

SB 5522 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: Doug Wilson, Legislative Fiscal Office

Chief Education Office

2017-19

PRELIMINARY

Budget Summary*

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 13,360,803	\$ 9,982,404	\$ 4,022,118	\$ (9,338,685)	(69.9%)
Total	\$ 13,360,803	\$ 9,982,404	\$ 4,022,118	\$ (9,338,685)	(69.9%)

Position Summary

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved
Authorized Positions	20	19	13	(7)
Full-time Equivalent (FTE)	18.25	18.50	6.40	(11.85)

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Emergency Board

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 3,972,118	\$ 3,972,118	100%
Total	\$ -	\$ -	\$ 3,972,118	\$ 3,972,118	100%

Summary of Revenue Changes

The Chief Education Office (CEdO) is funded entirely with General Fund.

Summary of Education Subcommittee Action

CEdO coordinates with education stakeholders to establish a unified public education system with statutory direction regarding office duties and entities with whom collaboration should take place. CEdO is given authority for direction and control over the Deputy Superintendent for Public Instruction, the Executive Director of the Higher Education Coordination Commission, the Early Learning Systems Director, the Youth Development Director and the Executive Director of the Teacher Standards and Practices Commission for matters related to design and organization of multi-agency planning. The Chief Education Officer hires and manages agency staff. The statutory authority for CEdO is scheduled to sunset on June 30, 2019. CEdO includes the Statewide Longitudinal Data System (SLDS) project, which is intended to provide a research tool and data source to measure the effectiveness of various educational investments and the overall education system. The goal is to

have the data system include information on programs from pre-early learning through college/post-secondary, and to tie student information with employment related data in order to measure outcomes.

The Subcommittee approved a budget of \$4,022,118 General Fund and 13 positions (6.40 FTE), reduced from the 2015-17 Legislatively Approved Budget by 69.9 percent and the 2017-19 current service level by 59.7 percent, respectively. This \$4.0 million budget is for the first year of the biennium. A \$3,972,118 General Fund Special Purpose Appropriation to the Emergency Board is included in the bill for the costs of the CEEdO for the second year of the biennium. The Subcommittee approved the Base budget and essential packages and the following items:

Package 801, LFO Analyst Adjustments. This package makes the following adjustments to the current level of service, resulting in a total reduction of \$1,988,168 General Fund/total funds and six positions (5.75 FTE). Other than the elimination of a vacant SLDS Solutions Architect, the project' budget is not changed. The reductions to the non-SLDS portion of the CEEdO budget total is \$1,703,670 and making the following adjustments:

- Eliminates the Interagency Policy Research Director, Board Administrator, Research Assistant for the Innovation Officer, the Statewide Longitudinal Data System Solutions Architect and an Executive Support Specialist, beginning July 1, 2017. These actions save \$1.1 million General Fund.
- Phases-out the Operations Director after six months, resulting in a 0.75 FTE reduction. This action saves \$155,319 General Fund.
- Reclassifies a Research Analyst 3 position to a Research Analyst 4 position following a Department of Administrative Services review of duties. This action increases the position cost by \$8,771 General Fund.
- Eliminates Services and Supplies associated with the position reductions, saving \$144,000 General Fund.
- Moves CEEdO to a less expensive space in the Public Services Building, saving \$176,849 General Fund.
- Eliminates Regional Achievement Compact support and reduces convening funding for a total savings of \$408,838, leaving \$541,162 for these activities.

These adjustments provide a total budget of \$7,994,236 and 13 positions (12.75 FTE). The following table identifies the budget by program.

\$ millions	General Fund	Positions	FTE
SLDS			
PS	1,058,722	4	4.00
Services and Supplies Standard	2,056,780		
Subtotal	3,115,502	4	4.00
General Program			
PS	2,863,749	9	8.75
Services and Supplies Standard	1,473,823		
Services and Supplies Convenings	541,162		
Subtotal	4,878,734	9	8.75
CEEdO Total	7,994,236	13	12.75

Package 802, Review Purpose and Role of Education Office. This package divides the remaining budget into two parts, with the first part appropriated directly to the agency for a year of operations and the second part established in the Emergency Fund as a special purpose appropriation. The first year includes \$50,000 of one-time moving costs. Passage of this package will allow the Legislature and other policy makers to determine what the proper role of the agency is to be, as well as where the long-term home of SLDS will be. In addition, there are ongoing discussions on the structure of education governance. Under current law, CEo is scheduled to sunset at the end of the 2017-19 biennium. The following table identifies the budget by program:

\$ millions	General Fund		
	Year 1	Year 2	Total
SLDS			
PS	529,361	529,361	1,058,722
Services and Supplies Standard	1,028,390	1,028,390	2,056,780
Subtotal	1,557,751	1,557,751	3,115,502
General Program			
PS	1,431,875	1,431,874	2,863,749
Services and Supplies Standard	761,911	711,912	1,473,823
Services and Supplies Convenings	270,581	270,581	541,162
Subtotal	2,464,367	2,414,367	4,878,734
CEo Total	4,022,118	3,972,118	7,994,236

The second year of funding, \$3,972,118 General Fund, is established as a Special Purpose Appropriation to the Emergency Board.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Chief Education Office
 Emergency Board
 Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ 13,360,803	\$ -	\$ -	\$ -	\$ -	\$ -	13,360,803	20	18.25
2017-19 Current Service Level (CSL)*	\$ 9,982,404	\$ -	\$ -	\$ -	\$ -	\$ -	9,982,404	19	18.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - Chief Education Office									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ (1,258,481)	\$ -	\$ -	\$ -	\$ -	\$ -	(1,258,481)	(6)	(5.75)
Services and Supplies	\$ (729,687)	\$ -	\$ -	\$ -	\$ -	\$ -	(729,687)		
Package 802: Program Enhancement									
Personal Services	\$ (1,961,235)	\$ -	\$ -	\$ -	\$ -	\$ -	(1,961,235)	-	(6.35)
Services and Supplies	\$ (2,010,883)	\$ -	\$ -	\$ -	\$ -	\$ -	(2,010,883)		
TOTAL ADJUSTMENTS	\$ (5,960,286)	\$ -	\$ -	\$ -	\$ -	\$ -	(5,960,286)	(6)	(12.10)
SUBCOMMITTEE RECOMMENDATION *	\$ 4,022,118	\$ -	\$ -	\$ -	\$ -	\$ -	4,022,118	13	6.40
% Change from 2015-17 Leg Approved Budget	(69.9%)	0.0%	0.0%	0.0%	0.0%	0.0%	(69.9%)	(35.0%)	(64.9%)
% Change from 2017-19 Current Service Level	(59.7%)	0.0%	0.0%	0.0%	0.0%	0.0%	(59.7%)	(31.6%)	(65.4%)

*Excludes Capital Construction Expenditures

Emergency Board

Description	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Special Purpose Appropriation for Chief Education Office 2nd Year Expenditures	\$ 3,972,118	\$ -	\$ -	\$ -	\$ -	\$ -	3,972,118		
TOTAL ADJUSTMENTS	\$ 3,972,118	\$ -	\$ -	\$ -	\$ -	\$ -	3,972,118		
SUBCOMMITTEE RECOMMENDATION*	\$ 3,972,118	\$ -	\$ -	\$ -	\$ -	\$ -	3,972,118		

Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Chief Education Office

Mission Statement:

Build and coordinate a seamless system of education that meets the diverse learning needs of every Oregonian from cradle to career.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. Percentage of students not chronically absent - 6th grade.		Approved	87%	92%	92%
2. Percentage of students not chronically absent - 9th grade		Approved	82%	87%	87%
3. Increase the percentage of educators who are culturally and linguistically diverse		Approved	10.20%	22%	22%
4. CUSTOMER SERVICE - Increase the percentage of stakeholders who rate the quality of the research and policy service as "great" or "excellent"		Approved	63%	70%	75%
5. Customer Service - Increase the percentage of customers who rate agency service as "great" or "excellent"	Helpfulness	Approved	76%	80%	80%
	Availability of Information		56%	80%	80%
	Expertise		70%	80%	80%
	Timeliness		60%	80%	80%
	Accuracy		66%	80%	80%
	Overall			66%	80%
1. Increase reading readiness for students entering kindergarten		Legislatively Deleted	17.70	25	TBD
4. Increase the number of high schools offering college credit		Legislatively Deleted	221	220	TBD
5. Increase the number of systemic educational barriers identified and addressed		Legislatively Deleted	No Data	15	TBD
6. Increase the percentage of college and university graduates employed within 1 year		Legislatively Deleted	No Data	77%	TBD
9. BEST PRACTICES - Total best practices met by the OEIB		Legislatively Deleted	No Data	TBD	TBD

LFO Recommendation:

The agency is proposing to five KPMs. Four of them have similar measures in one of the other education agencies and are more appropriately placed in those agencies where their programs are specifically scoped to what the KPM is measuring. The fifth KPM is the Best Practices KPM which all Boards and Commissions are to measure as a KPM. Since the Oregon Education Investment Board or OEIB was abolished, the Chief Education Office does not need this KPM.

The remaining KPMs more clearly measure the activities of the Office. Targets have been updated on all other measures.

SubCommittee Action:

Approve the LFO recommendation.