

**EXECUTIVE COMMITTEE
AGENDA**



May 1, 2024
2:00 – 4:00 pm EDT
Meeting Location: <https://us02web.zoom.us/j/89619526615>

2:00 – 2:10 pm **Welcome and Overview of the
May Quarterly Board Meeting
Agenda**
*The Honorable Beverly E. Perdue,
Chair*
*Lesley Muldoon, Executive
Director*

2:10 – 2:30 pm **Executive Director Update and
Strategic Vision Refresh** *Attachment A*
Lesley Muldoon

2:30 – 2:50 pm **NAEP Budget Update (CLOSED)**
Peggy Carr
Dan McGrath

2:30 – 3:30 pm **NAEP Cost Structure Review
and Contracting Update
(CLOSED)**
*Peggy Carr, Commissioner,
National Center for Education
Statistics*
*Dan McGrath, Delegated Authority
of Associate Commissioner,
National Center for Education
Statistics*

3:30 – 4:00 pm **NAGB Budget Update (CLOSED)** *Attachment B*
Lesley Muldoon

4:00 pm

Adjourn
Beverly Perdue

Attachment A

Updates on the Ad Hoc Committee on Generative AI

The Governing Board will convene an Ad Hoc Committee on Generative Artificial Intelligence (AI) to engage Board members on an ongoing basis regarding advancements in AI and the potential opportunities and impacts for NAEP. The committee will help define the Board's AI agenda, and resulting activities will take place at the standing committee level with full Board engagement at key junctures.

Membership

The committee will be comprised of 10 Board members representing all Board standing committees, and with varied professional roles and experiences. In addition, the Commissioner of the National Center for Education Statistics (NCES) will serve as an Ex Officio member of the committee, given the intersection between the committee's work and the operations of NAEP.

- Lisa Ashe, Curriculum Specialist
- Shari Camhi, Local Superintendent
- **Suzanne Lane, Testing Expert (Vice Chair)**
- Scott Marion, Testing Expert
- Reginald McGregor, Business Representative
- Beverly Perdue, Governor (Democrat)
- Julia Rafal-Baer, General Public Representative-Parent Leader
- **Ron Reynolds, Non-Public School Leader (Chair)**
- Nardi Routten, 4th Grade Teacher
- Willy Solano-Flores, Testing Expert
- Peggy Carr, NCES Commissioner Ex-Officio member

Next Steps

The committee will meet for a planning meeting on May 6. This meeting will be an opportunity to review the chair's proposed charge to the committee prior to the May quarterly Board meeting; to discuss the structure, logistics, and expectations of committee activities; and to describe plans for AI sessions at the May quarterly Board meeting.

Though the committee members together have vast knowledge of NAEP, the members are not AI experts themselves. Therefore, a key aspect of the Ad Hoc Committee will be to engage with external experts to a) learn about cutting-edge AI technologies that have the potential to impact NAEP; b) understand the federal and state policy and regulatory landscape surrounding AI to ensure NAEP policy and guidance are aligned; and c) help identify areas for which NAEP policy should incorporate AI.

Board staff have started the process of identifying external experts who can contribute to the next phase of the Board's work on AI.

- NAEP and NCES jointly submitted an application to the U.S. Digital Services to seek AI support for the NAEP program. Pending the outcome of this proposal, staff are also exploring potential consultants to provide expert AI support to the Committee.
- Board staff have also reached out to individuals within the U.S. Department of Education and have plans to meet with the Department's Chief AI Officer and leaders in the Office of Educational Technology in May.
- Andreas Schleicher of OECD will present to the Board at the May Quarterly Meeting on work he is undertaking with AI at Programme for International Student Assessment (PISA).
- Staff are also working to set up meetings with AI professionals to help us identify individuals who could serve on an AI Expert Panel and offer demonstrations and presentations on relevant AI technologies to the Board.

Attachment B

NAGB Budget Update

May 1, 2024

Background

The Governing Board’s funding is appropriated by Congress annually, and our “line item” in the budget is separate from other funding in the Department of Education. All of our funds—salaries, expenses, contracts, etc.—are funded from one line item, unlike many government agencies that receive separate funds for staffing and for programmatic activities. We are also fortunate to have “two-year money,” which allow us to carry over unspent funds from one fiscal year into the next; if it was not spent within two years, it would be returned to the Treasury.

From Fiscal Year (FY) 2017 to FY2024, the Board’s budget was constant at approximately \$7.74 million. Prior to that, the Board’s budget was approximately \$8.25 million annually from FY2009 to FY2016.

Despite flat (or decreased) funding during that time, costs increased annually for staff salaries/benefits as well as for Department-wide IT services. This effectively meant that, over nearly 15 years, a smaller share of the total annual budget was available for contracts to support the Board’s legislative mandate¹; yet given the fiscal environment, the Board did not request additional funding and instead staff carefully managed contracts and spending to stay within the annual appropriation.

By FY2023, the increase in fixed costs for staffing, IT, rent, etc. over time had begun to impact the availability of funds for other priorities—including potentially limiting the Board’s ability to pursue planned updates to NAEP assessment frameworks in Writing, Civics, and U.S. History. For FY2023, Board staff, with support from Chair Perdue and Vice Chair Peisch, requested an increase in NAGB’s annual appropriation for the first time in more than a decade.

FY2023 appropriations for NAGB included a nominal increase of approximately \$50,000 to help offset some of those increasing fixed costs. Separately, the Board determined it would be preferable to defer planned updates to the NAEP Writing Assessment Framework given advances in generative artificial intelligence and the impact on writing instruction and assessment, which effectively reduced the risk of a potential budget deficit in future years but did not eliminate the need for an increase in annual funding.

Table 1: Summary of NAGB Appropriation FY2015 – FY2024

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<i>Appropriation (Millions \$)</i>	TBD	8,300	7,799	7,745	7,743	7,743	7,745	7,745	7,745	8,232	8,235

Current Fiscal Year

Congress passed the FY2024 budget in March 2024, and it contained an **increase of \$501,000** for the Governing Board, bringing our annual budget from approximately \$7.8

¹ For example: contracts to support the development of new or updated NAEP assessment frameworks, setting or reviewing achievement levels, strategic communications activities, Report Card releases and other events, management of the NAGB.gov website, technical assistance needed to inform Board deliberations on various topics. An overview of current NAGB contracts will be shared on May 1 Executive Committee call.

million to \$8.3 million. The additional funding will support continued work on updates to the NAEP assessment frameworks and communications and outreach work ahead of the next Nation's Report Card.

Other provisions of interest:

- The bill did not include the Board's request to delay the 2026 assessment to 2027.
- The bill also directs the Governing Board and NCES to report to Congress within 90 days of enactment on plans for upcoming NAEP Civics assessments, reflecting Congress' consistent, persistent interest in this subject.

Moving Forward

On the Executive Committee Call, Executive Director Lesley Muldoon will share more insight into the Board's budget plans, including some context on the share of the annual budget for different types of expenditures and plans and projections for FY2024 and FY2025. She will also discuss a proposal to form a finance subcommittee, which would meet periodically with staff to provide input into the annual NAGB budget request and annual spending plans.

Later this spring and summer, the Department of Education will start the process of developing the FY2026 budget request. Board discussions in the May and August meetings will inform priorities for the budget request for the Board – and NAEP more broadly.