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Information

Fiscal Policy and Planning Committee

Update on the Governor's Proposed 2018-19 Budget

Executive Summary: This agenda item provides an update on the sections of the Governor's proposed 2018-19 budget that relate to the Commission.

Recommended Action: For information only

Presenter: Michele Perrault, Director, Administrative Services Division

Strategic Plan Goal

IV. Operational Effectiveness

b) Align human and financial resources with Commission priorities and offer staff opportunities for development to maximize professional engagement and performance.

c) Demonstrate professionalism and accountability for high standards of practice in all Commission operations.

June 2018

Update on the Governor's Proposed 2018-19 Budget

Introduction

On May 11, 2018, Governor Brown submitted his May Revision of his proposed spending plan for the 2018-19 fiscal year to the Legislature. This agenda item provides an updated overview of the budget proposed for the Commission on Teacher Credentialing (Commission) for the 2018-19 fiscal year.

Background

The Constitution requires the Governor, within the first 10 days of each calendar year, to submit to the Legislature a budget for the ensuing fiscal year that contains itemized statements for recommended state expenditures and estimated state revenues. The Administration updates its revenue estimates and makes final adjustments to its proposals in the released May Revision. The Legislature then has until June 15 to pass the budget. When passed by the Legislature and signed by the Governor, the Budget Act provides the fiscal details needed to manage the appropriation.

The Commission is a special-fund agency supported entirely by fees from two primary sources: credential application fees, which are the primary source of revenue for the Teacher Credential Fund (TCF) and educator exam fees, which fund the Teacher Development and Assessment Account (TDAA). The Budget Act of 2013 allowed the Commission to recover costs for the approval of new programs and extraordinary accreditation activities, and the Budget Act of 2014 included additional authority to assess an annual accreditation fee to offset normal operating costs for the Commission's accreditation workload.

Proposed 2018-19 May Revise Budget

The Commission's proposed 2018-19 May Revise budget is provided here:

http://www.ebudget.ca.gov/budget/2018-19MR/#/Department/6360

The Administration did not make any substantive changes to the budget for the Commission in their May Revision. Overall, the Governor continued to stress that the current economic recovery period is likely to be the longest in modern history therefore continuing to avoid new ongoing fiscal obligations is prudent in anticipation of the next fiscal downturn. The Governor's May Revision recognized an $8 billion increase in revenue between his initial budget proposal in January and his revision. Given this increase, overlaid with prudency, the Governor continued to propose the use of surplus funding on one-time expenditures to address long-standing infrastructure needs, homelessness and mental health. The Governor's May Revision also made increased investments across the K-12 and early childhood education spectrum.

The May Revision still included a proposal to provide $100 million in one-time Proposition 98 funds to help address the chronic special education teacher shortage in California. More specifically, $50 million in one-time funds would establish and administer a new Teacher Residency Grant Program to provide one-time competitive grants to local educational agencies to develop new, or expand existing, teacher residency programs that recruit and support the preparation of special education teachers. The additional $50 million would be in one-time funds to establish and administer a new Local Solutions Grant Program to provide one-time competitive grants to local educational agencies to develop new, or expand existing, locally identified solutions that address the need for special education teachers.

The Administration also continued to propose the following additional resources for the Commission's 2018-19 budget:

- An increase of $1.5 million in one-time Teacher Credentials Fund expenditure authority to digitize teacher credential records.
- An increase of $1.275 million in one-time Test Development and Administration Account expenditure authority to support a field trial of the Administrator Performance Assessment.
- An increase of $380,000 in one-time Teacher Credentials Fund expenditure authority to automate teacher assignment monitoring activities.
- Total authorized positions of 143.6, which is an increase of 2.0 positions.

The Commission's ongoing operational budget, less the additional allocations for the special projects currently being undertaken by the Commission, will continue to see some positive changes, including ongoing cost adjustments for needed Commission work.

Next Steps

The Governor's May Revision provides the framework for the 2018-19 fiscal year. Through the initial work of the Budget subcommittees in both houses of the Legislature, and the ongoing negotiations between the Governor and legislative leaders, a compromise budget must be reached. Legislation must be proposed and passed by the legislature by June 15, in order to meet their Constitutional deadline. Commission staff will continue to monitor these negotiations and provide input and advice where appropriate.