

HB 5035 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. McLain

Joint Committee On Ways and Means

Action Date: 06/18/21

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 9 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman

Nays: 1 - Stark

Exc: 1 - Smith G

Senate Vote

Yeas: 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Teacher Standards and Practices Commission

2021-23

Budget Summary*

	2019-21 Legislatively Approved Budget ⁽¹⁾	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 12,080,322	\$ 10,212,917	\$ 14,189,847	\$ 2,109,525	17.5%
Total	\$ 12,080,322	\$ 10,212,917	\$ 14,189,847	\$ 2,109,525	17.5%

Position Summary

Authorized Positions	26	26	26	0
Full-time Equivalent (FTE) positions	24.75	25.50	25.50	0.75

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Teacher Standards and Practices Commission’s (TSPC or Commission) main source of revenue is licensing fees. Revenues for TSPC can fluctuate for a number of reasons, making it difficult to project revenues. The Education Subcommittee approved a \$15 fee per initial application and renewal to provide funding for the development of a new e-licensing system and for maintenance of the existing portal while the new system is being developed. Furthermore, the Subcommittee’s recommendation includes a transfer of the National Board Certification program resources into the General Program and assumes passage of Senate Bill 129 (2021), which includes additional revenue to be generated from new fees included in the bill. The estimated ending fund balance for the 2021-2023 biennium is anticipated to be equivalent of approximately seven months of operating expenses and the equivalent of just over one month at the end of the 2023-25 biennium. 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 a constant number of licensees.

Summary of Education Subcommittee Action

The mission of TSPC is 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. The Commission consists of 17 members appointed by the Governor and subject to confirmation by the Senate. TSPC adopts rules necessary for the issuance, denial, continuation, renewal, lapse, revocation, suspension, or reinstatement of licenses or registrations issued to teachers, administrators, school psychologists, school nurses, and other licensed educational personnel. The Commission also maintains and enforces 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. Finally, the

Commission adopts standards for college and university teacher education preparation programs and approves programs that meet such standards.

There are almost 63,000 educators (some have more than one license --e.g., teacher and administrator) licensed by the Commission with teachers representing roughly 88%. For comparison, there are approximately 30,000 working teachers in Oregon's public schools. The Commission is one of 12 stand-alone teacher licensee entities among the states.

The Subcommittee recommended a budget of \$14,189,847 Other Funds expenditure limitation and 26 positions (25.50 FTE). This represents an increase of 17.5% from the 2019-2021 legislatively approved budget. The TSPC position count remains the same and full-time equivalent positions increased by 0.75.

General Program

The Commission's General Program is responsible for the core functions of the agency. The purpose of the program is to assure competent and ethical teachers are providing instruction to Oregon's public-school students. The agency accomplishes its mission through four service areas: Licensure, State Approval of Educator Preparation Programs, Professional Practices, and Agency Operations.

The Subcommittee recommended a budget of \$14,189,847 Other Funds expenditure limitation and 26 positions (25.50 FTE). The Subcommittee recommended the following packages:

Package 070: Revenue Shortfalls. 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 by eliminating three positions (3.00 FTE) and reducing one position from full time to half time (0.50 FTE). 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 the agency can maintain a proper ending balance of at least three months of operational expenses. The positions affected in this package are a Principal Executive Manager D (PEM D) (1.00 FTE), a Public Service Representative 4 (1.00 FTE), an Investigator 2 (1.00 FTE) and a Compliance Specialist 2 (0.50 FTE). Package 101 restores two of these positions.

Package 101: Agency Fiscal Stability. The combination of Package 070, this package, new resources anticipated from Senate Bill 129 (2021), and the transfer of funds 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 pay for the vast majority of the Commission's activities. Package 070 reduced Other Funds expenditure limitation by \$910,102 by eliminating three positions (3.00 FTE) and reducing one position from full time to half time (0.50 FTE) to match available revenues with the Commission's costs. This package restores funding for two positions (1.50 FTE) from Package 070 -- the PEM D position is restored (1.00 FTE) and the Compliance Specialist 2 is increased to full time (0.50 FTE).

Package 103: e-Licensure Portal. This package 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 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) is to be used to maintain the existing portal with the remainder of the fee (\$14) to be used for the further development of the system, including the cost of this position.

Package 801: LFO Analyst Adjustments. This package increases the Commission's Other Funds expenditure by a total of \$5 million and adds 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, which is continued, is responsible for the Multiple Measures program (0.75 FTE) and the Diversity Licensing Reimbursement program (0.25 FTE). A Program Analyst 1 position (1.00 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.

Teacher Education Program Accreditation

This program was established to encourage Oregon public school teacher licensees to achieve National Certification. The program was designed to reimburse teachers for the direct costs of seeking and obtaining national certification, including reimbursement for component and cohort expenses; establishing rules to govern the distribution of the reimbursements; promoting the benefits of national certification to Oregon educators and school districts; tracking data of the numbers and effects of national board certification funding; and providing staffing to assist educators with the reimbursement process.

The Subcommittee recommended elimination of this program and the transfer of the balance of funds, within the program, to the General Program operating budget to help offset fee increases necessary to support the overall budget of the Commission. The Subcommittee recommended the following package:

Package 801: LFO Analyst Adjustments. 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 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.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Teacher Standards and Practices Commission
 Tamara Brickman - (971) 719-3492

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ -	\$ -	\$ 12,080,322	\$ -	\$ -	\$ -	\$ 12,080,322	26	24.75
2021-23 Current Service Level (CSL)*	\$ -	\$ -	\$ 10,212,917	\$ -	\$ -	\$ -	\$ 10,212,917	26	25.50
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 58400-001 - General Program									
Package 070: Revenue Shortfalls									
Personal Services	\$ -	\$ -	\$ (787,843)	\$ -	\$ -	\$ -	\$ (787,843)	(3)	(3.50)
Services and Supplies	\$ -	\$ -	\$ (122,259)	\$ -	\$ -	\$ -	\$ (122,259)		
Package 101: Agency Fiscal Stability									
Personal Services	\$ -	\$ -	\$ 579,837	\$ -	\$ -	\$ -	\$ 579,837	1	1.50
Services and Supplies	\$ -	\$ -	\$ 276,087	\$ -	\$ -	\$ -	\$ 276,087		
Package 103: e-Licensure Portal									
Personal Services	\$ -	\$ -	\$ 261,630	\$ -	\$ -	\$ -	\$ 261,630	1	1.00
Services and Supplies	\$ -	\$ -	\$ 215,768	\$ -	\$ -	\$ -	\$ 215,768		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 498,389	\$ -	\$ -	\$ -	\$ 498,389	2	2.00
Services and Supplies	\$ -	\$ -	\$ 967,255	\$ -	\$ -	\$ -	\$ 967,255		
Special Payments	\$ -	\$ -	\$ 3,534,356	\$ -	\$ -	\$ -	\$ 3,534,356		
SCR 58400-002 - Teacher Education Program Accreditation									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ (151,228)	\$ -	\$ -	\$ -	\$ (151,228)	(1)	(1.00)
Services and Supplies	\$ -	\$ -	\$ (19,524)	\$ -	\$ -	\$ -	\$ (19,524)		
Special Payments	\$ -	\$ -	\$ (1,275,538)	\$ -	\$ -	\$ -	\$ (1,275,538)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 3,976,930	\$ -	\$ -	\$ -	\$ 3,976,930	0	0.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 14,189,847	\$ -	\$ -	\$ -	\$ 14,189,847	26	25.50
% 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%
% Change from 2021-23 Current Service Level	0.0%	0.0%	38.9%	0.0%	0.0%	0.0%	38.9%	0.0%	0.0%

*Excludes Capital Construction Expenditures

Legislatively Approved 2021 - 2023 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 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 maintaning 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:

Approve the LFO Recommendation