2/7/12 OEIB Meeting
Agenda Items #2- 6
Reviewed at Board Meeting 1/3/12

December 29, 2011

To: Oregon Education Investment Board Members

From: Tim Nesbitt

Re: 10-Year Budgeting Process

This is to provide an introduction to the Governor's Ten-Year Plan for Oregon Project and the development of his 2013-15 budget for the state's education programs. A more detailed presentation on the project has been scheduled for your February 7 meeting.

A preliminary list of the program budgets which will comprise the education category is attached.

The process will begin with the Governor's appointment of a Program Funding Team, comprised of persons external to state government, who will make recommendations to the Governor for what should be funded in the Governor's Recommended Budget for 2013-15.

Given your role as the investment board for education, whose mission aligns perfectly with the Governor's vision for investing in programs by focusing on outcomes, the Governor invites your participation in the following ways:

1. The Governor would like a member of your Board to join the Program Funding Team, if feasible, based on his/her availability and ability to commit the time needed to complete the funding team process (see below);

2. Your Board should continue to work from the outcomes you have adopted and develop key indicators and measures of progress that incorporate our 40/40/20 goals for college and high school completion and can be used to inform the budget building process for the next biennium;

3. Your Board will have the opportunity to provide input and responses to the Program Funding Team; and,

4. Your Board will provide your own recommendations to the Governor on his 2013-15 education program budget separate from the recommendations of the Program Funding Team.

Program Funding Team

Program Funding Teams will be appointed by the Governor to assume oversight of the development of his budget for 2013-15 in seven outcome areas: education; healthy people; economy and jobs; healthy environment; livable communities; safety; and, improving government.

Each Program Funding Teams will be comprised of five members external to state government who have demonstrated expertise and experience in the policies of their assigned outcome area. A majority of team members should be financially independent from the budget process, i.e. not dependent on employment by or funding for a state-funded service provider, and not already involved in the budget process on behalf of state boards or commissions.

Program Funding Team members will be appointed by the Governor in early March, receive training and orientation later that month and commit intensive time to budget development meetings, averaging 15 hours a week, during June and again from mid-September to mid-October.

Please let us know if you are interested in serving in that capacity.

Schedule and OEIB Involvement

The schedule for the budget development process and the access points for your Board are shaping up as follows:

2012 Timeline	Program Funding Team	OEIB
March	Governor appoints Team and directs them to seek input from the OEIB. Training and orientation.	Begins to develop indicators and measures of progress to apply to 2013-15 budget.
April		Finalizes indicators and measures of progress. Identifies promising targets and priorities for investments.
May	Meets with OEIB.	Meets with Program Funding Team to review OEIB's outcomes, indicators and measures of progress and promising targets and priorities.
June	Intensive review of budget requests to set priorities to achieve outcomes. (15 hours per week).	
July-August	Meets with OEIB.	Meets with Program Funding Team for briefing on the status of the Team's work and to provide recommendations to the Team for the final budget recommendations.
Sept. – Oct.	Intensive review of budget requests to develop final budget recommendations for Governor. (15 hours per week from 9/15 to 10/15).	
Oct. – Nov.	Meets with OEIB.	Meets with Program Funding Team for briefing on the Team's final recommendations to the Governor. OEIB provides its own recommendations to the Governor as needed.