



John A. Kitzhaber, MD, Governor

**OREGON EDUCATION
INVESTMENT BOARD**

Dr. Nancy Golden,
Chief Education Officer

**OREGON DEPARTMENT
OF EDUCATION**

Rob Saxton, Deputy Superintendent
of Public Instruction

January 24, 2014

The Honorable Senator Richard Devlin, Co-Chair
The Honorable Representative Peter Buckley, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the Request:

Senate Bill 5518 (2013) established the budget for the Oregon Department of Education (ODE). Included in the budget report for this bill was a direction to report during the 2014 legislative session on the implementation of the strategic initiatives established by House Bills (HBs) 3232 and 3233 (2013).

Specifically the budget note specified that:

The Oregon Education Investment Board, the Oregon Department of Education and other education-related agencies are directed to report to the Joint Committee on Ways and Means during the 2014 legislative session on the progress of implementing the education strategic initiatives and the Network for Quality Teaching and Learning.

The Oregon Education Investment Board (OEIB) and the Oregon Department of Education (ODE) respectfully request the Joint Committee on Ways and Means acknowledge receipt of the report required by this budget note.

Agency Action:

HB 3232 (2013) Strategic Investments

HB 3232 directs the Oregon Education Investment Board to design, implement and report on programs that make strategic investments in three areas:

- Oregon Early Reading Program
- Guidance and Support for Post-Secondary Aspirations Program
- Connecting to the World of Work Program

The OEIB is charged with developing timelines, performance measures and other requirements related to the accumulation and evaluation of data collected in relation to the programs. The Department of Education, Oregon Student Access Commission, Department of Community

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Colleges and Workforce Development and Oregon Arts Commission are directed to administer the programs within the strategic investments.

The total appropriation to all agencies for HB 3232 was \$29.3 million. However, the Legislature held back two percent of this amount, which has not been expended by the agencies.

HB 3233 (2013) Network of Quality Teaching and Learning

HB 3233 establishes the Network of Quality Teaching and Learning, which provides funding for a comprehensive system of support for educators that creates a culture of leadership, professionalism, continuous improvement and excellence for teachers and leaders across the P-20 system.

The Oregon Education Investment Board is directed to support the network and establish accountability systems for the network. The Oregon Department of Education is directed to support the network, disseminate best practices and distribute grant and contract funds to school districts, community colleges, post-secondary institutions, providers of early learning services and nonprofit organizations.

The total appropriation to the Oregon Department of Education for HB 3233 was \$45 million with \$33 million transferred from the State School Fund and \$12 million transferred from the Common School Fund by vote of the State Land Board.

Progress to Date

After enactment of the legislation, the OEIB and ODE established an aggressive timeline for distribution of the grants and contracts related to strategic initiatives. HB 3232 and 3233 became law on July 25, 2013 and the first award letters to recipients of the first grant awarded under this legislation were sent on August 29, 2013. Additionally, the agencies have sent award letters to recipients of 12 of the grants or contracts and an additional 19 grants and contracts are in process.

The budget note directed the agencies to include in the report other specific information relating to HB 3232 and 3233. Two of these areas relate to the individual program areas and the grants and contracts awarded in these areas. The Department of Education made a progress report to the House Education Committee in September and the Interim Ways and Means' Education Subcommittee in November 2013. Additionally, the OEIB presented information about HB 3232 and 3233 to the Senate Education Committee in September 2013. Further details about these program areas that specifically address the budget note will be presented in our report to the Joint Ways and Means Education Subcommittee during the February 2014 session.

The third area of the budget note asked for recommendations regarding changes in law or practice. Currently, the OEIB is engaging in a process to determine areas for strategic investments and anticipates that it will have recommendations for the 2015 legislative session. At this time the agencies are not recommending any amendments in 2014 to either HB 3232 or 3233. However, the agencies have requested through other reporting required to the Joint Committee on Ways and Means that the Legislature restore the two percent of the total appropriation for HB 3232 that was held back.

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As part of the progress reports to the legislative committees, the Department of Education has identified some practices that it adjusted based on stakeholder input. For example, time periods for RFP responses were extended to give grant applicants adequate time to respond. Our February report will contain additional information about agency grant award practices that were adjusted based on stakeholder input. However, none of these practice changes required changes to law by the Legislature.

The fourth area of the report asked for information about the transfer of funding between program categories. To date, there has been no transfer of funding between the program funding categories specified in the budget report.

Action Requested:

The OEIB and ODE respectfully request the Joint Committee on Ways and Means acknowledge receipt of the report on the strategic initiatives required by the budget note to SB 5518.

Legislation Affected:

None.

Sincerely,



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