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Information/Action

Fiscal Policy and Planning Committee

Update on the Proposed 2012-13 Governor's Budget

Executive Summary: This agenda item provides the salient points of the Commission's portion of the 2012-13 budget.

Policy Question: What are the policy and workload implications of the Governor's 2012-13 budget for the Commission?

Recommended Action: For information only

Presenter: Crista Hill, Director, Administrative Services Division - Fiscal and Business Services Section

Strategic Plan Goal: 6

Maximize the effectiveness of the agency and its staff through the optimal use of technology, ongoing staff development and maintenance of a positive work environment.

- ◆ Communicate effectively to share information and increase productivity
- ◆ Conduct periodic review of the efficiency of the day-to-day operation and financial accountability of the Commission.
- ◆ Implement, monitor and report on the outcomes of new program initiatives

Update on the Proposed 2012-13 Governor's Budget

Introduction

On June 27, 2012 the Governor Jerry Brown signed into law the 2012 Budget Act (Chap. 21, Stats. 2012), which became effective July 1, 2012. It is clear that there were some difficult decisions included in the budget and there is a lot pending on the passage of the tax initiative scheduled for the November 2012 ballot. The final outcome of the Commission's budget is overall very positive.

A complete summary of the 2012 Governor's Budget is available at the Department of Finance website at <http://www.ebudget.ca.gov/>.

Background

In September of each year, departments, including the Commission, must submit a budget to the Department of Finance for the upcoming Fiscal Year (FY) to start the budget development process. Each department starts with a base budget, which can be adjusted by approved budget change proposals, legislation, employee compensation adjustments, retirement adjustments, expiring programs, etc. In January the Governor releases the proposed budget for the upcoming FY. This starts the discussion with the Legislature leading to a May Revision of the proposed budget issued by the Governor, and a final budget approved by the Legislature by June 15 and presented to the Governor for approval. By statute, an approved budget should be signed by the Governor by June 30th with an effective date of July 1st, though this deadline is not always met.

Provided below are the policy decisions that were included in FY 2012-13 for the Commission's budget:

- The Budget increases the teacher credentials fee by \$15 from \$55 to \$70.
- The Budget increases testing fees by five percent.
- The Budget decreases state operations by \$1.5 million as a result of eliminating 13 vacant positions to reflect operational efficiencies generated by streamlining the teacher preparation and credentialing processes, and achieving operational savings from reduced information technology costs.
- The Budget requires the Commission to report to the Legislature and the Administration during the FY on the following topics. Of the four reports, two of them are new for this FY.

New Reports

- The Commission on Teacher Credentialing (CTC) shall work with the State Board of Education and the Legislature to identify options for: (a) streamlining the teacher preparation and credentialing processes, (b) gaining other operational efficiencies within CTC, and (c) recovering costs for accreditation services for teacher preparation programs. The CTC shall submit a report that discusses each of the identified options in each of the above areas to the chairpersons and vice chairpersons of the budget and policy committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance by January 15, 2013.

- The Commission on Teacher Credentialing (CTC) shall work to improve its handling of teacher misconduct cases. To this end, it shall submit biannual reports to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance on the workload of the Division of Professional Practices (DPP) and the status of the teacher misconduct caseload. The report shall include information on the DPP's workload and the timeliness of completing key steps in reviewing teacher misconduct cases that are under the control of the CTC. The workload report shall include the number of cases opened by case type and the average number of days and targets for each key step in the misconduct review process, including: (a) intake of new cases and documents, (b) assignment of cases to staff and gathering of needed documents for investigation, (c) investigation and notification of allegations to individual charged with offense, (d) review of cases by the CTC, (e) implementation of final discipline decision by CTC, (f) monitoring during probation period, and (g) response to violation of probationary period. The biannual reports shall be submitted by October 1 and March 1 of each year. All reports shall include historical data as well as data from the most recent six months.

Ongoing

- The Commission on Teacher Credentialing (CTC) shall work to reduce its credential application processing time. For this purpose, it shall submit biannual reports to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance on the minimum, maximum, and average number of days taken to process: (a) renewal and university recommended credentials, (b) out-of-state and special education credentials, (c) service credentials and supplemental authorizations, (d) adult and career technical education certificates and child center permits, (e) 30-day substitute permits, (f) provisional intern permits, (g) short-term staff permits, and (h) the percentage of renewals and new applications completed online. The report should also include information on the total number of each type of application and the hours of staff time utilized to process the different types of credentials. The biannual reports shall be submitted on October 1 and March 1 of each year, and shall include historical data as well as data from the most recent six months.
- The Commission on Teacher Credentialing shall submit an annual report to the Department of Finance in September of each year describing the teacher examination validation studies and examination development conducted during the previous fiscal year.

2012-13 Commission's Base Budget:

- **Daily Operations: \$18,657,000 (\$14,650,000 Teacher Credentials Fund, \$4,207,000 Test Development and Administration Account)**
- **Pass-thru Grants to Local Entities \$26,191,000 (General Fund)**
- **Total Authorized Positions: 152.4**

(The operating budget is defined as what is used to support the salaries, benefits and various activities to accomplish the goals and objectives of the Commission. The pass-through Grants/Dollars are sent to various local entities to support the Intern and Paraprofessional

Teacher Training Programs. The Commission does not retain any pass-through dollars to support the operations of the agency.)

Next Steps

This next year the Commission will meet with representatives of the Department of Finance, the Legislative Analyst Office, the Legislative Budget Committees and the State Board of Education to develop a report focused on ways to streamline, achieve greater efficiencies and collect fees for various accreditation services. In addition to considering new and innovative ways of doing business with limited staff and fiscal resources, Commission staff will continue to monitor the monthly expenditures for the current FY 2012-13, while focusing on the FY 2013-14 budget development process.