LETTER OF INTEREST

STATE OF OREGON CHIEF EDUCATION OFFICER

The following represents material terms for your employment as Chief Education Officer to be recommended by the Office of Governor John Kitzhaber to the Oregon Education Investment Board.

If the Oregon Education Investment Board offers to appoint you to this position, you confirm hereby your interest in accepting this position on the following terms. Until formal written offer and acceptance by the Oregon Education Investment Board and you occurs, no contract of employment exists.

Salary: $280,000 per year, less applicable taxes and withholdings, paid in accordance with the State of Oregon's normal payroll practices.

Benefits: You will be eligible to participate in the benefit package available to State of Oregon employees which includes medical, dental and life insurance, retirement (through the Oregon Public Employees Retirement System), vacation and sick leave accruals. Upon employment, you will receive a one-time allotment of additional vacation time of 160 hours.

Allowances: You will be provided with a relocation allowance, based on actual expenses not to exceed $30,000 for moving personal property from your current residences. You will also be provided a car allowance of $1,000 per month.

Duration of Appointment: Your service will commence on July 1, 2012 and continue until June 30, 2015, with a decision to renew or not renew the contract one year prior to expiration.

Status: This position is an unclassified service position as defined in ORS 240.205, appointed by the Board. If an offer of employment is extended and you accept it, you will voluntarily enter into an employment relationship with the State of Oregon/Oregon Education Investment Board, and will be subject to the standard terms applicable to the unclassified service except as specifically modified by this agreement.

Your appointment shall be considered "at-will," allowing either you or the State of Oregon/Oregon Education Investment Board to terminate the employment relationship at any time, with or without reason. Without waiving the "at-will" relationship, you agree to give the Oregon Education Investment Board at least thirty (30) days' written notice of any voluntary resignation. A resignation results in no obligation of the Oregon Education Investment Board for any pay or benefits beyond those owing based on actual time worked.

Also, without waiving the "at-will" relationship, the Oregon Education Investment Board will provide termination pay for the remainder of the duration of the appointment specified above, not to exceed one year's salary, in the event of termination of the employment relationship other than through voluntary resignation or termination for cause. For the purposes of this document "cause" means actions that are contrary to the interests of Oregon, gross negligence or willful malfeasance, materially detrimental to the interests of the Oregon Education Investment Board

or actions taken that are criminal, fraudulent or involve dishonesty or moral turpitude or a prolonged absence from your duties as Chief Education Officer greater than 30 days.

Mandatory Arbitration: Any disputes, whether or not arising in contract, tort or otherwise or whether provided by statute or common law by you or the Oregon Education Investment Board will be settled through binding arbitration. An arbitrator will be selected from a list provided by the American Arbitration Association and the rules therein will govern the arbitration process. Arbitrator fees and expenses shall be paid by the losing party. All other expenses shall be borne exclusively by the party requiring the service or item for which payment is to be made.

Outside Employment: As Chief Education Officer, it is expected you will devote such amount of business time necessary to effectively discharge the authority, duties and powers associated with this position. However, we recognize you may undertake outside activities or accept consultation duties for additional remuneration. These activities are subject to the principle that your primary professional loyalty is to the full-time duties of the Chief Education Officer. Outside duties cannot interfere with or be in conflict with the loyalty or energy expected as you perform your duties. All outside consultation or professional obligations in which you are currently engaged or may be engaged in the future must be approved in advance by the Oregon Education Investment Board. The decision of the Oregon Education Investment Board is final and in their sole discretion. As you perform outside professional activities or consultation duties you must make clear to all you are acting in your individual capacity and are not speaking, writing or acting in the name of the State of Oregon or the Oregon Education Investment Board.

This Outside Employment provision is subject to the Oregon Ethics Law (Ch 244) which limits any source of financial gain or the avoidance of financial detriment for public employees, to those gains or detriments that do not exist by virtue of holding public office or employment. Those same limitations apply to relatives and members of the household of the Chief Education Officer. The Oregon Ethics Law provides for exceptions, and those exceptions are permitted for the Chief Education Officer. Other than activities or services permitted by the Board, the Chief Education Officer shall not render services of a professional nature to or for any person or firm for remuneration other than to the Board.

Any outside activities cannot involve the use of state property, facilities, equipment, or services, except in limited circumstances when approved in advance by the Board. In order to minimize the administrative burden of prior Board approval of each circumstance of outside employment, the Chief Education Officer may submit a request for approval of a specific category of outside remuneration, such as honoraria, so long as the request adequately describes the circumstances and limitations on the future expected, but presently unknown, source of the remuneration.

The Governor will recommend to the Oregon Education Investment Board that your employment as President of Revolution K-12 be approved pursuant to the terms and conditions outlined in the memorandum of May 25, 2012 (attached hereto) and that your services for other entities be approved pursuant to the terms of that same memorandum. The Governor's recommendation is subject to the condition that any source of outside compensation be deemed compliant with

Oregon Ethics Law requirements after consideration by an appropriate representative of that agency.

Confidentiality of Information: As Chief Education Officer, you will have access to confidential information. During and after the termination of your employment as Chief Education Officer, you may not directly or indirectly disclose or use any such information unless permitted in writing by the Oregon Education Investment Board.

As noted earlier, this Letter of Interest is not an agreement of employment but rather a list of those conditions that would become part of an employment agreement and thus require you advance consideration.

For the Office of the Governor:	For the Candidate:
Tina Nisbet	
Signed	Signed
5/30/12	5/30/12
Date	Date

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