

HB 5038 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Thomsen

Joint Committee On Ways and Means

Action Date: 06/16/17

Action: Do pass the A-Eng bill.

Senate Vote

Yeas: 11 - DeBoer, Devlin, Frederick, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Nays: 1 - Girod

House Vote

Yeas: 11 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Teacher Standards and Practices Commission

2017-19

Budget Summary*

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 200,000	\$ -	\$ -	\$ (200,000)	(100.0%)
Other Funds Limited	\$ 6,874,833	\$ 6,654,885	\$ 7,476,138	\$ 601,305	8.7%
Total	\$ 7,074,833	\$ 6,654,885	\$ 7,476,138	\$ 401,305	5.7%

Position Summary

Authorized Positions	27	21	26	(1.00)
Full-time Equivalent (FTE) positions	24.88	20.50	24.71	(0.17)

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Teacher Standards and Practices Commission (TSPC) is entirely supported by Other Funds from licensing and other fees paid by the regulated professionals. With the adoption of the Subcommittee recommendation, the agency’s estimated 2017-19 ending balance represents the equivalent of between three and four months of operating expenditures.

Summary of Education Subcommittee Action

TSPC ensures public school students’ education is delivered by qualified competent professional educators, accredited universities and colleges are held to educator preparation standards set by the Commission and federal government, and educators who engage in misconduct are investigated and where merited, disciplined. The Subcommittee recommended a total budget of \$7,476,138 Other Funds expenditure limitation for the 2017-19 biennium, which is 8.7 percent more than the legislatively approved spending level (Other Funds) for the 2015-17 biennium. The recommendation includes 26 positions and 24.71 FTE; this is a decrease from the 2015-17 biennium levels of one position and 0.17 FTE.

General Program

This program establishes rules and standards for licensure and charter school registration and issues licenses or registrations to public school teachers, administrators, school counselors, school psychologists and school nurses. It maintains professional standards of competent and ethical performance and proper assignment of licensed educators. It also adopts standards for approval of college and university teacher

education programs that lead to licensure and approves such programs that seek to license educators in the state of Oregon. The Subcommittee approved a total funds budget of \$7,476,138 and 26 positions (24.71 FTE).

The Subcommittee approved Package 090, Analyst Adjustments. This package increases Other Funds expenditure limitation by \$342,710 for action taken by the Emergency Board in December 2016, to reflect actual experience in the 2015-17 biennium. The updated estimates included fingerprinting costs (\$139,272), merchant fees (\$109,668) and increased Attorney General use (\$93,770). Fingerprinting costs reflect a greater than anticipated number of licensees during 2015-17, and there is no reason to expect this trend to change. The increase due to merchant fees reflects the implementation of an electronic licensee payment system during 2015-17 where merchant fees must be paid by the commission. Finally, the number of complaints and investigations increased during 2015-17, leading to further use of the Department of Justice's attorney assigned to the agency for investigations and hearings.

Package 101, Customer Service, was approved. This package adds \$571,913 Other Funds limitation and three positions (2.96 FTE). This includes two limited duration Public Service Representative 4 positions (2.00 FTE), which will continue through the 2017-19 biennium. These positions have been effective in assisting permanent staff in responding to the greater number of emails and phone calls and reducing the response time and number of dropped calls. The positions are recommended as limited duration since the volume of calls and emails may be reduced as the on-line licensing system is fully implemented and the new licensing structure has been in place for a longer period. A permanent Information Services Specialist 6 position (0.96 FTE) is also included. Since this position is new, the recommended FTE reflects the phase-in of the position. This position should also be able to develop a case management system for the investigations unit based on previously completed work. The need for this proposed position is clear for the 2017-19 biennium. Many of the proposed responsibilities and projects for this position are short term in nature and may be completed during the 2017-19 biennium. For this reason, the Legislature should evaluate the ongoing need for this position during the development of the 2019-21 budget.

The Subcommittee approved Package 102, Investigations. This package increases Other Funds limitation by \$197,630, continues two positions (1.25 FTE) that were limited duration in the 2015-17 biennium and reclassifies two existing positions. The two reclassifications reflect a desk audit performed for each position and are recommended at no cost for the 2017-19 biennium. One of the continued positions is an investigator position, which will remain limited duration for the 2017-19 biennium. Even with the assistance of this position during 2015-17, a backlog of investigation continues. If the current trend continues, this position may not be required for 2019-21. The other continued limited duration position has been scanning case files to electronic format; this position is recommended at half time for one year (0.25 FTE). The agency believes the scanning can be completed in one year.

Package 801, LFO Analyst Adjustments, was approved. This package reduces Services and Supplies by \$90,000. After reviewing the actual and planned spending patterns for 2017-19, a few expenditure categories would have significant unspent balances at the end of the biennium. Even given some planned investments in 2017-19, it is likely the agency will have excess Other Funds limitation.

Teacher Education Program Accreditation

This program provides grants to educator preparation programs to assist in obtaining national accreditation. It was established in 2015, under Senate Bill 78, with \$200,000 General Fund. Other Funds limitation was established so the funding would be available in 2017-19 if the grants were not entirely awarded in 2015-17. Because all the intended grants were awarded in the 2015-17 biennium, the Subcommittee eliminated \$201,000 of Other Funds limitation for the 2017-19 biennium in Package 801.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Teachers Standards and Practices Commission
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ 200,000	\$ -	\$ 6,874,833	\$ -	\$ -	\$ -	7,074,833	27	24.88
2017-19 Current Service Level (CSL)*		\$ -	\$ 6,654,885	\$ -	\$ -	\$ -	6,654,885	21	20.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - General Program									
Package 090: Analyst Adjustments									
Services and Supplies	\$ -	\$ -	\$ 342,710	\$ -	\$ -	\$ -	342,710		
Package 101: Customer Service									
Personal Services	\$ -	\$ -	\$ 482,635	\$ -	\$ -	\$ -	482,635	3	2.96
Services and Supplies	\$ -	\$ -	\$ 89,278	\$ -	\$ -	\$ -	89,278		
Package 102: Investigations									
Personal Services	\$ -	\$ -	\$ 169,334	\$ -	\$ -	\$ -	169,334	2	1.25
Services and Supplies	\$ -	\$ -	\$ 28,296	\$ -	\$ -	\$ -	28,296		
Package 801: LFO Analyst Adjustmetns									
Services and Supplies	\$ -	\$ -	\$ (90,000)	\$ -	\$ -	\$ -	(90,000)		
SCR 002 - Teacher Education Program Accreditation									
Package 801: LFO Analyst Adjustmetns									
Special Payments	\$ -	\$ -	\$ (201,000)	\$ -	\$ -	\$ -	(201,000)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 821,253	\$ -	\$ -	\$ -	821,253	5	4.21
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 7,476,138	\$ -	\$ -	\$ -	7,476,138	26	24.71
% Change from 2015-17 Leg Approved Budget	(100.0%)	0.0%	8.7%	0.0%	0.0%	0.0%	5.7%	(3.7%)	(0.7%)
% Change from 2017-19 Current Service Level	0.0%	0.0%	12.3%	0.0%	0.0%	0.0%	12.3%	23.8%	20.5%

*Excludes Capital Construction Expenditures

Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Teacher Standards and Practices Commission

Mission Statement:

To establish, uphold and enforce professional standards of excellence and communicate those standards to the public and educators for the benefit of Oregon's students.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. EMAIL CUSTOMER SERVICE - Percent of emails responded to within 3 days.		Approved	No Data	85%	85%
2. APPLICANT CUSTOMER SERVICE - Percent of license applications initially processed within 30 days.		Approved	3.21%	60%	65%
3. INVESTIGATION SPEED - Percent of investigated cases resolved in 180 days (unless pending in another forum).		Approved	30%	75%	75%
4. PHONE CUSTOMER SERVICE - Percent of phone calls responded to that are not abandoned.		Approved	No Data	85%	85%
5. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.		Approved	44.60%	80%	80%
1. PHONE/EMAIL CUSTOMER SERVICE - Percent of phone calls and email responded to within 3 days.		Legislatively Deleted	90.10%	60%	TBD

LFO Recommendation:

The Teacher Standards and Practices Commission (TSPC) has generally not been able to meet its targets for Key Performance Measures (KPM). Factors challenging TSPC include staffing levels, past management practices, and in some cases KPMs that don't necessarily measure the actual tasks or functions performed. For this last factor, LFO recommends changing or replacing two of the four KPMs.

1. The current KPM #1 measures performance on two types of communications that licensees and others access the TSPC staff -- email and phone. The KPM works for email, but not for phone calls since the agency doesn't have an option for callers to leave messages on the call center phone system. A better alternative would be to measure how many calls are responded to prior to the caller just hanging up (abandoned call). Based on this, LFO recommends that KPM #1 be changed to reflect only emails and a new KPM #4 be established to measure how many calls are responded to prior to the caller hanging up. Performance on the existing KPM has lagged significantly under the targets in recent years; but so far in 2017, the performance on the email has exceeded 90%. For both of these new or revised KPMs, LFO recommends targets of 85%.

2. The current KPM #2 measures the percent of completed applications processed in 20 days. Since TSPC systems only measure calendar days and not business days, the 20 days represents approximately 15 business days. In addition, beyond the initial review by TSPC staff, the processing can be delayed for a variety of reasons beyond the control of the staff including missing information that must be reviewed and verified to complete the application process. If a licensee does not promptly reply with the necessary missing information, it is almost impossible to process an application within the 20 days. LFO recommends first increasing the number of days to 30 calendar days which actually reflects 20 or so business days. Also recommended, is to measure the time between when the application is submitted and when it is initially reviewed by the TSPC staff. This period is under the control of TSPC and not dependent on applicants getting information back to TSPC to completely process the application. Performance on this KPM has been dismal, partially due to dependence on applicants responding with missing information, but also the number of expedited processing requests. With likely legislative changes, the number of expedited requests should decrease, so performance on the overall application pool should improve. LFO recommends increasing the current targets given the change in the metrics of the KPM.

3. The current KPM #3 measures the percentage of investigated cases resolved in 180 days unless pending in another forum such as a administrative hearing or a court hearing. Performance has been improving (so far in 2017 30% of the cases has met this 180 day threshold) but it still has significant room for improvement. The continuation of the limited duration investigator position should help. Also, if HB 3351 passes that should delay the number of cases opened by TSPC until after such time that a district has responded to the complaint. It will not necessarily reduce the number of patron sourced cases initially, but it should increase the ability of the agency to investigate and resolve a case more quickly -- due to more detailed information being received from the district investigation process. LFO recommends leaving the target at 75% at this point to see how these two factors affect the performance.

4. KPM #6 is the customer service KPM common to most state agencies. Again, performance is significantly below the target; but LFO recommends leaving the target at 80% as reduced staff turnover, new

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management and increased staffing all should improve performance on this KPM.

SubCommittee Action:

The Subcommittee approved the LFO recommendation. The Subcommittee instructed the agency to explore a potential KPM that measured the number or percentage of license applications that are completely processed with a specific time period. The time period discussed was 90 days.