

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Education Subcommittee

From: Doug Wilson, Legislative Fiscal Office

Date: June 9, 2021

Subject: HB 5035 – Teacher Standards and Practices Commission
Work Session Recommendations

Agency Name – Agency Totals

	2017-19 Actual	2019-21 Legislatively Approved	2021-23 Current Service Level	2021-23 LFO Recommended
General Fund	1,700,000			
Other Funds	6,656,350	12,080,322	10,212,917	14,189,847
Total Funds	\$8,356,350	\$12,080,322	\$10,212,917	\$14,189,847
Positions	27	26	26	26
FTE	25.71	24.75	25.50	25.50

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 preparation programs and approve programs that meet such standards.

There are almost 63,000 educators (some have more than one license --e.g., teacher and administrator) licensed by TSPC with teachers representing roughly 88%. For comparison, there are approximately 30,000 working teachers in Oregon's public schools. The TSPC is one of twelve stand-alone teacher licensee entities among the states

Adjustments to Current Service Level

See attached “Work Session Presentation Report.”

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.

The LFO recommendation includes the following adjustments:

- Eliminates two positions -- a Public Service Representative 4 (1.0 FTE) and an Investigator 2 (1.0 FTE);
- Reduces the budget by just over \$300,000 Other Funds for savings included in most state agency budgets related to vacancy savings, Services & Supplies inflation and adjustments to AG and DAS charges;
- Adds one position and \$477,398 Other Funds to further develop the eLicensing system;
- Adds \$5.0 million Other Funds for an interagency agreement with the Oregon Department of Education’s Educator Advancement Council for a variety of educator professional development and diversity activities; and
- Reduces the budget by eliminating the National Board Certification program and transferring the remaining resources in the program to the general operations of the Commission to offset larger increases in licensing fees.
- Assumes the passage of SB 129.

Based on the this recommended budget for the agency, the transfer of the National Board Certification program resources, and the new fees that are included in SB 129; the estimated ending fund balance for the 2021-23 biennium is the equivalent of just over eight months and the equivalent of just over two months at the end of 2023-25. For 2025-27, the ending balance is estimated to be less than zero. The Commission may have to raise fees during 2021-23 or 2023-25 to maintain a sufficient ending balance in the future. The current five-year fee for teachers is \$187 or \$37 per year. These projected ending balances are based on current revenue trends and constant number of licensees.

Performance Measures

See attached “Legislatively Proposed 2021-23 Key Performance Measures.”

Recommended Changes

LFO recommends a budget of \$14,189,847 Other Funds, and 26 positions (25.50 FTE), which is reflected in the -1 amendment.

Final Subcommittee Action

LFO recommends that HB 5035, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

LFO102 - Work Session Presentation Report
2021-23 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 58400-000-00-00-00000
Teacher Standards & Practices Comm

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2019-21 Agy. Leg. Adopted	-	-	9,306,571	-	-	-	9,306,571	26	24.75
2019-21 Ebds, SS & Admin Act	-	-	2,773,751	-	-	-	2,773,751	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	-	-	12,080,322	-	-	-	12,080,322	26	24.75
2019-21 Leg Approved Budget (Base)	-	-	9,306,571	-	-	-	9,306,571	26	24.75
Summary of Base Adjustments	-	-	603,514	-	-	-	603,514	-	0.75
2021-23 Base Budget	-	-	9,910,085	-	-	-	9,910,085	26	25.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	45,719	-	-	-	45,719	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(240,732)	-	-	-	(240,732)	-	-
030: Inflation & Price List Adjustments	-	-	497,845	-	-	-	497,845	-	-
2021-23 Current Service Level	-	-	10,212,917	-	-	-	10,212,917	26	25.50
070: Revenue Reductions/Shortfall	-	-	(910,102)	-	-	-	(910,102)	(3)	(3.50)
Adjusted 2021-23 Current Service Level	-	-	9,302,815	-	-	-	9,302,815	23	22.00
Total LFO Recommended Packages	-	-	4,887,032	-	-	-	4,887,032	3	3.50
2021-23 Legislative Actions	-	-	14,189,847	-	-	-	14,189,847	26	25.50
Net change from 2019-21 Leg Approved Budget	-	-	2,109,525	-	-	-	2,109,525	-	0.75
Percent change from 2019-21 Leg Approved Budget	0.0%	0.0%	17.5%	0.0%	0.0%	0.0%	17.5%	0.0%	3.0%
Net change from 2021-23 Adj Current Service Level	-	-	4,887,032	-	-	-	4,887,032	3	3.50
Percent change from 2021-23 Adj Current Service Level	0.0%	0.0%	52.5%	0.0%	0.0%	0.0%	52.5%	13.0%	15.9%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2019-21 Agy. Leg. Adopted	-	-	7,681,829	-	-	-	7,681,829	25	23.75
2019-21 Ebds, SS & Admin Act	-	-	2,773,751	-	-	-	2,773,751	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	-	-	10,455,580	-	-	-	10,455,580	25	23.75
2019-21 Leg Approved Budget (Base)	-	-	7,681,829	-	-	-	7,681,829	25	23.75
Summary of Base Adjustments	-	-	595,049	-	-	-	595,049	-	0.75
2021-23 Base Budget	-	-	8,276,878	-	-	-	8,276,878	25	24.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	45,320	-	-	-	45,320	-	-
030: Inflation & Price List Adjustments	-	-	444,429	-	-	-	444,429	-	-
2021-23 Current Service Level	-	-	8,766,627	-	-	-	8,766,627	25	24.50
070: Revenue Reductions/Shortfall	-	-	(910,102)	-	-	-	(910,102)	(3)	(3.50)
Adjusted 2021-23 Current Service Level	-	-	7,856,525	-	-	-	7,856,525	22	21.00
Total LFO Recommended Packages	-	-	6,333,322	-	-	-	6,333,322	4	4.50
2021-23 Legislative Actions	-	-	14,189,847	-	-	-	14,189,847	26	25.50
Net change from 2019-21 Leg Approved Budget	-	-	3,734,267	-	-	-	3,734,267	1	1.75
Percent change from 2019-21 Leg Approved Budget	0.0%	0.0%	35.7%	0.0%	0.0%	0.0%	35.7%	4.0%	7.4%
Net change from 2021-23 Adj Current Service Level	-	-	6,333,322	-	-	-	6,333,322	4	4.50
Percent change from 2021-23 Adj Current Service Level	0.0%	0.0%	80.6%	0.0%	0.0%	0.0%	80.6%	18.2%	21.4%

	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 070 Revenue Shortfalls

Package Description This package reduces Other Funds expenditure limitation to reflect the available revenues in the early stages of the budget process under the current level of fees. Other Funds expenditure limitation is reduced by \$910,102 and three positions (3.5 FTE) are eliminated. The anticipated revenues for 2021-23 at the time were estimated to be sufficient to cover the current service level expenses but would have left an ending balance covering just over a month of expenditures. A reduction in expenditures is necessary to ensure that the agency can maintain a proper ending balance of at least three months of operational expenses. The positions affected in this package were a PEM D (1.0 FTE), a Public Service Representative 4 (1.0 FTE), an Investigator 2 (1.0 FTE) and a Compliance Specialist 2 (0.5 FTE).

Package 101 restores two of these positions.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(910,102)	-	-	-	(910,102)	(3)	(3.50)
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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 101 Agency Fiscal Stability

Package Description The combination of package 70, this package and the new resources from SB 129 and the transfer from the National Board Certification program provides greater long-term fiscal stability for the Commission which has suffered from fluctuating revenues due to economic factors and changes to its licensing structure. Currently, license fees paid by educators and a limited number of other staff pay for the vast majority of the Commission's activities. Package 070 reduced Other Funds expenditure limitation by \$910,102 and eliminated three positions (3.5 FTE) to match available revenues with the Commission's costs. This package restores funding for two positions (1.50 FTE) from Package 70 -- the PEM D (1.00 FTE) and the Compliance Specialist 2 (0.50 FTE).

LFO Recommendation Approve the package.

LFO Recommended	-	-	855,924	-	-	-	855,924	1	1.50
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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 103 e-Licensure Portal

Package Description Package 103 adds a limited duration Information Systems Specialist 8 position to continue the development and ongoing maintenance of the web-based eLicensing system for the Commission. This position will coordinate the further development of the System and the development, acquisition and maintenance of new web applications. The further development of the system is required for the ongoing operations of the Commission. The package assumes that a fee paid by a licensee at the time of initial application for or a renewal of a license will continue. A small amount of this fee (\$1) will be used to pay maintain the existing portal with the remainder for the further development of the system including the cost of this position.

LFO Recommendation Approve the package.

LFO Recommended	-	-	477,398	-	-	-	477,398	1	1.00
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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 This package increases the Commission's Other Funds expenditure by a total of \$5 million and two positions for an interagency agreement with the Oregon Department of Education's Educator Advancement Council (EAC) for a variety of educator diversity activities. The September 2020 Emergency Board approved a report from the EAC on the plans for spending professional development resources funded with resources from the Fund for Student Success. Part of the funds were passed to the Commission for the Oregon Administrators Scholars Program, the evaluation of the new TSPC strengths-based approach for measuring teacher candidate performance, and for reducing the licensing cost and assessment costs of teacher candidates. This package continues these programs for 2021-23. An Operations Policy Analyst 3 position is continued who is responsible for the Multiple Measures program (0.75 FTE) and the Diversity Licensing Reimbursement program (0.25 FTE). A Program Analyst 1 position (1.0 FTE) is continued and is responsible for the Oregon Administrator Scholarship Program. Of the total amount of \$5.0 million, \$2.7 million will be for special payments associated with the Oregon Administrators Scholars Program

LFO Recommendation Approve the package.

LFO Recommended	-	-	5,000,000	-	-	-	5,000,000	2	2.00
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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)
2019-21 Agy. Leg. Adopted	-	-	1,624,742	-	-	-	1,624,742	1	1.00
2019-21 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2019-21 Leg Approved Budget	-	-	1,624,742	-	-	-	1,624,742	1	1.00
2019-21 Leg Approved Budget (Base)	-	-	1,624,742	-	-	-	1,624,742	1	1.00
Summary of Base Adjustments	-	-	8,465	-	-	-	8,465	-	-
2021-23 Base Budget	-	-	1,633,207	-	-	-	1,633,207	1	1.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	399	-	-	-	399	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(240,732)	-	-	-	(240,732)	-	-
030: Inflation & Price List Adjustments	-	-	53,416	-	-	-	53,416	-	-
2021-23 Current Service Level	-	-	1,446,290	-	-	-	1,446,290	1	1.00
Adjusted 2021-23 Current Service Level	-	-	1,446,290	-	-	-	1,446,290	1	1.00
Total LFO Recommended Packages	-	-	(1,446,290)	-	-	-	(1,446,290)	(1)	(1.00)
2021-23 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2019-21 Leg Approved Budget	-	-	(1,624,742)	-	-	-	(1,624,742)	(1)	(1.00)
Percent change from 2019-21 Leg Approved Budget	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)
Net change from 2021-23 Adj Current Service Level	-	-	(1,446,290)	-	-	-	(1,446,290)	(1)	(1.00)
Percent change from 2021-23 Adj Current Service Level	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)

	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 801 LFO Analyst Adjustments

Package Description The Legislature funded the National Board Certification program with a one-time \$1.7 million General Fund appropriation to capitalize a fund to financially assist educators that are working toward their certification. Participation in the program has not been significant with a total of \$108,013 spent in 2017-19 and \$161,488 spent so far in 2019-21. In each biennium, the costs of the position administering the program accounted for over 60% of the total costs. This package effectively eliminates the program and transfers the remaining balance of resources for the program to the general operating budget of the Commission to offset some of the fee increases necessary to support the overall budget of the Commission. The position administering the program is also eliminated.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(1,446,290)	-	-	-	(1,446,290)	(1)	(1.00)
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Legislatively Proposed 2021 - 2023 Key Performance Measures

Published: 5/13/2021 1:55:45 PM

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 2022	Target 2023
1. EMAIL CUSTOMER SERVICE - Percent of emails responded to within 3 days.		Approved	48%	85%	85%
2. APPLICANT CUSTOMER SERVICE - Percent of license applications initially processed within 30 days.		Approved	38%	60%	60%
3. INVESTIGATION SPEED - Percent of investigated cases resolved in 180 days (unless pending in another forum).		Approved	35.29%	75%	75%
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	60%	80%	80%
4. Program Approval Customer Service - Percentage of new program and major modification proposals processed within 30 days of formal submission to the Commission.		Proposed New		80%	80%
4. PHONE CUSTOMER SERVICE - Percent of phone calls responded to that are not abandoned.		Proposed Delete	88%	95%	

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 troubled implementaton 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. It should also be noted that way this KPM is measured changed in 2019 with the implementation of the new e-licensing system. For this reason the comparison of current data with data from before 2019 is difficult. There was no data for 2019. This performance measure is in part dependent on the number of phone calls the agency receives since the two functions share staff and the call center was closed for most of 2020. **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 increasing from 17% in 2018 to 38% in 2020. Again, there was no data for 2019 given the new e-licensing implementation. LFO recommends maintaining the current target of 60%.

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, but dropped to under 30% for 2019. 2020 saw improvement again rising to 32.1%. Since timely completion of investigations indirectly relate to the safety of students, it is important that this KPM improves. The performance under this KPM is primarily due to the amount of staff resources dedicated to this function. For a portion of 2020, an investigator position was vacant as the agency worked on filling that postion. LFO recommends leaving the target at 75% at this point.

4. The current KPM #4 measures customer satisfaction based on the number of phone calls that are not abandoned. It is recommended that this KPM be deleted. The agency did not have a call center during 2020 due to the pandemic and found that communication via email worked well as employees worked from home.

5. KPM #5 is the customer service measure common to all state agencies. The agency's performance has lagged for many years but has slowly been improving. There is no data for 2020 and the agency is developing a new methodolgy to seeking input on how to collect the necessary data.

6. To replace the recommended deleted KPM #4, the agency is following legislative direction from 2019. The are proposing a new KPM #4 to measure their performance on approving new or modification of educator preparation programs at institutions of higher education. LFO recommends adding this new measure.

SubCommittee Action: