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Information

Fiscal Policy and Planning Committee

Update on the Commission's 2004-05 Budget

AGENDA INSERT

Executive Summary: This agenda item is intended to inform the Members of the Commission on the salient points of the Commission's portion of the 2004-05 Budget.

Recommended Action: Information

Presenter: Leyne Milstein, Director, Information Technology and Support Management Division

Update on the Commission's 2004-05 Budget

Introduction

This item is intended to inform the Members of the Commission on the salient points of the Commission's 2004-05 Budget.

Background

At the time this agenda item was prepared, there were no significant developments relative to the Commission's 2004-05 budget. However, the Governor signed AB 3001 (Dymally, Goldberg, et al, Statutes of 2004) on September 29, 2004, which makes the following changes to current law:

- **Reciprocity:** Requires the Commission to waive certain credentialing requirements for out-of-state trained teachers seeking a California teaching credential, provided the Commission determines the candidate has completed requirements that are at least comparable to those specified requirements.

To make the comparability and equivalency determinations specified in this legislation, the Commission will need to conduct a comprehensive study that would investigate 1) the comparability of the basic skills proficiency examinations used by licensing bodies in other states and to determine 2) the comparability of programs for new teachers that are equivalent to a fifth-year program or induction program that must be completed as part of the requirements for a Professional Clear teaching credential in California.

- **Reporting:** Requires the Commission to report on the percentage of the total number of individuals serving as teachers on preliminary or professional clear credentials and English language development certificates. (The Commission currently does not maintain this data.)

Requires the Commission update the credential database to reflect the credential information of every teacher currently employed in California's public schools (Life credential holders, who were issued credentials prior to February 1989 and have not had contact with the Commission since that time, are not in the Commission's database but in microfilm jackets). By linking the Commission's data to the California Department of Education data the State should have a teacher workforce data system to satisfy the reporting requirements in AB 3001.

Given the Commission's current fiscal and personnel constraints, specifically, that workload has significantly outpaced available staff resources; the Commission cannot absorb the workload associated with the implementation of this measure. As such, staff has prepared the following Budget Change Proposal (BCP) concepts that will be developed into full BCPs to request funding and personnel resources to address the workload associated with the implementation of

this measure. Consistent with Department of Finance Budget Letter 04-07, for bills enacted after August 31, 2004, BCPs must be submitted no later than 10 working days after the chaptering of the bill.

Briefly, the BCP proposals include the following:

- **Reciprocity:** This proposal includes a current year request of \$601,000 and one position (Consultant (Evaluation & Research) from the General Fund to conduct the comparability and equivalency studies required by this legislation. Because the Commission will have ongoing costs associated with maintaining the currency of its comparability data, the Commission is seeking an ongoing appropriation of \$301,000 from the General Fund and one position to maintain the comparability and equivalency studies on an ongoing basis as required by AB 3001.
- **Reporting:** This proposal requests \$155,000 from the General Fund for two two-year limited term Program Technician IIs and one Office Assistant (General) to convert credential information currently stored on microfilm into the Commission's database.

Both of these proposals request funding from the General Fund as the implementation of this measure is the obligation of the State to uphold the *Williams vs. State of California* settlement agreement which rests with the people of California and should be financed through revenues collected from taxpayers. Further, improving access to qualified teachers will now be part of the State's Master Plan for Education and is a public good that should be paid for with public funds.

With respect the reciprocity study, the fees paid by in-state credential candidates help pay for the development and ongoing administration of the examinations required for licensure to ensure that the Commission's examination programs remain valid, reliable, and legally defensible measures of candidate skill and knowledge before they enter California's public school classrooms. It would be inappropriate and unreasonable to ask in-state candidates to fund, through their fees, a study that would not directly serve this reinvestment process. Further, there is a precedent for funding this work through the General Fund. Earlier comparability studies, mandated by AB 877 (Scott, Statutes of 2000) were funded by the General Fund.

Finally, as has been reported at nearly every Commission meeting since August 2003, because of declining revenues, the Teacher Credentials Fund, which provides the primary operating revenues for the Commission through revenues generated through credential fees, is unable to support the work required by AB 3001 absent an increase in the credential fee.

The BCP concepts are attached for your review. Staff is available to answer any questions the Members of the Commission may have.

**CONCEPT FOR BUDGET CHANGE PROPOSAL
FISCAL YEAR 2005-2006**

PROFESSIONAL SERVICES DIVISION

PROPOSED TITLE: AB 3001 COMPARABILITY & EQUIVALENCY STUDY

SUMMARY:

Issue Statement:

In recent years, California has faced a shortage of qualified teachers due to a growing student population, teacher attrition and retirements, and educational reform policies such as class size reduction. These shortages are often more acute in rural and inner-city schools, where student needs are the greatest. The impact of school conditions, including teacher quality, on student achievement was the focus of *Eliezer Williams et. Al., v State of California (Superior Court, San Francisco, No. CGC-00-312236)*. Assembly Bill 3001 (Dymally, Goldberg, et al, Statutes of 2004) is one of four legislative measures that implement the settlement agreement of the *Williams vs. State of California* lawsuit to create better learning environments for the state's 6 million school children.

Assembly Bill 3001, amends certain sections of the Education Code relating to teachers to help ensure more highly qualified teachers in classrooms across California. This legislation, which was an urgency statute, also directs the California Commission on Teacher Credentialing (Commission) to waive certain credential requirements for applicants from other states who met comparable requirements in their state of origin. For the 2002-03 fiscal year, the Commission granted 31,992 credentials to individuals seeking initial certification. Of that number, 4,856, or approximately 15 percent, were issued to persons who completed their teacher preparation outside of California.

Under AB 3001:

- Applicants from another state would not be required to meet the requirements of California for the basic skills proficiency test if the Commission determines that the teacher licensing body of that state requires an applicant to demonstrate a level of basic skills proficiency that is at least *comparable* to passage of the state basic skills proficiency test.
- Applicants from another state would not be required to meet the fifth-year program or induction program completion requirements if the Commission determines that preparation in another state is *comparable and equivalent* to the specified requirement.

Concept:

This proposal requests funding to implement provisions of AB 3001. To make the comparability and equivalency determinations specified in this legislation, the Commission would need to conduct a comprehensive study that would investigate 1) the comparability of the basic skills proficiency examinations used by licensing bodies in other states and to determine 2) the

comparability of programs for new teachers that are equivalent to a fifth-year program or induction program that must be completed as part of the requirements for a Professional Clear teaching credential. Based on these requirements the Commission will submit a Budget Change Proposal, which seeking \$601,000 from the General Fund to conduct the comparability and equivalency studies required by this legislation. Because the Commission will have ongoing costs associated with maintaining the currency of its comparability data, the Commission is also seeking a continuing appropriation of \$301,000 from the General Fund and one position to maintain the comparability and equivalency studies on a continuing basis. Specifically, this request includes the following:

Current Year Request:

- One-time funding of \$500,000 from the General Fund to contract with measurement experts for an initial study that would provide a legally defensible comparability examination of the basic skills proficiency testing used by other states,
- \$101,000 for one PY for ongoing work related to the management of the comparability study contracts and for determining the comparability and equivalency of 5th year programs of study.

Budget Year Request:

- \$301,000 from the General Fund for ongoing work related to comparability study of the basic skills proficiency testing used by other states, and ongoing funding for one PY to continue work related to the management of the comparability study contracts and for determining the comparability and equivalency of 5th year programs of study.

Benefits:

AB 3001 and the other legislative measures that implement the settlement agreement of *Williams v State of California*, will be part of the state's Master Plan for Education and represent a commitment by the Governor and the Legislature to improve access for all students to effective learning conditions in our public schools.

The General Fund is the appropriate source of funding for this project for three reasons. First, the obligation of the state to uphold the settlement agreement rests with the people of California and should be financed through revenues collected from taxpayers. Improving access to qualified teachers will now be part of the state's Master Plan for Education and is a public good that should be paid for with public funds. Second, the fees paid by in-state credential candidates help pay for the development and ongoing administration of the examinations required for licensure. In essence, the examination fees are reinvested so that the Commission's examination programs remain valid, reliable, and legally defensible measures of candidate skill and knowledge before they enter our public school classrooms. It would be inappropriate and unreasonable to ask in-state candidates to fund through their fees a study that would not directly serve this reinvestment process. Finally, there is a precedent for funding this work through the General Fund. Earlier comparability studies mandated by AB 877 (Scott, Statutes of 2000) were funded through the General Fund.

Justification:

The implementation of the provisions of AB 3001 is essential to upholding the settlement agreement of this case. To make legally defensible decisions in waiving requirements for teachers trained in other states, the Commission will need to conduct extensive and ongoing studies to evaluate the comparability and equivalency of the basic skills and the advanced study programs for new teachers. Without the additional funds, the Commission would be unable to contract with an external researcher to conduct a comparability study of basic skills examinations used in other states or equate programs of study for new teachers. At present staffing levels and current workload demands, the Commission does not have the capacity or expertise to undertake a valid comparability and equating study that would serve as the basis for making legally defensible decisions.

Without the ability to contract with individuals with measurement expertise, the Commission would be unable to conduct a study and would thus have no basis for waiving the requirements specified in AB 3001. The inability to comply with the provisions of AB 3001 could place the state at risk for failure to fully implement the settlement agreement of the Williams case.

BUDGET ASSUMPTIONS:

FY 2004-05 \$601,000 from the General Fund, FY 2005-06 \$301,000 from the General Fund

**CONCEPT FOR BUDGET CHANGE PROPOSAL
FISCAL YEAR 2005-2006**

CERTIFICATION, ASSIGNMENT & WAIVERS DIVISION

PROPOSED TITLE: AB 3001 REPORTING REQUIREMENTS

SUMMARY:

The Budget Change Proposal requests funds for two two-year limited term Program Technician IIs (LT PTTII) and one Office Assistant (General) [LT OA (G)] to convert credential information stored on microfilm jackets into the Commission's database. This data will allow the California Commission on Teacher Credentialing (Commission) to meet the reporting requirements of Assembly Bill 3001.

Issue Statement:

This proposal requests funding to implement provisions of Assembly Bill 3001 (Dymally, Goldberg, et al, Statutes of 2004, Chapter XXX), which makes changes in statute pertaining to reporting requirements the Commission prepares annually. One of the new requirements, the percentage of the total number of individuals serving as teachers on preliminary or professional clear credentials and English language development certificates, is data the Commission does not maintain. However, the Commission has a Memorandum of Understanding with the California Department of Education (CDE) to share this type of data. Currently, approximately 23 percent of all teacher credential information remains on microfilm and is not in the Commission's database. This means that reporting for these purposes would not reflect 23 percent of the teacher population, which is statistically significant for reporting purposes. The data match between the CDE and Commission will not be complete without including all of the teachers employed in California's public schools in the Commission's database.

Concept:

This proposal requests two LT PTTII and one LT OA (G) to convert credential information stored on microfilm jackets into the Commission's database. Once the project is complete, the Commission's database will reflect all of the teachers currently employed in California's public schools.

Benefits:

The data from both the CDE and Commission would provide policy makers with data regarding the possible need for recruitment of new teachers and an automated method of conducting the monitoring of teacher assignments. This data would also help to implement the settlement agreement of the *Williams vs State of California* case that focuses on teacher vacancies.

Justification:

The funds requested through this Budget Change Proposal are necessary to be able to develop a database that truly reflects those teachers who are in the classroom. To reach this goal it would take two LT PTIIs for two-years to convert the files and one LT OA (G) to pull the files, contact

employing agencies for those files that cannot be located and refile them. Through data matches that have been performed during 2004-2005, 23.4 percent of the individuals who are employed are not in the Commission's database. There are approximately 310,000 certificated employees in California's public schools. Consequently, there are 72,500 files that would need to be converted. The task to convert the files includes identifying those files that are not in the database, pulling the microfilm jackets and contacting the employing agency for those microfilm jackets that cannot be located, converting the data and refiling the microfilm jackets.

BUDGET ASSUMPTIONS:

\$155,000 from the General Fund

