

**Legislative  
Fiscal Office**

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**Joint Committee on  
Ways and Means**

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Ken Rocco, Legislative Fiscal Officer  
Paul Siebert, Deputy Legislative Fiscal Officer

**To:** Education Subcommittee  
**From:** Doug Wilson, Legislative Fiscal Office  
**Date:** June 4, 2019  
**Subject:** SB 5537 - Teacher Standards and Practices Commission -- Work Session Recommendations

**Teachers Standards and Practices Commission – Agency Totals**

	<b>2015-17 Actual</b>	<b>2017-19 Legislatively Approved</b>	<b>2019-21 Current Service Level</b>	<b>2019-21 LFO Recommended</b>
General Fund	200,000	1,700,000	0	0
Other Funds	6,576,291	8,961,470	9,063,665	8,868,774
<b>Total Funds</b>	<b>6,776,291</b>	<b>10,661,470</b>	<b>9,063,665</b>	<b>8,868,774</b>
Positions	26	27	23	23
FTE	24.42	25.71	22.50	22.50

The Teacher Standards and Practices Commission (TSPC), composed of 17 members who are appointed by the Governor and confirmed by the Senate, has three primary areas of responsibility:

- Establish rules and issue licenses and registrations to teachers, administrators, school nurses, school counselors, and school psychologists.
- Maintain and enforce professional standards of competent and ethical performance and proper assignment of licensed educators through investigations and actions brought about through formal complaints to the Commission.
- Adopt standards for college and university teacher education programs and approve programs that meet such standards.

There are almost 65,000 educators (some have more than one license --e.g., teacher and administrator) licensed by TSPC with teachers representing roughly 90%. For comparison, there are approximately 30,000 working teachers in Oregon’s public schools. The TSPC is one of eleven stand-alone teacher licensee entities among the states

## **Adjustments to Current Service Level**

See attached "Work Session Presentation Report."

The LFO recommendation includes the following adjustments:

- Eliminates an Information Systems Specialist position and an Administrative Specialist position responsible for licensing activities.
- Establishes an Investigator position and a Director of Program Approval position.
- Reduces the Services and Supplies budget by \$150,000.
- Assumes a 20% fee increase which is estimated to maintain sufficient revenues to meet expenditures until the 2023-25 budget.

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

***Accept*** LFO Recommendation:

**MOTION: I move the LFO recommendation to SB 5537. (VOTE)**

## **Performance Measures**

See attached "Legislatively Proposed 2019-21 Key Performance Measures."

***Accept*** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)**

## **Budget Notes**

There are no budget notes recommended.

## **Recommended Changes**

LFO recommends a budget of \$8868,774 Other Funds, and 23 positions (22.50 FTE), which is reflected in the -1 amendment.

**MOTION: I move adoption of the -1 amendment to SB 5537. (VOTE)**

**Final Subcommittee Action**

LFO recommends that SB 5537, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move SB 5537, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2017-19 Agy. Leg. Adopted	1,700,000	-	8,961,470	-	-	-	10,661,470	27	25.71
2017-19 Ebds, SS & Admin Act	-	-	144,940	-	-	-	144,940	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	1,700,000	-	9,106,410	-	-	-	10,806,410	27	25.71
2017-19 Leg Approved Budget (Base)	1,700,000	-	9,106,410	-	-	-	10,806,410	27	25.71
Summary of Base Adjustments	-	-	(141,575)	-	-	-	(141,575)	(4)	(3.21)
2019-21 Base Budget	1,700,000	-	8,964,835	-	-	-	10,664,835	23	22.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	121,015	-	-	-	121,015	-	-
020: Phase In / Out Pgm & One-time Cost	(1,700,000)	-	(236,273)	-	-	-	(1,936,273)	-	-
030: Inflation & Price List Adjustments	-	-	214,088	-	-	-	214,088	-	-
2019-21 Current Service Level	-	-	9,063,665	-	-	-	9,063,665	23	22.50
Adjusted 2019-21 Current Service Level	-	-	9,063,665	-	-	-	9,063,665	23	22.50
Total LFO Recommended Packages	-	-	(194,891)	-	-	-	(194,891)	-	-
2019-21 Legislative Actions	-	-	8,868,774	-	-	-	8,868,774	23	22.50
Net change from 2017-19 Leg Approved Budget	(1,700,000)	-	(237,636)	-	-	-	(1,937,636)	(4)	(3.21)
Percent change from 2017-19 Leg Approved Budget	(100.0%)	0.0%	(2.6%)	0.0%	0.0%	0.0%	(17.9%)	(14.8%)	(12.5%)
Net change from 2019-21 Adj Current Service Level	-	-	(194,891)	-	-	-	(194,891)	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	(2.2%)	0.0%	0.0%	0.0%	(2.2%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2017-19 Agy. Leg. Adopted</b>	-	-	7,261,470	-	-	-	7,261,470	26	24.71
2017-19 Ebds, SS & Admin Act	-	-	138,401	-	-	-	138,401	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	-	-	7,399,871	-	-	-	7,399,871	26	24.71
<b>2017-19 Leg Approved Budget (Base)</b>	-	-	7,399,871	-	-	-	7,399,871	26	24.71
Summary of Base Adjustments	-	-	(152,075)	-	-	-	(152,075)	(4)	(3.21)
<b>2019-21 Base Budget</b>	-	-	7,247,796	-	-	-	7,247,796	22	21.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	120,283	-	-	-	120,283	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(88,976)	-	-	-	(88,976)	-	-
030: Inflation & Price List Adjustments	-	-	159,820	-	-	-	159,820	-	-
<b>2019-21 Current Service Level</b>	-	-	7,438,923	-	-	-	7,438,923	22	21.50
<b>Adjusted 2019-21 Current Service Level</b>	-	-	7,438,923	-	-	-	7,438,923	22	21.50
<b>Total LFO Recommended Packages</b>	-	-	(194,891)	-	-	-	(194,891)	-	-
<b>2019-21 Legislative Actions</b>	-	-	7,244,032	-	-	-	7,244,032	22	21.50
Net change from 2017-19 Leg Approved Budget	-	-	(155,839)	-	-	-	(155,839)	(4)	(3.21)
Percent change from 2017-19 Leg Approved Budget	0.0%	0.0%	(2.1%)	0.0%	0.0%	0.0%	(2.1%)	(15.4%)	(13.0%)
Net change from 2019-21 Adj Current Service Level	-	-	(194,891)	-	-	-	(194,891)	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	(2.6%)	0.0%	0.0%	0.0%	(2.6%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 101 Professional Practices and Program Approval Support**

Package Description This package abolishes an Information Systems Specialist 5 (1.00 FTE) which the agency does not need anymore, reclassifies the Deputy Director position from a PEM/E to a PEM/D which will be redlined to recognize the change in the agency management structure, and establishes a new Director of Program Approval position as a PEM/D (1.00 FTE). The net effect is no change in position count and FTE, and a net reduction in personal services expenditures of \$44,891.

The new position is proposed to strengthen the Commission's activities in approving educator preparation programs at post-secondary institutions in the state. Currently, the agency has one staff dedicated to this function with the existing management staff assisting in the area. This responsibility of the agency in this area is growing in complexity with changes in the national accreditation standards. In addition, the educator preparation programs are an important component of the overall education system in the state, especially as more resources flow into the system with the passage of an almost 10% increase in the State School Fund and the passage of the Student Success Act. This position will allow current management staff concentrate in their assigned areas (e.g., professional practices/investigations). This position will assist preparation programs meet national standards through increased assistance and oversight by TSPC, provide more expertise in preparation program development and review, help eliminate barriers to licensure, and strengthen ethical and professional standards.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(44,891)	-	-	-	(44,891)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 801 LFO Analyst Adjustments**

Package Description The Subcommittee discussed the need to complete investigations of educator misconduct in a more-timely manner. For 2017-19, there was a limited duration investigator position which will not be available for 2019-21. Without that position, the remaining investigations staff will struggle to keep pace with the number of cases that TSPC must investigate resulting in backlogs growing again. The agency does not meet its Key Performance Measure for this function by only completing 43% of its investigations within 180 days. This package transfers one position from the licensing area (Administrative Specialist 2) which is currently vacant to the investigations unit (Investigator 2). The costs of these positions are comparable so there is no cost or savings associated with this transfer.

Agency revenues continue to be an issue for the agency. In recent years the licensing fees were increased, but at around the same time the fee structure and term of licensure for many of the educators increased from three years or less to five years. The result was that fee revenue was still not sufficient to maintain long term balance in the program. Current estimates show that the ending balance will slip below the recommended amount by the end of the 2019-21 biennium and become negative in 2021-23. LFO recommends an increase in fees of 20% to provide a revenue stream that will meet costs at least till the 2023-25 biennium.

To offset some costs, the agency's Services and Supplies (S&S) budget was reviewed and compared to actual expenditures. Overall, the S&S budget can be reduced by \$150,000, specifically in the Office Expenses, Data Processing, Professional Services, Agency Program Related S&S, and Other S&S categories.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(150,000)	-	-	-	(150,000)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2017-19 Agy. Leg. Adopted	1,700,000	-	1,700,000	-	-	-	3,400,000	1	1.00
2017-19 Ebds, SS & Admin Act	-	-	6,539	-	-	-	6,539	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	1,700,000	-	1,706,539	-	-	-	3,406,539	1	1.00
2017-19 Leg Approved Budget (Base)	1,700,000	-	1,706,539	-	-	-	3,406,539	1	1.00
Summary of Base Adjustments	-	-	10,500	-	-	-	10,500	-	-
2019-21 Base Budget	1,700,000	-	1,717,039	-	-	-	3,417,039	1	1.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	732	-	-	-	732	-	-
020: Phase In / Out Pgm & One-time Cost	(1,700,000)	-	(147,297)	-	-	-	(1,847,297)	-	-
030: Inflation & Price List Adjustments	-	-	54,268	-	-	-	54,268	-	-
2019-21 Current Service Level	-	-	1,624,742	-	-	-	1,624,742	1	1.00
Adjusted 2019-21 Current Service Level	-	-	1,624,742	-	-	-	1,624,742	1	1.00
2019-21 Legislative Actions	-	-	1,624,742	-	-	-	1,624,742	1	1.00
Net change from 2017-19 Leg Approved Budget	(1,700,000)	-	(81,797)	-	-	-	(1,781,797)	-	-
Percent change from 2017-19 Leg Approved Budget	(100.0%)	0.0%	(4.8%)	0.0%	0.0%	0.0%	(52.3%)	0.0%	0.0%
Net change from 2019-21 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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**Package 022 Phase-out Pgm & One-time Costs**

Package Description This package phases-out the one-time \$1.7 million General Fund appropriation made in House Bill 2763 (2017) which established and capitalized the National Board Certification Fund. The Fund's purpose is to assist teachers who are working toward their National Board certification. A small amount of funds has been distributed for 2017-19 as the program was developed and started. Program participation is expected to grow in future biennia. Other Funds limitation remains to provide for the payments for 2019-21 and future biennia.

LFO Recommendation Approve the package.

LFO Recommended	(1,700,000)	-	(147,297)	-	-	-	(1,847,297)	-	-
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# Legislatively Proposed 2019 - 2021 Key Performance Measures

Published: 5/25/2019 8:33:21 AM

**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 Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. EMAIL CUSTOMER SERVICE - Percent of emails responded to within 3 days.		Approved	63%	85%	85%
2. APPLICANT CUSTOMER SERVICE - Percent of license applications initially processed within 30 days.		Approved	17%	60%	60%
3. INVESTIGATION SPEED - Percent of investigated cases resolved in 180 days (unless pending in another forum).		Approved	43%	75%	75%
4. PHONE CUSTOMER SERVICE - Percent of phone calls responded to that are not abandoned.		Approved	93%	95%	95%
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	48%	80%	80%

**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 the implementation of a new computerized licensing system.

1. The KPM #1 measures customer service performance based on the rate of response to email within 3 days. Performance on the KPM has lagged under the targets but there is some evidence performance is improving. The email backlog in the summer which is a busy season has in the past been over 2,000, but staff was able to keep it below 1,200 for 2018. This performance measure is in part dependent on the number of phone calls the agency receives since the two functions share staff. LFO recommends maintaining the 85% target.
2. KPM #2 measures the percent of completed applications processed in 30 days, another customer service measure. Performance on this KPM has significantly under the existing 60% target. Again there has been some improvement where the agency has met the target for many months of the biennium, but because of applications being heavier in some months the agency processed 64% of 2018 applications within 60 days. It is hoped that the new licensing system will assist the agency in improving its performance. LFO recommends maintaining the current
3. KPM #3 measures the percentage of investigated cases resolved in 180 days unless pending in another forum such as an administrative hearing or a court hearing. Performance has been improving as the rate has improved from 12% in 2014 to 43% for 2018. Since timely completion of investigations indirectly relate to the safety of students, it is important that this KPM improves. This is a critical function of the agency and staff resources need to be increased over current service level. LFO recommends leaving the target at 75% at this point. 60% target.
4. KPM #4 measures customer satisfaction based on the number of phone calls that are not abandoned. The agency has performed considerably better than other measures in part because they put a priority on responding to phone calls at the expense of emails. LFO recommends increasing the target to 95%.
5. KPM #5 is the customer service KPM common to most state agencies. Again, performance is significantly below the target; but is improving. LFO recommends leaving the target at 80%.

While the agency does have KPMs relating to two of its primary responsibilities (licensing and investigations), there is not a measure relating to its responsibilities regarding Educator Preparation programs. LFO suggests that the agency examine the potential for establishing a measure for this area.

**SubCommittee Action:**