

# Teacher Residency Program Spring Valley Funding Scenario





**California urgently needs more educators—especially well-prepared teachers who reflect the diversity of students across our state.** To meet this need, high-quality teacher preparation programs must be affordable and accessible to teacher candidates.

## Who is this resource for?

Institutions of higher education (IHEs) and local education agencies (LEAs) who are developing or sustaining teacher residency programs.

## What does it provide?

This document presents a funding scenario reflective of a real California teacher residency program as of 2023–24. One of [multiple such scenarios](#), it highlights strategies for building robust financial packages for teacher residents. Program names have been anonymized to protect confidentiality and privacy.

*Following the initial period of data collection for the funding scenarios in this set, some programs' funding packages changed due to new Teacher Residency Grant Program (TRGP) stipend increases. Some scenarios, but not all, were updated to showcase the stipend increase. This allows readers to see program funding approaches that may have leveraged non-TRGP funds prior to the latest 2023–24 grant cycle.*

## What is a teacher residency?

Teacher residency programs provide intensive pathways into the teaching profession that focus on rigorous clinical preparation. These programs integrate credentialing coursework with a clinical placement in the public school classroom of an expert mentor teacher for a full academic year. Developed and operated by a partnership between a local school district and a university or college that has a state-approved education program (and sometimes other partners, such as a local union), a residency program serves as a pathway for meeting specific district workforce needs (e.g., more special education teachers).<sup>1</sup> Residency programs almost always provide financial support for residents, often as stipends. In many cases, programs request residents commit to working in the program's LEA following the receipt of their Preliminary credential. It is also important to note that during their year of preservice clinical practice, residents do not serve as the teacher of record.

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<sup>1</sup> Eiler White, M., Hirschboeck, K., Takahashi, S., Reade, F., Perry, R., & Honigsberg, L. (2020). *Launching the California Teacher Residency Grant Program: Findings from Year 1* (2019/20). WestEd.



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### LEARN MORE



This scenario was developed by the interagency State Collaborative for California’s Educator Workforce in conjunction with the California Commission on Teacher Credentialing (CTC), with research and support from WestEd. Find companion resources—including a comprehensive database of funding resources and additional scenarios for combining them—at [ctc.ca.gov/educator-prep/program-funding](https://ctc.ca.gov/educator-prep/program-funding).



# Scenario Program Overview

The residency program defined for this scenario is based on interviews and research reflecting the experience of one teacher residency program partnership in California in 2023–24. Here we provide a snapshot of the program's key characteristics to build understanding of the factors that influence funding approaches. These standard estimated costs were provided by program directors except where otherwise noted.

|   |   |
|---|---|
| <b>Program Name</b>   | Spring Valley Teacher Residency Program         |
| <b>Institution of Higher Education (IHE) Partner</b>                                    | California State University (CSU) Spring Valley |
| <b>Local Education Agency (LEA) Partner</b>   | Spring Valley School District                   |
| <b>Program Specialization</b>   | Multiple Subject, STEM based                    |
| <b>Typical Number of Residents in Spring Valley LEA / IHE Spring Valley Partnership</b> | 20 residents                                    |
| <b>Total Residents Across IHE Partnerships</b>  | 133   |
| <b>Year Established</b>   | 2016 (Cohort / Year 8)                          |
| <b>Locale</b>   | Urban hub of a rural area                       |
| <b>Compensation Model</b>   | Stipend + Substitute Teaching                   |



## PROGRAM FORMAT

Successful completion of this 10-month residency leads to a teaching credential. It is therefore considered a post-baccalaureate program, which impacts aid eligibility. Residents spend four days at their clinical placement every week.



## KEEP IN MIND

This scenario models a single program partnership between an LEA and an IHE. This allows for more precise description of candidate packages. In practice, however, either entity may have other partners. This single-partnership representation would not capture costs shared across programs or systems.





## Cost of Attendance

Every institution of higher education (IHE) is required by law (Higher Education Act, Sec. 472) to establish a total cost of attendance (COA) each year. The total cost of attendance is important because it establishes the cap for financial aid that an IHE may distribute to a student. The COA includes both program expenses and living expenses.

See the [Remaining Balance](#) section of this scenario for a comparison of the cost of attendance to the financial package a teacher candidate could receive.





| Cost of Attendance                | Full-Time<br>Program-Specific Cost |
|-----------------------------------|------------------------------------|
| <b>Program Expenses</b>           |                                    |
| Tuition and Fees                  | \$9,489                            |
| Books and Materials               | \$1,068                            |
| <b>Living Expenses</b>            |                                    |
| Housing and Food                  | \$16,316                           |
| Transportation                    | \$2,412                            |
| Personal Expenses                 | \$4,012                            |
| <b>Total Cost of Attendance</b>   | <b>\$33,297</b>                    |
| <b>Program-Specific Fees</b>      |                                    |
| Test Registration Fees            | \$600                              |
| Credential and Certification Fees | \$130                              |
| Live Scan and TB Fees             | \$155                              |
| Substitute Permit Fees (Optional) | \$100                              |
| <b>Total Candidate Expenses</b>   | <b>\$34,282</b>                    |



### KEEP IN MIND

This scenario assumes a single person without dependents because adjustments for dependents are made on a case-by-case basis and are thus harder to assess. It also assumes off-campus living as most teacher candidates do not live on campus. Lastly, it assumes the teacher candidate is in the program full-time and is a California resident.

Institutions calculate and report COA slightly differently, as observable in this [CSU example](#).

The COA approximates, but does not exactly reflect, individual candidates' lived experiences.





## Candidate Funding Package

When considered holistically, teacher candidate expenses can be covered by a wide variety of funding sources. The following two tables provide guidance on the range of possible fiscal supports a candidate could access while enrolled in Spring Valley Residency Program.





## Candidate Aid Provided Directly by Programs

The first category of resources available to cover teacher candidate costs includes funds made available by LEAs and IHEs themselves. Distinct from the public aid available to candidates considering any residency program, this funding may be considered part of the value of being a resident in a specific program.

Some aid is directed through the IHE, while other forms of support are allocated via the LEA. It's important to note that the total amount of financial support a student can receive from the IHE, but not necessarily the LEA, is capped by the IHE's estimated total cost of attendance.



### KEEP IN MIND

Program-supported funding shown here intentionally excludes federal or state aid that may be available to all students at a CSU/UC and any student in a teacher preparation program. Federal and state aid are featured on page 11.

| Funding for Candidates          | Available Amount | Guidance in Brief   | Funding Source and Distributing Entity   |
|---------------------------------|------------------|---|--|
| <b>Total Cost of Attendance</b> | <b>\$33,297</b>  | -   | -  |
| Stipends                        | \$18,000         | <p>The stipend is distributed as compensation by the LEA, rather than the IHE, which means funds do not need to be taken into consideration by the IHE for financial aid purposes.</p> <p>The stipend is paid to residents in 10 installments.</p> <p>The district pays overhead benefits costs on each stipend dollar. Total cost per resident is about \$19,130.</p>  | <p><b>Source</b><br/>LEA LCAP Funds</p> <p><b>Distributing Entity</b><br/>LEA</p>    |
| Employment: Substitute Teaching | \$0–\$3,000      | <p>Residents are allowed to substitute teach once a week when they are not at their clinical placement (about 36 days total). However, residents do not substitute teach this frequently due to the time required for completing coursework.</p> <p>Assuming a resident substitutes six days per semester, at the local \$250 daily rate for substitute teachers, a resident in this program could receive up to \$3,000.</p> | <p><b>Source</b><br/>LEA General Funds</p> <p><b>Distributing Entity</b><br/>LEA</p> |

cont'd



| Funding for Candidates  | Available Amount  | Guidance in Brief   | Funding Source and Distributing Entity                                   |
|---|-------------------|---|--|
| <b>Fee Waivers:</b><br><b>Test and Authorization Fees</b><br><i>(Not Included in Total Package Calculation)</i> | \$0–\$980         | The district provides reimbursement for all test fees and test preparation costs.<br><br>Test Registration Fees: \$600<br>Credential and Certification Fees: \$130<br>Live Scan and TB Fees: \$150<br>Test Preparation Reimbursement: \$200<br>Substitute Certificate Fees: \$100 | <b>Source</b><br>LEA LCAP Funds<br><br><b>Distributing Entity</b><br>LEA |
| <b>Fee Waivers:</b><br><b>Conference Registration</b><br><i>(Not Included in Total Package Calculation)</i>     | \$300             | The district covers registration for conferences each year, providing professional development and networking opportunity for residents.  | <b>Source</b><br>LEA LCAP Funds<br><br><b>Distributing Entity</b><br>LEA |
| <b>Total Package</b><br><i>(Minimum Guaranteed–Maximum Possible)</i>  | \$18,000–\$21,000 | -   | -  |

## MORE ABOUT EACH FUNDING TYPE

### Stipends

- LEA-Distributed Stipend.** The district meets all financial obligations for district staff, mentor stipends, and resident aid packages by allocating state Local Control Funding Formula dollars via the Local Control and Accountability Plan (LCAP). Spring Valley USD distributes the funds to candidates rather than CSU Spring Valley. Residents are hired as district substitute teachers and thereby receive an employee ID number. This is the principal method used for the ten stipend payments. This LEA-based approach also prevents the stipend from being counted against the capped total amount of financial aid a student is permitted to receive from CSU Spring Valley. Because FAFSA uses income information from two years prior, the stipend does not impact a student's calculated need, maximizing program affordability.
- Overhead Benefits Costs.** The district must pay benefits costs for liabilities, such as workers' compensation and state retirement funds, on every dollar paid to the residents. Spring Valley Teacher Residency coordinators therefore recommend building this additional cost into estimated program budgets from the beginning. In the case of their stipend, for example, they estimate the district must pay additional funds of approximately \$1,310. The total cost, then, for the residents' stipend in the district program budget is not \$18,000, but around \$19,310.



- **Tax Liability for Stipends.** The district compensates residents with stipends as part of their annual wages, and they receive a W-2. Any substitute teaching days are also included as wages.

## Employment

- **Substitute Teaching.** A resident could substitute teach on an as-needed basis once a week; however, program administrators note there is no set number of days that a resident is required to substitute teach, and they can decline substituting as they see fit. This approach permits residents to gauge their own needs and workload capacity.

## Fee Waivers: Test and Authorization Fees

- **Statewide Waivers.** California provided Assessment Fee Waivers for Educator Examinations (e.g., CBEST, CPACE, CSET, RICA) and Performance Assessments (e.g., CalAPA, CalTPA, EdSp CalTPA) through 2023–24. As of spring 2024, the State will end the provision of these waivers beginning in the 2024–25 academic year.
- **Program Waivers.** Before the State moved to provide temporary statewide fee waiver support, the program provided fee waiver support for its teacher residents. The program intends to resume its provision of fee waivers or reimbursement—for test preparation costs, test registration fees, credential and certification fees, live scan and TB test fees, as well as substitute teaching permits—after the expiration of California’s statewide fee waivers.
- **Budget Adjustments.** IHEs do not typically include tests and authorization fees in a resident’s total cost of attendance. However, candidates can request a financial aid budget adjustment on a case-by-case basis. This would not guarantee a candidate receives more aid, but would increase the total amount of financial aid they *may* receive.





## Federal and State Aid for Candidates

To augment the support offered directly by the Spring Valley LEA-IHE partnership, teacher candidates are also encouraged to apply for federal and state financial aid, entitlements, and other public funds, including the [Golden State Teacher Grant Program](#) and the [Cal Grant Teaching Credential Program](#). Unlike the standard residency package presented above that is unique to the Spring Valley partnership, federal and state aid may be available to teacher candidates across the state, depending on need as determined by the Free Application for Federal Student Aid (FAFSA) or other criteria.

For more information on potential program- or candidate-level funding sources, refer to the California Commission on Teacher Credentialing [Funding Explorer](#).



### KEEP IN MIND

Regardless of the many possible sources of aid one is eligible for, the total amount a student can receive from their IHE is capped by their institution's estimated cost of attendance (approximately \$33,297 at IHE Spring Valley).

| Funding for Candidates       | Amount         | Guidance in Brief  | Distributing Entity |
|------------------------------|----------------|--|---------------------|
| Golden State Teacher Grant   | Up to \$20,000 | Golden State Teacher Grant recipients must commit to serve in an eligible priority school/California State Preschool Program (CSPP). It is important to note that this grant holds a four-year service requirement upon completion of a degree program. If the service requirement is not fulfilled over an eight-year period, the grant is converted to a loan the candidate must repay. Applicants that applied from 9/1/2023 to 6/30/2024 will continue to receive up to \$20,000 but applicants that applied from 7/1/2024 and after will receive up to \$10,000. Applicants who received the reduced award of \$10,000 have a service requirement of two years instead of four years. | IHE                 |
| State University Grant (SUG) | Up to \$6,660  | Students are eligible for the State University Grant via the Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADA).<br><br>It is important to note that students can receive <i>either</i> the SUG grant <i>or</i> the Cal Grant, not both. <small>cont'd</small>  | IHE                 |



| Funding for Candidates                | Amount        | Guidance in Brief  | Distributing Entity |
|---------------------------------------|---------------|--|---------------------|
| Cal Grant Teaching Credential Program | Up to \$6,600 | <p>Cal Grant A and B recipients enrolling in a 5<sup>th</sup> year teacher credential program may be eligible to renew their Cal Grant award for one additional year, but must have received their bachelor's degree within 15 months.</p> <p>It is important to note that students can receive <i>either</i> the SUG grant <i>or</i> the Cal Grant, not both.</p>   | IHE                 |
| TEACH Grant                           | \$0           | <p>Residents in this post-baccalaureate program, as of 2023–24, are not eligible for the TEACH Grant because the IHE also offers a bachelor's degree in education.</p> <p>However, the undergraduate education program is sunsetting in FY 2024–25, which may change eligibility for the TEACH Grant.</p>  | IHE                 |
| Pell Grant                            | \$0           | <p>A student who is enrolled in a post-baccalaureate teacher certification or licensure program is only eligible to receive a Pell Grant if:</p> <ul style="list-style-type: none"> <li>• The program does not lead to a graduate degree;</li> <li>• The school offering the program does not also offer a bachelor's degree in education;</li> <li>• The student is pursuing an initial teacher certification or licensing credential within a state; and</li> <li>• The program consists of the courses required by a state to receive a professional certification or licensing credential necessary for employment as a teacher in an elementary or secondary school in that state.</li> </ul> | IHE                 |
| CalFresh, WIC, SNAP, etc.             | Varies        | Although services such as CalFresh and WIC are available, the IHE does not have a formal intake/needs assessment process in place. That said, accommodations have been made in the past to support students with different levels of need such as those related to accessing transportation or childcare.  | Varies              |



## MORE ABOUT THESE FUNDING TYPES

- **Golden State Teacher Grant.** Because these are state and federal grants, respectively, they are allocated according to the academic year for which a teacher candidate submits their FAFSA. However, the Spring Valley Residency Program begins, like many teacher preparation programs, in the summer before the academic year for which candidates submit their FAFSA.

As a result, residents must submit the FAFSA for two different fiscal years in order to be able to access funds both for the summer term starting in June and the fall and spring terms that begin after the start of the new federal fiscal year.

For the Golden State Teacher Grant, which also operates on a July 1 fiscal year start, residents must also submit two applications, one for each applicable fiscal year. The GSTG application for the fiscal year covering the academic term starting in June must be submitted by April 1, which is challenging for residents who aren't admitted to the residency until the later admissions rounds in May.

The mismatch of the resident program start and the federal fiscal year start can cause a multi-month gap between when residents start the program in the summer and when those funds become available after the start of the federal academic year period in the fall. To mitigate the impact of this gap, the IHE provides students with significant support in navigating financially, as well as flexibility in meeting tuition payment timelines.





## Remaining Balance

While a more conventional approach to financial aid may concentrate on simply reducing teacher candidate expenses, candidate funding packages that consider all possible expenses and funding sources can achieve a net positive balance for teacher candidates. This approach can free up “income” candidates can apply toward living expenses while pursuing their credential, making the program financially workable for more prospective educators.

For some programs profiled, teacher candidate net balances were positive with program-based dollars alone, not factoring in potential federal or state aid. *All* programs profiled show a positive balance when state and federal aid are included.





|   | Funding Package                         | Balance<br>(Min Guaranteed–Max Possible) | Guidance in Brief  |
|---|---|--|--|
| + | LEA Employment Compensation             | \$18,000–\$21,000                        | <p><b>Minimum guaranteed aid</b> = \$18,000<br/>Includes \$18,000 program stipend.</p> <p><b>Maximum possible aid</b> = \$21,000<br/>Includes \$18,000 program stipend and \$3,000 substitute teaching income.</p> <p><b>Stipend Caveat:</b> If distributed by the LEA and included with any wages a candidate earns as a substitute teacher or paraprofessional, stipends are categorized as employment compensation and do not contribute to the financial aid cap (wherein a student cannot receive more aid through the IHE than the COA).</p> |
| + | Federal, State, and IHE-based Aid       | \$0–\$33,260                             | This includes program scholarships, as well as state and federal grants available in this program (see pages 11-13).   |
| - | Total Cost of Attendance                | -\$33,297                                | The way each IHE calculates its COA can differ. It is important to refer to costs that are acknowledged in a COA when considering these figures. See page 5.   |
| = | Remaining Balance<br>(Assuming Max Aid) | \$20,963                                 | Assuming the maximum receipt of aid, the leftover balance exceeds the IHE's cost of attends and totals to \$20,963.  |
| = | Remaining Balance<br>(Assuming Min Aid) | -\$15,297                                | Assuming the resident received only the minimum guaranteed aid, the candidate would have about \$15,000 in unmet need, relative to the cost of attendance.   |



### KEEP IN MIND

This modeling assumes COA for a single person without dependents and living off campus. Other expenses (and funding considerations) would apply for married candidates, those with dependents, and those living on campus.





# Funding Program Operations

It can take fairly significant resources to develop and operate a clinically rich teacher preparation program like a residency. To successfully finance their high-quality program, Spring Valley USD and CSU partners combine funds from a variety of sources. This section identifies costs to the LEA and IHE—such as personnel and mentor stipends—that go beyond what each entity would need to function more generally, and delineates the approximate cost or amount of in-kind support required for each.

Note that instructional costs are not included in this resource. Such costs are not easily differentiated by teacher preparation program partnership or pathway. The accounting required to approximate such costs, in a way that is meaningfully contextualized, is outside the scope of this resource. This is an area for further future inquiry and a key cost consideration for program development at the IHE level.



## KEEP IN MIND

Funding sources and amounts are likely to vary based on the scale, maturity, and resource needs of a given program.

Because each partnership functions as a part of larger teacher preparation programs at both the IHE and the LEA, extracting partnership-specific costs is not a straightforward exercise. Assigning a cost or percentage of FTE staffing to supporting residents is imprecise, given that staff support is likely to come from many departments and roles, e.g., custodians who sanitize facilities, accounting staff who process stipends. These services are generalized at the LEA or IHE level and are difficult to extrapolate from agency budgets. Further, staff who are paid directly through residency funds, such as the Teacher Residency Program grant, likely hold other positions in the LEA or IHE. For this reason, although a position may cost the residency \$20,000 to staff at .25 FTE, this employee would be compensated for the rest of their FTE from different funding sources that apply to their other responsibilities within the LEA or IHE.



## Personnel

- **IHE Staff.** All positions that support the residency at CSU Spring Valley are funded by IHE General Funds. That said, these positions serve more than just the partnership with Spring Valley USD and are responsible for supporting many more students than the 20 residents this partnership enrolls. Key positions financed and operated at the CSU include:
  - **IHE Coordinator** (25% FTE)
  - **Education Department Chair** (10% FTE)
  - **Two Credential Analysts** (10% FTE)
- **LEA Staff.** Spring Valley USD employs several staff who support the residency as well as other partnerships beyond CSU Spring Valley, each of which is funded by LCAP dollars:
  - **Program Specialist** (90% FTE)
  - **Clerk VI** (40% FTE)
  - **Coordinator** (10% FTE)
  - **Executive Director** (50% FTE)

## Additional Cost Considerations

- **Mentors.** As of 2023–24, each resident's mentor is provided a \$3,000 stipend. For 20 residents, this amounts to about \$60,000.
- **Overhead Benefits Costs.** Spring Valley Teacher Residency coordinators emphasize the importance of accounting for overhead benefits costs, such as worker's compensation and state retirement funds, for each dollar paid to residents by the LEA, whether in the form of stipends or substitute teaching wages.





## Planning for Sustainability

**Setting up and implementing a successful teacher preparation program is just the beginning.** Partners in the Spring Valley Residency Program have pursued the following strategies to establish a sustainable program that can grow in quality and reputation over time, further increasing its value to teacher candidates, partner institutions, and California.





## Incorporation of Local Funds

The district meets all financial obligations for district staff, mentor stipends, and resident aid packages by allocating state Local Control Funding Formula dollars via the Local Control and Accountability Plan.\* Teacher recruitment under the residency is housed in Goal 1: Academic Achievement, Priority 1a: Basic Services: Conditions of Learning:

*“Spring Valley School District continues to have a need to hire highly qualified teachers who are authorized for their assignments, there is a continued need to expand the pathway for student residents to obtain their credentials through partnerships with Institutions of Higher Education (IHE’s) and residency programs, as well as professional development opportunities to build the instructional capacity to meet the needs of the district. The district’s efforts to build a diverse team of instructional teachers and leaders has been evident through the residency program, and the need will continue to exist as the district demographics continue to change.”*

By utilizing state funds that are allocated each year, Spring Valley USD can operate its program with more autonomy and fiscal certainty than programs that principally rely on Teacher Residency Program Grant dollars (TRP) without long-term sustainability funding plans.

*\*Following the initial period of data collection for this scenario, the residency program received a new Teacher Residency Grant Program (TRGP) award. Consequently, the stipend funding source temporarily shifted from local sources and the stipend amount increased from \$18,000 to \$40,000. This shift is intentionally not represented in this scenario to offer an example of a locally funded approach, which Spring Valley program administrators anticipate returning to upon the expiration of TRGP funds.*



### KEEP IN MIND

Sustainability planning may differ for each program based on the unique fiscal, demographic, geographic, and programmatic features and challenges within each partnership. Some approaches may not be applied to all residency programs without thoughtful adaptation.

## Rigorous Program Design and Application

Program staff also provided insight as to why they did not leverage state Teacher Residency Grant Funds as of late 2023. In previous rounds of the grant, program administrators found the supplemental funding helped support robust program packages for candidates; however, they felt certain grant requirements did not provide adequate flexibility to structure their residency according to local understandings of wise practices for this program’s implementation as it scaled.

**The future is calling:** California students can’t wait for more highly capable, qualified teachers in their classrooms. Teacher preparation programs and candidates motivated to respond to this call can find resources needed to make it all happen at [ctc.ca.gov/credentials/roadmap-to-teaching](https://ctc.ca.gov/credentials/roadmap-to-teaching).