manner.

The recommendation in **Section A** below is consistent with the recommendation of the Chief Education Officer Selection Work Team and will enable the Chief Education Officer, when hired, to lead our effort to design and begin to implement the integrated educational system that is so critical to student success.

- As this requires legislative action, I recommend that we approve this proposal as a legislative concept for the February 2012 legislative session and that we do so today to meet the December 5 deadline for such legislation. (On December 7, you are scheduled to approve the job description for the Chief Education Officer. If there is any inconsistency between that job description and this legislative proposal, we can modify our legislative proposal at that time.)

The recommendations in **Section B** below will enable us to pull together across silos and agency boundaries to implement an integrated educational system that provides the investments, direction, coordination and supports our schools need to achieve our goals for high school and college completion and ensure the success our of students in today's economy. This effort should enable us to direct more resources to promote and sustain effective teaching and learning.

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3. The Governor shall resolve any conflicts that may arise with existing boards and commissions which hold the appointing authority over the positions listed in Section 1 (a), (b), (c) and (e) herein.

B. Governance/Management: Functions, Responsibilities, State Boards and Commissions *To be addressed by OEIB as outlined for 2012 and as substantive legislation in 2013*

Recommendation: Develop legislation for the 2013 session to complete the organization of the state's P-20 education system, consolidate boards and commissions and streamline management, and free up resources to support teaching and learning.

1. The Oregon Education Investment Board shall:
   a) Identify the functions needed for the state's P-20 education system, e.g. investment, direction and coordination, and support;
   b) Create a work group of its members and other appointees, including legislators, to oversee the process of building out the functions of the state's P-20 education system in conjunction with the Chief Education Officer;
   c) Determine the top executive and management positions needed to staff the state's P-20 education system;
   d) Determine the boards and commissions needed to optimize the functions of the state's P-20 system;
   e) Report regularly to appropriate legislative committees; and,
   f) Propose the needed statutory changes in executive positions and boards and commissions to fully implement the state's P-20 education system and to maximize its effectiveness.

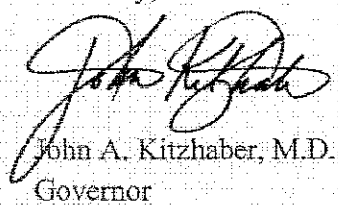
2. The work group shall be guided by the following principles and directives:
   a) Focus on the functions needed (e.g. investment, direction and coordination, and support) in designing the governance and management structures of the state's P-20 education system;
   b) Streamline and consolidate governance and management to improve decision-making and maximize resources;
   c) Commit to a flat organizational structure;
   d) Recognize the independence of local boards and their role in the P-20 education system;
   e) Arrive at one entity for the direction and coordination of the university system; and,
   f) Work within existing resources and free up resources to support teaching and learning.

2. The Chief Education Officer shall consult with the administration, faculty, staff, students and supporters of each university with an interest in an independent board.

3. The Chief Education Officer shall report his/her recommendations for terms, conditions and authorities for university boards to the Governor by September 15, 2012.

4. The Governor intends to submit legislation for the creation of one or more university boards within the state's P-20 education system for submission as a legislative measure to the 2013 Legislative Assembly.

Sincerely,



John A. Kitzhaber, M.D.
Governor

c: Early Learning Council
Oregon State Board of Education
Oregon State Board of Higher Education
Oregon Student Access Commission

JAK/TN