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## Information

### *Fiscal Policy and Planning Committee*

### Update on the Enacted 2022-23 Budget

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**Executive Summary:** This agenda item provides an update on the sections of the Enacted 2022-23 budget that relate to the Commission.

**Recommended Action:** For information only

**Presenters:** Sara Saelee, Fiscal and Business Services Manager; Brigid Hanson, 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.

# REVISED

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## Update on the Enacted 2022-23 Budget

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### Introduction

The Governor and Legislature have placed a high priority on education funding and continue to provide investments to support the preparation, training, recruitment, and retention of educators. These investments are of critical importance to grow and maintain a diverse and expert workforce consisting of administrative, credentialed, and classified staff to work in public K-12 schools. This is especially true given current staffing shortages that have been exacerbated by the COVID-19 Pandemic.

On January 10, 2022, the Governor released his proposed budget for 2022-23. An agenda item providing an overview of the proposed budget for the Commission was presented during the [February 2022 meeting](#). On May 13, 2022, Governor Newsom submitted the May Revision of his proposed spending plan to the Legislature for the 2022-23 fiscal year. On June 27, 2022, the Governor signed [Senate Bill 154](#), which is known as the Budget Act of 2022. Subsequently, on June 30, 2022, the Governor also signed [Assembly Bill 178](#), which is known as an amendment to the Budget Act of 2022, and [Assembly Bill 181](#), which is the Education Budget Trailer Bill. This agenda item provides an overview of the enacted budget for the Commission on Teacher Credentialing (Commission) for the 2022-23 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 Governor's Budget must be accompanied by a budget bill that is introduced immediately in each house of the Legislature that itemizes recommended expenditures. The process of developing what becomes the Governor's Budget typically begins after agencies have reported their final year end revenues and expenditures for the preceding fiscal year. Beginning each fall, agencies work with the Department of Finance (DOF) to determine a base budget and to identify, through Budget Change Proposals (BCPs), any programmatic changes proposed for the ensuing fiscal year. The Governor's Budget that is introduced each January is a reflection of each department's base budget, adjusted by proposed Governor's initiatives, budget change proposals, or legislation.

Changes in statute that are needed to implement the Budget Act are included in separate legislation colloquially known as Trailer Bills. 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.

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The Commission is a special-fund agency, historically supported entirely by fees. Prior to the Budget Act of 2013, the Commission's revenue came 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 2014 authorized the Commission to charge fees of institutions offering educator preparation programs to support the accreditation system, which established a third source of revenue for the agency. The 2022-23 budget reinstates the collection of accreditation fees, a process that was suspended during early COVID-19 pandemic, and also provides general fund support for the agency as detailed below.

## Enacted Budget for 2022-23

The Enacted 2022-23 budget for the Commission provides \$330.5 million and total of 29.0 new positions in the agency to support the following programs and activities:

- **Fee Waivers** – \$24 million one-time General Fund to waive teacher examination and assessment fees. Eligible examinations include CBEST, CSET, RICA, TPA, edTPA, APA. One position is included to support administration and fiscal coordination of these two waiver programs (Note: the previously funded credential application fee waiver expired on June 30, 2022).
- **Web Portal and Career Counselors** – \$1.4 million General Fund and nine positions to establish career counselors for prospective educators; eight positions shall serve as career guidance counselors, credential experts, subject matter experts and resource specialists to help individuals seeking to make the transition to PK-12 educational career navigate the credentialing process; one position is available to assist with the development and maintenance of a multifaceted web portal on the Commission's website and social media presence.
- **Early Childhood Education** – \$1.5 million General Fund and eleven positions (nine positions ongoing) to support Early Childhood Education preparation and licensure activities. These positions will ensure statutory compliance with work related to the newly mandated Universal Transitional Kindergarten and the expansion of the California State Preschool Program.
- **Data Collection and Reporting** – \$453,000 General Fund and four positions to support data gathering, research and analysis of (but not limited to) CalSAAS, Cradle-to-Career, California's PK-12 educational workforce, and teacher grant programs.
- **Grant Administration** – \$924,000 General Fund and five positions, of which \$161,000 is one-time funding, to support the administration of multiple grant programs.
- **Teacher Residency Grant Program** – The Commission will receive a total of \$250 million to support teacher and school counselor residency programs. The Teacher Residency Grant Program will add school counselors to the list of shortage fields and authorizes the residency programs to support candidates seeking a PK-3 early childhood education specialist credential.

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- **Teacher Residency Technical Assistance Center** – \$20 million one-time General Fund to select a local educational agency to serve as a statewide K-12 Teacher Residency Program Technical Assistance Center.
- **Integrated Undergraduate Grant Expansion** – \$20 million one-time General Fund to support a competitive grant program that provides grants to public and private institutions to develop and implement integrated teacher preparation programs. This program includes the development of integrated undergraduate programs leading to a PK-3 early childhood education specialist credential.
- **Reading and Literacy Grants** – \$15 million one-time General Fund to support the Reading and Literacy Supplementary Authorization Incentive Grant Program to support the preparation of credentialed teachers to earn a supplementary authorization in reading and literacy.
- **Accreditation** – Over the last two fiscal years, the Budget suspended all accreditation fees, including annual accreditation fees as well as cost recovery accreditation fees. The 2022-23 Budget removed the provisional language to continue suspending accreditation fees. Therefore, the Commission will begin collecting accreditation fees again in the 2022-23 fiscal year.
- **Center for Teaching Careers** – \$1.7 million one-time General Fund to support the Tulare County Office of Education to continue administering the California Center on Teaching Careers.

Additional detail on the [Commission's Enacted 2022-23 Budget](#) can be found on the Department of Finance Website.

## Next Steps

These investments will enable the Commission to provide significant and sustained support for teacher preparation and development programs and to recruit prospective teachers, who need help navigating the many options that exist, for preparing and entering the education workforce.