

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 2 ON EDUCATION FINANCE

Assemblymember Kevin McCarty, Chair

**TUESDAY, MARCH 22, 2022
9 AM, STATE CAPITOL - ROOM 447**

We encourage the public to provide written testimony before the hearing. Please send your written testimony to: BudgetSub2@asm.ca.gov. Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted. All are encouraged to watch the hearing from its live stream on the Assembly's website at <https://www.assembly.ca.gov/todaysevents>.

The hearing room will be open for attendance of this hearing. Any member of the public attending a hearing is strongly encouraged to wear a mask at all times while in the building. The public may also participate in this hearing by telephone.

*To provide public comment, please call toll-free:
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STUDENT CAREER & COLLEGE READINESS, EDUCATOR PIPELINE, AND INTERAGENCY DATA OVERSIGHT, AND GOVERNOR'S BUDGET PROPOSALS

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OVERVIEW

California's public education system leverages numerous agencies and initiatives to support the educator pipeline, promote professional support for educators, and prepare PreK-14 students for college and career options after their high school graduation. This hearing will cover 2021-22 Budget Act oversight and 2022-23 January Budget proposals on these inter-agency issues.

ISSUE 1: EDUCATOR WORKFORCE SHORTAGE CRISIS

This issue will provide an overview of California's educator workforce capacity crisis and recommendations.

PANEL

The following individuals will present on this issue:

- Amy Li, Legislative Analyst's Office (LAO)
- Dr. Mary Vixie Sandy, Commission on Teacher Credentialing (CTC)
- Zee Cline, California State University (CSU)
- Claudia Martinez, University of California Office of the President
- Desiree Carver-Thomas, Learning Policy Institute

BACKGROUND

Teacher Shortages

In 2018-2019, prior to pandemic-related educator and workforce shortages overall, California's public school system had about 295,000 full-time equivalent teachers, with a statewide student-to-teacher ratio of 21:1. At the same time, roughly three percent of the teacher workforce (around 8,700 teachers) had an emergency credential, suggesting that school districts have trouble finding appropriately-credentialed teachers. This is more common for certain subject areas, including special education, science, and math, and for certain types of schools, including low-income urban schools and rural schools.

The Great Resignation. Local education agencies (LEAs) report compounded challenges stemming from the pandemic with hiring a range of school staff, including qualified teachers. A national survey of teachers from January 2021 found that 23 percent of teachers were likely to leave their current job due to pandemic-related stress by the end of 2020-21, compared to an annual average of 16 percent before the pandemic. Data in California is consistent with this finding. The California State Teachers' Retirement System (CalSTRS) noted that teacher retirements have increased 26 percent during the second half of 2020 as compared to the same period in 2019. Of retirees surveyed by CalSTRS, 62 percent had retired earlier than planned, and 56 percent cited the challenges of teaching during the COVID-19 pandemic.

Statewide Teacher Recruitment & Retention Efforts. According to the LAO's latest report on the educator workforce, California has a history of somewhat short-lived statewide teacher recruitment efforts, including California Center on Teaching Careers (Center) program, the Teacher Recruitment Incentive Program, the regional Personnel Management Assistance Teams (PMATs) to work with school districts to improve personnel management, recruitment, and hiring practices, and the Assumption Program of Loans for Education (APLE), a competitive teacher incentive program designed to encourage outstanding students, district interns, and currently credentialed teachers to seek and teach in specified K-12 teaching positions in designated California public schools

Since 2016-17, the state has spent \$1.2 billion to address teacher shortages, outlined in the table below from the LAO. The final 2021-22 Budget Act included significant one-time funding for three of these programs: the Teacher Residency Program, the Classified School Employees Credentialing Program, and the Golden State Teacher Grant Program, oversight for which will be covered in the next issue.

State Has Provided \$1.2 Billion Since 2016-17 to Address Teacher Shortages

General Fund Unless Otherwise Indicated (In Millions)

Program	Year	Description	Funding Allocation	Amount
Golden State Teacher Grant Program	2020-21 and 2021-22	Provides financial assistance to students enrolled in teacher preparation programs who commit to working in certain subject areas at schools where more than 55 percent of students are low income or English learners.	CSAC awards funds to participating teachers. This program was funded with \$15 million federal funding in 2020-21 and \$500 million one-time General Fund in 2021-22	\$515
Teacher Residency Grant Program	2018-19 and 2021-22	Supports establishing and expanding teacher residency programs in special education, STEM, and bilingual education.	CTC competitively awards grants to districts, COEs, and school-university partnerships. There are two grant types: (1) planning grants of up to \$50,000 and (2) residency grants of up to \$20,000 per resident in the new or expanded program.	401
Classified School Employee Teacher Credentialing Program	2016-17, 2017-18, and 2021-22	Provides financial assistance to classified school employees, such as instructional aides, to pursue teaching credentials.	CTC competitively awarded grants of \$4,000 per participant per year for up to five years to districts, COEs, and schools.	170
Local Solution Grants	2018-19	Provided funding to local efforts to recruit and retain special education teachers.	CTC competitively awarded grants of up to \$20,000 per participant to districts, COEs, and schools. Grantees required to provide a dollar-for-dollar match.	50
Integrated Undergraduate Teacher Preparation Grants	2016-17	Supported expanding integrated programs that allow participants to earn an undergraduate degree and a teaching credential within four years. Programs focused on special education, STEM, and bilingual education received funding priority.	CTC competitively awarded planning grants of up to \$250,000 to universities.	10
California Educator Development Program	2017-18	Assisted districts with recruiting and preparing teachers, principals, and other school leaders.	California Center on Teaching Careers competitively awarded grants to 26 districts, COEs, and schools. This program was federally funded.	9
California Center on Teaching Careers	2016-17 and 2021-22	Established a statewide teacher recruitment center to recruit qualified and capable individuals into the teaching field, particularly to low-income schools in special education, STEM, and bilingual education.	CTC competitively awarded grant to Tulare COE to operate center.	7
Bilingual Teacher Professional Development Program	2017-18	Supported teachers pursuing authorization to teach bilingual and multilingual classes.	CDE competitively awarded grants to eight districts and COEs.	5
			Total	\$1,167

CSAC = California Student Aid Commission; STEM = science, technology, engineering, and math; CTC = Commission on Teacher Credentialing; COE = county office of education; and CDE = California Department of Education.

Source: LAO

STAFF COMMENTS & QUESTIONS

According to the Learning Policy Institute, the COVID-19 pandemic has greatly worsened the educator pipeline crisis. Their recent 2021 publication made the following recommendations not fully funded in the 2021-22 Budget Act:

1. Sustain and deepen investments in high-retention pathways California districts need a larger pool of fully certified teachers who will stay in the profession.
2. Streamline teacher licensure requirements.
3. Create sustainable teacher workloads. California has long had one of the highest ratios of students to teachers, counselors, nurses, principals, and other school staff. Investments in additional personnel and prevention of layoffs will be critical to supporting teachers, creating a sustainable workload, and reducing burnout.
4. Support teachers with adequate substitute staffing. Districts may need to consider increasing their daily rates to attract more qualified substitutes into their pools. In addition, the state could support districts in need of long-term substitutes by funding and providing the 45 hours of training those substitutes must complete to be eligible for the Teaching Permit for Statutory Leave (TPSL).
5. Invest in educator development and support. High-quality professional learning can support teachers' skills for teaching online, as well as implementing trauma-informed practices, supporting students' social and emotional learning, and managing their own stress.

In addition, some teacher and administrator credentialing programs report impactation. For example, according to the UC, less than 50% of credential program applicants were admitted into a UC program in the 2020-21 academic year.

The CTC continues to report retention inside teacher credentialing programs as a concern, and will cover in this issue.

Questions:

- What needs to be done within teacher credentialing programs to improve retention rates? What is the state's role?
- What is the annual unmet demand for educator and administrator credentialing program slots? What is needed to guarantee all qualified applicants a slot?
- What more can the state do to support LEAs in retaining existing qualified educators, in midst of pandemic burnout?

STAFF RECOMMENDATION: INFORMATION ONLY.

ISSUE 2: EDUCATOR PIPELINE: 2021-22 BUDGET ACT OVERSIGHT

This issue will provide an overview of California’s existing educator workforce investments, including 2021-22 investments in the Golden State Teachers Grant Program, the Teacher Residency Program, and the Classified Employees Credentialing Program.

PANEL

The following individuals will present on this issue:

- Amy Li, LAO
- Cheryl Cotton, California Department of Education (CDE)
- Jake Brymner, California Student Aid Commission (CSAC)
- Dr. Mary Vixie Sandy, CTC

BACKGROUND**Golden State Teacher Program.**

The Golden State Teacher Grant Program was authorized in the 2019-20 Budget Act, to fund awards to aspiring teachers in high need fields and incentivize those new teachers to serve in high need public schools. Statute defined “high-need field” as including Bilingual education, Mathematics or science, technology, engineering, and mathematics (STEM), including career technical education in STEM areas, Special education, Multiple subject instruction, and “other subjects as designated annually by the Commission on Teacher Credentialing based on an analysis of the availability of teachers in California.” The final 2020-21 Budget Act only allocated \$15 million from federal IDEA funds to the Student Aid Commission (CSAC) to provide only for candidates enrolled in special education teacher preparation programs who agree to teach at a priority school.

The final 2021-22 Budget Act made a an additional \$500 million one-time General Fund investment in the Golden State Teacher Grant program through 2026, and adjusted the statute to expand high-need fields to include early childhood education, and redefine priority schools.

Per statute, CSAC describes Golden State Teacher Grant program (GSTG) eligibility as follows:

All applicants must be currently enrolled in a professional teacher preparation program, leading to a preliminary teaching credential, within an accredited California institution of higher education or through a local education agency, approved by the Commission on Teacher Credentialing (CTC).

One-time Golden State Teacher Grant funds of up to twenty thousand dollars (\$20,000) will be awarded if you commit to the following:

- You will teach in the “high-need field”, at a priority school, as determined by the CTC, for four years, within five years after you receive the teaching credential.

A “high-need field” means any of the following:

- Bilingual education.
- Mathematics or science, technology, engineering, and mathematics (STEM), including career technical education in STEM areas.
- Science.
- Special education.
- Multiple subject instruction.
- Transitional kindergarten
- Other subjects as designated annually by the Commission on Teacher Credentialing based on an analysis of the availability of teachers in California pursuant to Education Code Section 44225.6.

A “priority school” means a school with 55 percent or more of its pupils being unduplicated pupils, as defined in subdivision (b) of California Education Code Section 42238.02. The CTC in consultation with the California Department of Education (CDE) will publish a list of priority schools, based on the most recent data available to the CTC and CDE.

- Repay the Commission 25 percent of the total award annually, up to full repayment of the award, for each year if you fail to do one or more of the following:
- Be enrolled in or have successfully completed a teacher preparation program approved by the CTC.
- While enrolled in the teacher preparation program, maintain good academic standing.
- Complete the required teaching service following completion of your teacher preparation program.

According to CSAC, the Commission has expended \$10,386,372 from the 2020-21 Budget Act \$15m appropriation of IDEA funds toward the GSTG Program so far. These funds were awarded to 521 students in 2020-21 and 396 students so far in 2021-22, with more applications being received and processed weekly.

CSAC is currently processing applications for the 2021-22 Budget Act funds:

SUBJECT	UC	CSU	PRIVATE	LEA	TOTALS
Bilingual Education	49	74	32	9	164
Career Technical Education (STEM)	0	2	3	1	6
Mathematics	41	63	85	11	200
Multiple Subject Instruction	63	252	386	22	723
Other	11	39	52	1	103
Science	52	26	70	9	157
Special Education	13	291	589	115	1008
Technology	0	0	2	0	2
Transitional Kindergarten	0	7	5	0	12
Engineering	0	0	1	0	1
Total Applications Received	229	754	1225	168	2376

Source: CSAC

CSAC is continuing to receive applications for 2021-22 on a weekly basis as the Spring term commences and is actively processing those payments. CSAC staff anticipate receiving a similar volume of applications this Spring as was received in the Fall term.

CSAC notes that some students who have applied for the program are pursuing the teacher profession, but are not in a preliminary teaching credential program. This has resulted in a number of denied applications for students that are seeking to enter the profession.

CSAC may have recommendations to strengthen the program's administration to share in this hearing.

Teacher Residency Program

The Teacher Residency Grant Programs—Capacity, Residency, and Expansion—were authorized in the 2018-19 Budget Act to support the development, implementation, and expansion of teacher residency programs, with a total of \$75 million for competitive grants. The program requires local education agencies (LEAs) to work in partnership with institutions of higher education (IHEs) with Commission-approved programs to offer a teacher residency pathway to earn a teaching credential in special education, STEM, or bilingual education, through 2023.

In accordance with the provisions of the authorizing statute, the Teacher Residency Grant Programs:

- Address teacher shortages in special education, STEM, bilingual, and other shortage areas.
- Help to recruit and support the preparation of more individuals in the teaching profession.
- Promote and provide support for teacher residency program models.
- Support the induction of educators into the profession.

For the purposes of the Teacher Residency Grant Programs, a teacher residency program is defined as an LEA-based partnership between an LEA and an IHE with a Commission-approved preliminary teacher preparation program, and in which a prospective teacher teaches at least one-half time alongside a teacher of record, who is designated as the experienced mentor teacher, for at least one full school year while engaging in initial preparation coursework.

For Year One of the Teacher Residency Grant Programs, LEAs reported a total of 309 teacher residents in the thirty-one programs that began a Teacher Residency Program between July 2019 and June 2020.

The final 2021-22 Budget Act provided \$350 million over a five-year period for Teacher Residency Programs including Capacity, Expansion, and Implementation for “designated shortage fields” including special education, bilingual education, science, computer science, technology, engineering, mathematics, Transitional Kindergarten, or Kindergarten, and any other fields identified by the Commission based on an annual analysis of hiring and vacancy data, and/or for recruiting, developing support systems for, providing outreach and communication strategies to, and retaining a diverse teacher workforce that reflects the LEA community’s diversity.

Of the \$350 million, \$25 million is set aside for Teacher Residency Capacity Grants. Grant awards may be up to \$250,000 for eligible LEAs, which is an increase of \$200,000 per grant award from the 2018-19 fiscal year. Teacher Residency Capacity Grants are intended to support a collaborative partnership between eligible LEAs with one or more Commission-approved teacher preparation programs offered by a regionally accredited institution of higher education (IHE) to expand, strengthen, improve access to, or create a teacher residency program.

The remaining \$325 million is set aside for Teacher Residency Expansion and/or Implementation grants. Per authorizing legislation, grantees may receive up to \$25,000 per participating teacher resident each year, which is an increase of \$5,000 from the previous grant funding. It is expected that grantees provide matching or in-kind funds of \$0.80 per every dollar of grant funds. Grant recipients shall not use more than five percent of a grant award for program administrative costs. Grant program funding shall be used for, but is not limited to, teacher preparation costs, stipends for mentor teachers, including

but not limited to, housing stipends, residency program staff costs, and mentoring and beginning teacher induction costs following initial preparation. As in accordance with previous authorizing legislation, it is expected that a candidate in the grant-funded teacher residency program will teach in a school within the grantee LEA for a period of at least four school years. Priority consideration will be given to schools where 50% or more of the enrolled pupils are eligible for free or reduced-price meals and schools that are either in a rural location or densely populated region.

Program Evaluation. WestEd led an evaluation of the Teacher Residency Program, in its initial year, and published the following findings and recommendations for the program:

- Ensure stable leadership roles in both the local education agencies and institutions of higher education that are participating in the residency partnership.
- Technical assistance offered to funded-partnerships should focus on issues of key importance.
- Ensure that programs are encouraged to take a stance of learning and improvement.
- Prioritize supports for the cohort of residents entering their first year as teachers in 2020–21.
- Ensure residency stipends can be supplemented with additional financial aid and supports to make the full-year residency a financially viable pathway.

Classified Employee Credentialing Program

The Classified School Employees Credentialing Program provides financial support (up to \$4,000 per year for five years) for classified staff, such as instructional aides, to pursue their teaching credential. Classified staff at grantee LEAs who are selected to participate in the program received financial assistance for expenses such as tuition, fees, books, and examination costs; academic guidance; and other forms of individualized support to help them complete the undergraduate education, teacher preparation program, and transition to becoming credentialed teachers for the public schools.

This program was funded with \$20 million in the 2016-17 Budget Act, \$25 million in the 2017-18 Budget Act. The initial two rounds of funding provided enough financial assistance to support 2,260 classified employees. The program was oversubscribed, as an additional 6,000 classified employees requested to participate, and applications from 27 school districts and COEs remain unfunded.

The final 2021-22 Budget Act provided an additional \$125 million over a five-year period for the Classified School Employee Teacher Credentialing Program (Classified Grants).

Classified grants are available to eligible LEAs to recruit and support current classified staff who already hold an associate or higher degree to complete a bachelor's degree and earn a teaching credential. Grantees may use funding to plan, expand and/or develop

a new program to recruit and support classified staff in any position, including expanded learning and preschool program staff seeking a credential to serve in Transitional Kindergarten or above. As with Teacher Residency Program grants, potential grantee LEAs could consider Classified Grants to help address new staffing needs in transitional kindergarten classrooms. With lower teacher to student ratios needed in the 2022-23 academic year and subsequent years, participants in teacher education programs supported by the Classified Grants program could serve as the additional required adult/educator in the TK classroom.

Participating classified employees must commit to complete one school year of classroom instruction in the eligible LEA grantee for each year that he/she/they receive assistance for books, fees, and tuition while attending an institution of higher education under the program.

The CTC has provided the following timeline for Program RFAs:

Table 2: Classified School Employee Teacher Credentialing Program RFA Timeline 2021-22 and 2022-23 Fiscal Years

Name of Grant	Anticipated RFA Release Dates	Anticipated RFA Due Dates
Classified School Employee Teacher Credentialing Program	February 2022 July 2022 February 2023	May 2022 October 2022 May 2023

Grant competitions will be offered twice a year until the 2025-26 fiscal year or until the \$125 million has been awarded.

National Board Certification

According to CDE, National Board Certification is the most respected professional certification available in education and provides numerous benefits to teachers, students and schools. It was designed to develop, retain and recognize accomplished teachers and to generate ongoing improvement in schools nationwide. To become a Board-certified teacher, eligible candidates must demonstrate advanced knowledge, skills, and practice in their individual certificate area. The certification process is designed to collect standards-based evidence of accomplished practice. In all 25 certificate areas, candidates are required to complete an assessment that includes four components. The content knowledge component is a computer-based assessment taken at a testing center; the other three are portfolio-based and submitted through an electronic portfolio system.

The 2021-22 Budget Act appropriated \$250 million one-time Proposition 98 General Fund, available over five years, to provide incentive grants to attract and retain highly-qualified National Board Certified teachers to teach in high poverty schools, serve as mentors for other instructional staff, and support teachers in pursuing National Board certification.

Under the program, a teacher attaining a national board certification is eligible for an award of up to \$25,000 if the teacher agrees to teach at a high-priority school, for at least 5 years.

Computer Science Supplementary Authorization Grant Program

One of two new CTC grant programs authorized by the Legislature for the 2021-22 fiscal year is the Computer Science Supplementary Authorization Grant Program for LEAs with the intent to provide \$15 million over a five-year period to support the preparation of credentialed teachers to earn a supplementary authorization in computer science and to provide instruction in computer science coursework in settings authorized by the underlying credential. Grants are available to eligible LEAs defined as a school district, county office of education, county superintendent of schools, state-operated education program including a state special school, an education program providing instruction in kindergarten or any of grades 1 to 12, inclusive, that is offered by a state agency, including the Department of Youth and Community Restoration and the State Department of Developmental Services, or a regional occupational center or program operated by a joint powers authority or county office of education. Eligible LEA grantees may receive up to \$2,500 per participating teacher to support participants to earn a supplemental authorization in computer science with funds for coursework, books, fees, and tuition. LEAs must match grant funds via a dollar-for-dollar match to be used in a manner consistent with grant costs such as coursework, books, fees, and tuition or in-kind release time including substitute teacher costs. Priority is given to schools and/or LEAs within a rural district and/or that have a higher share of unduplicated pupils.

CTC released the RFA in February 2022 and anticipates a May 2022 RFA due date. Once the first round of each grant competition has been awarded, the Commission will release the RFA schedule for the 2022-23 fiscal year. Grant competitions will be offered twice a year until the 2025-26 fiscal year or until the \$15 million has been awarded.

Dyslexia Grants to Preparation Programs

The second of the two new grant programs administered by the CTC and authorized by the 2021-22 Budget Act is the Dyslexia Grants to Preparation Programs. One-time funds of \$2 million are available to support Commission-approved institutions of higher education or eligible local education agencies preliminary teacher preparation programs to update program curriculum and course offerings to align with the common trunk Teacher Performance Expectations and the updated Education Specialist Teacher Performance Expectations and include pedagogy on dyslexia for both general and special education programs. Eligible recipients include Commission-approved preliminary Multiple Subject, Single Subject, Education Specialist programs, or any combination dual general and special education credential programs. Eligible grantees may use grant funds to update curriculum and course offerings in an effort to implement the updates no later than the 2023-24 academic year. There is no matching funds requirement for this grant.

CTC released the RFA in February 2022, and anticipates a due date in April 2022. Once the first round of each grant competition has been awarded, the Commission will release the RFA schedule for the 2022-23 fiscal year if funds are still available. Grant competitions will continue to be offered until the \$2 million has been awarded. Next Steps Commission staff will continue drafting RFAs as outlined in this agenda item. Once RFAs are released, staff will manage the grant application process including answering questions from the field, reading all applications, calibrating and monitoring readers, and determining grantee awards. Once grantees have been determined, staff will work with Fiscal Business Services to ensure that grant funds are disseminated to grantees in a timely fashion.

CTC Operations & Responsibilities

Major Responsibilities. The CTC is responsible for the following major state operations activities, which are supported by special funds:

- Issuing credentials, permits, certificates, and waivers to qualified educators.
- Enforcing standards of practice and conduct for licensed educators.
- Developing standards and procedures for the preparation and licensure of school teachers and school service providers.
- Evaluating and approving teacher and school service provider preparation programs.
- Developing and administering competency exams and performance assessments.

Major Activities. In 2018-19, the CTC processed approximately 23,109 new teaching credentials (including preliminary and intern credentials), a 3.1 percent increase over the prior year. The CTC also processes other types of teacher authorizations including short term teaching permits, internship permits, and teaching waivers. In addition, the CTC currently administers, largely through contract, a total of six different educator exams annually. The CTC monitors the assignments of educators and reports the findings to the Legislature. The CTC is also responsible for misconduct cases involving credential holders and applicants resulting from criminal charges, reports of misconduct by local educational agencies, and misconduct disclosed on applications.

Lastly, the CTC is responsible for accrediting approved sponsors of educator preparation programs, including public and private institutions of higher education and, local educational agencies in California.

With the passage of the 2021-22 Budget, the CTC is also now responsible for over \$600 million in teacher pipeline initiatives, and receive no administrative funding for these programs. In addition to managing the RFA process for new grant opportunities, Commission staff will continue to monitor the previously funded grant programs: Local Solutions to the Shortage of Special Education Teachers Grants, Integrated Undergraduate Teacher Preparation Grants, 2016 Classified School Employee Teacher Credentialing Program, Round 2, and the 2018 Teacher Residency Grant Programs.

Continued monitoring of the 171 programs associated with these grants includes, but is not limited to, creating tools for data collection, collecting, analyzing, and reporting data, participating in outreach activities, maintaining ongoing communication with grantees, and providing technical assistance as needed.

STAFF COMMENTS & QUESTIONS

Educator Pipeline Crisis. As noted in the prior issue, the educator pipeline impaction, retention rates, and retirement rates are leading to workforce crisis, particularly in certain subject areas. Transitional Kindergarten expansion also will increase demand for elementary school teachers with child development expertise over the next several years, as schools will need to serve more students in smaller class sizes. Furthermore, even prior to the pandemic, the state faced teacher shortages in the areas of special education, math, science, and bilingual education. Addressing this issue with urgency, state-wide, and in partnership with institutions of higher education and LEAs, is a key issue in this year's Budget discussions.

Can Teacher Residency programs be further strengthened? The WestEd evaluation noted the importance of new teacher support and other means to strengthen this educator pipeline.

Incentive vs. Reward. How can educator pipeline programs be reoriented to attract new candidates into the teacher pipeline, rather than rewarding only existing teacher candidates?

Does the Penalty Fit the Program Goal? Unlike the Golden State Teachers Grant, the Teacher Residency program is currently authorized to reduce the penalty amount a candidate must return, if that individual completes some, but not all program requirements. This penalty is balanced with the amount of program requirements not fulfilled. Would the GSTG design benefit from a similar design?

Questions:

- Do these teacher pipeline programs need ongoing funding, or are one-time infusions sufficient?
- Based on current demand, should any program one-time funds be used over a longer time horizon to provide on-going stability?
- Per the WestEd evaluation, what state-level or regional infrastructure is needed to sustain and support high-quality teacher pipeline programs? Are CTC and CSAC sufficiently funded for this goal?

STAFF RECOMMENDATION: HOLD OPEN: RECONSIDER LARGER INVESTMENTS IN THE EDUCATOR PIPELINE, INCLUDING HIGHER EDUCATION CAPACITY, IN CONTEXT OF MAY REVISION REVENUES.

ISSUE 3: EDUCATOR PIPELINE: JANUARY BUDGET PROPOSALS

This issue will provide an overview of California's educator workforce proposals in the January Budget, including the Integrated Teacher Preparation Program, and Personnel Management Assistance Teams.

PANEL

The following individuals will present on this issue:

- Megan Sabbah, Department of Finance (DOF)
- Amy Li, LAO
- Lizette Navarette, California Community College Chancellor's Office
- Cheryl Cotton, CDE
- Dr. Mary Vixie Sandy, CTC

BACKGROUND**Integrated Teacher Preparation Program Grant**

In the 2016-17 fiscal year, the Legislature approved \$10 million for competitive Integrated Undergraduate Teacher Preparation Program grants through the CTC. These grants focused primarily on establishing undergraduate teacher development pathways in order to 1) address teacher shortages in special education, Science, Technology, Engineering and Mathematics (STEM), bilingual education, and other shortage areas; and 2) provide expanded and streamlined options for earning a preliminary California teaching credential. The Integrated Undergraduate Teacher Preparation Program was a competitive grant program for baccalaureate-granting institutions with Commission-approved teacher preparation programs for the purpose of developing a new four-year integrated program, whereby participants would earn both a bachelor's degree and a multiple or single subject teaching credential in four years.

The enabling legislation mandated that the CTC, when awarding grants, give priority to proposals for the establishment of four-year integrated programs that (a) produce credentialed teachers in the areas of special education, math, science, and/or bilingual education; and (b) partner with a California Community College to develop a four-year or a four-and-one-half year Education Specialist integrated program of professional preparation. Following a competitive RFP process in fall 2016, the CTC awarded forty-one institutions with grants of up to \$250,000, with an average grant amount of \$237,652.

In total, 87 teacher preparation programs were planned in 33 postsecondary institutions, 18 of which are part of the California State University (CSU) system, two are part of the

University of California (UC) system, and 13 are private colleges or universities. Overall, the 33 institutions proposed to collaborate with 54 community colleges.

In the 2019-20 academic year, 701 candidates worked toward earning their credential through an integrated teacher preparation program. Just under half (358) of the candidates enrolled in integrated programs were working on earning their Multiple Subject credential with the next highest enrollments representing the 167 participants working toward their Multiple Subject credential with Bilingual Authorization and 63 working toward an Education Specialist Mild/Moderate credential. Statewide, there has been an increase in the number of programs and candidates enrolled in integrated programs. In the 2018-2019 academic year, grant recipients reported offering 41 programs with 392 candidates enrolled at the beginning of the school year and 371 remaining enrolled by the end of the school year. In 2019-20, grant recipients reported offering 57 programs with 701 candidates completing the year. When the number of candidates supported during academic years 2018-19 and 2019-20 are combined, the Integrated Undergraduate Teacher Preparation Program grant has created a pathway for 1,072 future teachers to earn their bachelor's degree alongside their preliminary teaching credential.

Personnel Management Assistance Teams

Statute historically authorized Personnel Management Assistance Teams in 2006, and required the Superintendent to designate up to 6 regions of the state and select, from among the county offices of education that apply, an office within each region that is most likely to have the capacity to serve all school districts within the region, to establish and house a personnel management assistance team to assist and serve school districts within that region, as specified. Statute also authorized the Superintendent to select one of the county offices with a team to serve as a clearinghouse of effective personnel management and hiring practices. Funding for these purposes was eliminated after the first year, during the Great Recession.

Credential Fees & State Operations

The CTC is a "special fund" agency whose state operations are largely supported by two special funds – the Test Development and Administration Account and the Teacher Credentials Fund. Of the CTC's \$31.1 million state operations budget proposed for 2019-20, about \$23.1 million is from credential and accreditation fees, which are revenue sources for the Teacher Credentials Fund; \$6.4 million is from educator exam fees, which fund the Test Development and Administration Account and \$1.6 million in reimbursements. Accreditation fees have been suspended through the 2021-22 to mitigate cost impacts to teacher preparation programs.

Teacher Credentials Fund (Credential Fees). The Teacher Credentials Fund is generated by fees for issuance of new and renewed credentials and other documents. Current law requires, as a part of the annual budget review process, the DOF to recommend to the Legislature an appropriate credential fee sufficient to generate

revenues necessary to support the operating budget of the Commission plus a prudent reserve of not more than 10 percent.

In 2012-13, the CTC increased the credential fee from \$55 to \$70 due to fund instability primarily due to a decrease in credential applications. This action restored the fee to the statutory maximum. In the 2015-16 budget trailer bill, AB 104 (Committee on Budget, Chapter 13, Statutes of 2015), the credential fee was further increased to \$100 per applicant, with the additional revenue generated intended to support processing of teacher misconduct caseload.

Test Development and Administration Account (Exam Fees). The Test Development Administration Account is generated by various fees for exams administered by the CTC. The CTC has the authority to review and approve the examination fee structure to ensure that the examination program is self-supporting. To determine fees for these testing programs, the CTC staff projects the number of exams, based upon their most recent figures, and compares these figures with projected examination program costs.

Governor's 2022-2023 January Budget Proposals

The Governor's proposal includes approximately \$54 million in new efforts to recruit, retain, and support educators:

Governor Proposes \$54 Million in New Educator Workforce Spending		
<small>(In Millions)</small>		
Proposal	Amount^a	Description
Teacher assessment fee waivers	\$24	Waives certain examination fees for new teachers.
Initial credential fee waivers	12	Provides second round of funding to waive first-time credential fees. The 2021-22 budget provided \$20 million for the first round of funding.
Integrated Undergraduate Teacher Preparation Grants	10	Supports expanding integrated programs that allow participants to earn an undergraduate degree and a teaching credential within four years. Programs for early childhood education, special education, and other high-needs fields would receive funding priority.
K-12 Personnel Management Assistance Teams (PMATs)	6	Re-establishes regional PMATs to assist districts and charter schools with improving hiring, retention, and recruitment practices. CDE and CCEE would select seven regional COEs to serve as PMATs. Geographic lead COEs would be selected as PMATs. CCEE would evaluate the program by December 31, 2025. Of this funding, \$322,000 is ongoing non-Proposition 98 General Fund to fund one new position each at CTC and CDE. The remaining funding is ongoing Proposition 98 General Fund.
New CTC teacher recruitment and support	2	Establishes eight career counselors to provide technical assistance for prospective educators and one position to develop a new teacher recruitment web portal. Also includes a \$900,000 contract for a public outreach campaign to highlight teaching profession. CTC would report on all outreach efforts by April 30, 2024 (and bi-annually afterwards). Funding is ongoing non-Proposition 98 General Fund.
Total	\$54	

^a Unless otherwise specified, funding is one-time non-Proposition 98 General Fund.

CDE = California Department of Education; CCEE = California Collaborative for Educational Excellence; COE = county office of education; and CTC = Commission on Teacher Credentialing.

Source: LAO

Teacher Credentialing. The proposed budget includes a total of \$36 million in General Fund to defray the costs of becoming a credentialed teacher. These include \$24 million one-time General Fund to waive certain teacher examination fees for approximately

163,000 paid registrations, and \$12 million one-time General Fund to extend the waiver of select credentials fees, for approximately 120,000 credential applications.

Integrated Teacher Preparation Programs. The proposed budget includes \$10 million one-time General Fund to support a competitive grant program that provides grants to public and private institutions to develop and implement integrated teacher preparation programs. The Integrated Undergraduate Teacher Preparation Program was a competitive grant program for baccalaureate-granting institutions to develop four-year program where participants would earn both a bachelor's degree and a multiple or single subject teaching credential in four years.

CCC Teacher Credentialing Partnership Program. The Governor's Budget includes \$5 million one-time Proposition 98 General Fund in the Community College budget to provide grants to support partnerships between community colleges and other degree-granting institutions to offer teacher credentialing coursework at community college campuses. The goal is to provide teaching candidates easier access to a program, by using community college facilities as the host of certificate coursework. Up to 10 grants of \$500,000 would be available, according to proposed trailer bill language. This program previously funded three grants, which were awarded to Feather River, Monterey Peninsula, and Yuba College. A report on the impact of those grants is due to the Legislature in 2023.

Personnel Management Assistance Teams. The Budget proposes \$5.2 million Proposition 98 General Fund and \$322,000 General Fund to re-establish the Personnel Management Assistance Teams to assist local educational agencies in improving hiring and recruitment practices. There will be seven Personnel Management Assistance Teams in each of the seven Geographic Lead Agency regions that are part of California's Statewide System of Support. The Personnel Management Assistance Teams will focus on personnel administration, including recruitment, credentialing, hiring, retention, organization, and staffing as they relate broadly to educator staffing shortages.

CTC State Operations. The proposed budget includes \$1.4 million General Fund to establish career counselors for prospective educators at the Commission on Teacher Credentialing (CTC), \$924,000 General Fund, of which \$161,000 is one-time, to support the CTC's administration of multiple grant programs and fee waivers, and \$900,000 ongoing General Fund for the CTC to contract for public outreach to highlight the value and benefits of educational careers in California's prekindergarten through grade 12 schools. The outreach will be focused statewide, but will also be informed by the Personnel Management Assistance Teams and their recruitment efforts. The budget includes an increase of \$763,000 non-Proposition 98 General Fund and 5 positions to provide support for the numerous local assistance grants and programs funded through the Commission for the teacher workforce including, but not limited to, Teacher Residencies, Classified School Employee Credentialing Grants, Integrated Teacher Programs, and Computer Science Supplementary Authorization Grants, an increase of \$453,000 non-Proposition 98 General Fund and 4 positions to support teacher assignment monitoring through CalSASS, the Cradle-to-Career data project, and other

data gathering, analysis, and research on the PK-12 educational workforce in California, and an increase of \$322,000 non-Proposition 98 General Fund and 2 positions to support administration and fiscal coordination of fee waivers, and provide coordination and technical assistance to the California Department of Education with the Personnel Management Assistance Teams. Total CTC staffing increases are proposed at 21 FTEs.

Pandemic Flexibility. The January Budget also proposes to extend COVID-19 related statute authorizing any holder of a credential or permit issued by the CTC to serve in a substitute teaching assignment aligned with their authorization, including for staff vacancies, for up to 60 cumulative days for any one assignment.

21st Century California School Leadership Academy. The January Budget proposes statutory changes to the program for metrics and evaluation.

LAO Comments

Governor's Proposal for New Teacher Recruitment Activities Duplicates Other Existing Efforts. The Governor's proposal would provide ongoing non-Proposition 98 funding for CTC to develop a new virtual portal and teacher counseling team to support prospective teachers. The state, however, already has two other online platforms operated by separate entities to recruit new teachers and provide information about teacher credentialing requirements. The California Department of Education (CDE) hosts the TeachCalifornia.org platform using ongoing funding to provide accessible information for individuals interested in teaching, with an emphasis on teacher shortage areas. This platform was initially developed by the Sacramento COE, in its role running the Teacher Recruitment Incentive Program between 2001 and 2004. (The Sacramento COE continues to operate the platform as a contractor for CDE.) Separately, Tulare COE uses one-time Proposition 98 General Fund to operate the Center's online platform, CaliforniaTeach.org, aimed at recruiting new teachers and matching prepared teachers with employment opportunities. (The two platforms are not coordinated but do reference each other.) The state has a history of rather short-lived statewide teacher recruitment efforts, as previously mentioned. Changing the statewide strategy for recruiting new teachers every few years, however, results in state funding to develop multiple resources with very similar information, rather than one coordinated, authoritative platform that all prospective teachers can use to guide them through a complex process and learn more about recent state educator workforce initiatives.

Building Off of Existing Efforts Could Start New Teacher Recruitment Sooner. Since the state might benefit from acting swiftly to address short-term shortages, CDE or the Center may be better positioned than CTC to begin teacher recruitment activities sooner. Both CDE and the Center already have developed online platforms and established partnerships with higher education institutions, COEs, school districts, and other organizations across the state. The Center also has experience running statewide promotional campaigns to target prospective teachers. In contrast, CTC would need time

to hire for the new proposed positions, develop their online teacher recruitment platform, and award the contract for a statewide promotional campaign.

Fee Waivers Unlikely to Address Teacher Shortages. Credential and assessment fee waivers could accelerate the time line for some individuals already pursuing teaching to become fully credentialed, but are unlikely to result in additional new teachers joining the workforce. For these fee waivers to be an effective recruitment tool, prospective teachers would have to know about the waivers when they consider applying for a teacher preparation pathway. Evidence suggests that many prospective teachers do not know about these waivers. For example, even though initial credential fee waivers were available in 2021-22, many new teachers submitted paper applications and payments by mail. By November 30, 2021, CTC had more than 10,000 credential fees that then needed to be manually processed and reimbursed. Furthermore, given the significant time and/or money prospective teachers would spend to pursue a teaching credential, waiving these fees are unlikely to make a difference in whether individuals decide to become teachers. Other efforts, such as streamlining the state's complex credentialing requirements, could more effectively lower barriers to becoming a teacher.

Modify Proposal for New Teacher Recruitment Activities. To more quickly implement teacher recruitment activities, we recommend the Legislature provide funding to one of the existing entities that already do similar work. CDE and the Center are already positioned to build off existing infrastructure and expertise to respond more quickly to growing demand for more teachers. The Legislature will want to consider the various trade-offs associated with funding either entity. For example, the Center has regional partnerships and experience running a statewide promotional campaign, but the CDE platform has more accessible information tailored based on an individual's background (such as high school students and out-of-state teachers). The Legislature's options for how to fund these activities would somewhat depend on which entity it tasked with conducting these activities. Providing state operations funding at CDE would require ongoing non-Proposition 98 General Fund (limited-term positions would be difficult to fill), but the state also could provide Proposition 98 funding if CDE were to use a COE as a contractor (consistent with its current activities). Providing funding to the Center would require Proposition 98 funding. Regardless of the selected entity, the Legislature could consider requiring broader coordination across CTC, CDE, higher education, K-12 schools, and any designated entity to reduce further duplication of teacher recruitment efforts.

Reject Proposals for Fee Waivers and PMATs. We recommend the Legislature reject the Governor's fee waiver and PMAT proposals—freeing up \$36 million non-Proposition 98 General Fund and \$5 million Proposition 98 funding for other legislative priorities. Providing credential and assessment fee waivers would not address the underlying need for more new teachers to enter the workforce. For the PMATs proposal, districts already have access to personnel management assistance from FCMAT upon request. If the Legislature is interested in providing more statewide personnel management assistance, it could consider providing one-time funding for FCMAT to train COEs on effective

personnel management practices and incorporate this expertise when COEs provide broad-ranging support and targeted assistance to school districts. Approve Funding for Integrated Programs. We recommend the Legislature approve additional funding for the integrated programs. These programs offer a cost-efficient and quicker option for interested undergraduate students to receive training and become teachers after graduating. The funding previously provided to establish more integrated programs also shows some promising results.

STAFF COMMENTS & QUESTIONS

Can Tested Initiatives Grow Faster? The Integrated Teacher Preparation Program has a successful history of both building credential capacity, and speeding up candidate completion, due to the four-year program design, in lieu of the traditional five-year design. Advocates are recommending a \$100 million increase to this program, one-time, to be more transformative in the short-term.

CTC Operations Sustainability. Current law requires, as a part of the annual budget review process, the DOF to recommend to the Legislature an appropriate credential fee sufficient to generate revenues necessary to support the operating budget of the Commission plus a prudent reserve of not more than 10 percent. According to the DOF Budget, the fee waivers will result in a loss of roughly \$16.5 million in agency funding, but the proposed 22-23 agency budget is nearly \$50 million. Clearly the workload of the agency is not on a trajectory of sustainability on the pre-pandemic goal of fee-based operations. The Legislature should consider the long-term implicates of all the policy changes made to the teacher credentialing system that continue to decrease fee income, and how the Commission will be supported.

Questions:

- Has the CTC seen an increase in credential applications during the current year fee-waiver period, in comparison to prior years?
- Are there any other pandemic-related flexibilities or capacity CTC would recommend for the Budget Year?
- Regarding the Community College Teacher Credentialing Partnership Program, with the increase in online teaching credential options, is this program still needed? Is there still demand/need for students to access community college campuses to obtain a teaching certificate?
- How/is the PMAT proposal leveraging FCMAT expertise as well as the System of Support?

STAFF RECOMMENDATION: HOLD OPEN: RECONSIDER LARGER INVESTMENTS IN THE EDUCATOR PIPELINE, INCLUDING HIGHER EDUCATION CAPACITY, IN CONTEXT OF MAY REVISION REVENUES.

ISSUE 4: EDUCATOR PROFESSIONAL DEVELOPMENT & SUPPORT

This issue will discuss prior year Budget investments in educator professional development and support infrastructure and January Budget proposals including the Educator Effectiveness Block Grant.

PANEL

The following individuals will present on this issue:

- Megan Sabbah, DOF
- Amy Li, LAO
- Cheryl Cotton, CDE

BACKGROUND**Existing & Prior Teacher Professional Development Programs**

Professional development for teachers. Professional development is typically controlled and funded at the local level, using general purpose funding. The federal government also provides California with about \$219 million annually to support teacher professional development via Title II. The state also provides some funding for specific trainings and curriculum development for teacher training, including:

Educator Effectiveness Block Grants. In 2015, \$490 million in one-time Prop 98 funding was provided for Educator Effectiveness Block Grants. The funding was allocated to LEAs in an equal amount per full-time equivalent certified staff, for professional development activities over a three-year period, through July 2018. CDE allocated funds for nearly 294,000 full time equivalent educators, while LEAs reported providing professional development for nearly 1.1 million (duplicated) educators.

According to the CDE October 2018 report, LEAs reported the following expenditures:

- \$158,064,876 Beginning Teacher and Administrator Support and Mentoring
- \$ 29,551,464 Professional Development for Teachers Needing Improvement
- \$169,462,079 Professional Development Aligned to the State Content Standards
- \$154,230,046 Promoting Educator Quality and Effectiveness

In the final 2021-22 Budget Act, \$1.5 billion in one-time Prop 98 funding was provided for a new Educator Effectiveness Block Grant, for LEA professional development use through 2026. LEAs will be able to use funds for the following purposes for teachers, administrators, paraprofessionals who work with pupils, and classified staff that interact with pupils:

1. Coaching and mentoring of staff serving in an instructional setting and beginning teacher or administrator induction, including, but not limited to, coaching and mentoring solutions that address a local need for teachers that can serve all pupil populations with a focus on retaining teachers, and offering structured feedback and coaching systems organized around social-emotional learning, including, but not limited to, promoting teacher self-awareness, self-management, social awareness, relationships, and responsible decision making skills, improving teacher attitudes and beliefs about one's self and others, and supporting learning communities for educators to engage in a meaningful classroom teaching experience.
2. Programs that lead to effective, standards-aligned instruction and improve instruction in literacy across all subject areas, including English language arts, history-social science, science, technology, engineering, mathematics, and computer science.
3. Practices and strategies that reengage pupils and lead to accelerated learning.
4. Strategies to implement social-emotional learning, trauma-informed practices, suicide prevention, access to mental health services, and other approaches that improve pupil well-being.
5. Practices to create a positive school climate, including, but not limited to, restorative justice, training around implicit bias, providing positive behavioral supports, multi-tiered systems of support, transforming a school site's culture to one that values diverse cultural and ethnic backgrounds, and preventing discrimination, harassment, bullying, and intimidation based on actual or perceived characteristics, including disability, gender, gender identity, gender expression, language, nationality, race or ethnicity, religion, or sexual orientation.
6. Strategies to improve inclusive practices, including, but not limited to, universal design for learning, best practices for early identification, and development of individualized education programs for individuals with exceptional needs.
7. Instruction and education to support implementing effective language acquisition programs for English learners, which may include integrated language development within and across content areas, and building and strengthening capacity to increase bilingual and biliterate proficiency.
8. New professional learning networks for educators not already engaged in an education-related professional learning network to support the requirements of subdivision (c).
9. Instruction, education, and strategies to incorporate ethnic studies curricula adopted pursuant to *EC* Section 51226.7 into pupil instruction for grades 7 to 12, inclusive.
10. Instruction, education, and strategies for certificated and classified educators in early childhood education, or childhood development.

CDE will provide an update on guidance and support for LEAs in the use of these funds.

Subject Matter Projects at the University of California. The University of California receives \$7.6 million ongoing (state and federal funds) to support professional development in core subject areas through the Subject Matter Projects. There are currently nine projects: arts, global education, history-social science, mathematics, physical education-health, reading & literature, science, world languages, and writing. For each project, there is a statewide office, and regional sites that host professional learning programs in their areas. In 2018-19, approximately 25,000 educators from more than 1,200 school districts attended California Subject Matter Project programming. The 2020 State Budget Act allocated \$6,000,000 in one-time federal relief (ESSER) funds to the California Subject Matter Project (CSMP) to address learning loss in mathematics, science, and English/Language Arts.

California Early Math Initiative. The 2018 Budget Act included \$11 million in one-time federal Title II funds available through 2020-21 to develop resources and implement professional development for pre-K through grade 3 educators. These funds have been used to build educator knowledge, enthusiasm, and comfort in teaching math, as well as to provide coaching on math strategies. The 2021-22 Budget Act added \$37.6 million. The Early Math Initiative grant was awarded to the Fresno County Office of Education. While the formal evaluation of this program has not been finalized, initial feedback from participants has been positive. According to their website, West Ed has also received federal grants to support the Initiative.

Multi-tiered systems of support (MTSS). MTSS refers to integrated support for social-emotional, academic, and behavioral needs of all students at the school and district level. From 2015 through 2020, the state has provided \$40 million for the SUMS initiative.

The 2021-22 Budget Act expanded statewide MTSS systems with \$50 million one-time Proposition 98, and \$2 million onetime General Fund to create resources and provide targeted professional development on social-emotional learning and trauma-informed practices.

Governor's 2022-23 January Budget Proposals

The January Budget is proposing clarifying statutory amendments to the MTSS and Educator Effectiveness Block Grant.

STAFF COMMENTS & QUESTIONS

Dual-Language Support. Advocates have noted that while support for dual-language or bilingual educators and professional development for serving multi-lingual students is allowable under various programs, there is no requirement or minimum threshold for supporting this high-need area of professional support. The Legislature may want to consider more significant and targeted investments in the preparation and support of all educators working with students who speak a language other than English at home.

Learning Loss Pandemic. The California data from 2020 local assessments, released by the Policy Analysis for California Education (PACE), shows significant learning loss, with the largest effect among low income and English learner students. Data from Spring 2021 assessments similarly shows patterns of a growing achievement gap as most schools reopened for in-person instruction in Fall 2021. Significant one-time funds and state support has been provided for addressing this growing gap, however the state should continue to monitor and consider the multi-year needs of LEAs in response to trauma and learning loss.

Staff Comments & Questions:

- Do these teacher PD programs need ongoing funding, or are one-time infusions sufficient? Should one-time funds be used over a longer time horizon to provide on-going stability?
- Are educator induction and mentorship programs sufficiently funded in all LEAs?
- Are small funds for dual language professional development sufficient, or does dual language instructional support be a more comprehensive part of the PD system?

STAFF RECOMMENDATION: HOLD OPEN: RECONSIDER LARGER INVESTMENTS IN EDUCATOR PROFESSIONAL SUPPORT IN CONTEXT OF MAY REVISION REVENUES.

ISSUE 5: CAREER & COLLEGE READINESS: 2021-22 BUDGET ACT OVERSIGHT

This issue will cover 2021-22 investments in various career and college readiness initiatives, including CTEIG and the K-16 Education Collaboratives Grant Program.

PANEL

The following individuals will present on this issue:

- Michael Alferes, LAO
- Pete Callas, CDE
- Lizette Navarette, California Community College Chancellor's Office
- Barbara Kampmeiner, Office of Public School Construction

BACKGROUND**Career Technical Education**

According to the CDE, Career Technical Education (CTE) “is a program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers. CTE programs in California have been organized into 15 industry sectors, covering 58 pathways that identify the knowledge and skills students need. Partnerships are usually developed between high schools, businesses, and postsecondary schools, providing pathways to employment and associate, Bachelor's and advanced degrees. CTE prepares students for the world of work by introducing them to workplace competencies, and makes academic content accessible to students by providing it in a hands-on context. Along the way, students develop career-relevant, real-world 21st Century skills.”

College and career readiness is a state priority. Each LEA's Local Control and Accountability Plan (LCAP) must demonstrate, among other priorities, how they are ensuring that all students are being prepared to be college and career ready. The College and Career Readiness Index displayed on each LEA's dashboard includes data on the number of students completing a CTE pathway. CDE notes that over 90% of districts report that CTE is now embedded into their LCAP.

Prior to the adoption of the LCFF, the state provided funding for CTE through a number of categorical programs, including the Regional Occupational Center/Programs (ROCP), which was funded at \$400 million at the time. This funding was folded into LCFF, increasing the base rate for high schools by 2.6 percent. The rationale for the 2.6 percent grade span increase was for ongoing CTE costs for all high school students.

Career Technical Education Incentive Grants. Legislative actions in recent years have greatly increased dedicated funds for CTE. The Legislature provided \$900 million in the 2015-16 Budget Act and authorized the Career Technical Education Incentive Grant (CTEIG) program for the first three years of the program.

The CTEIG program is funded through the CDE as a state education, economic, and workforce development initiative with the goal of providing pupils in TK–12, inclusive, with the knowledge and skills necessary to transition to employment and postsecondary education. The purpose of this program is to encourage, maintain, and strengthen the delivery of career technical education (CTE) programs, aligned to the state’s model CTE standards.

Beginning in 2018-19, the Legislature appropriated \$150 million in annual, on-going Proposition 98 funds for CTEIG, and also established the K-12 component of the Strong Workforce Program (SWP), administered through the Office of the Chancellor of the Community Colleges.

State’s Two Major K-12 Career Technical Education (CTE) Programs

Proposition 98 General Fund (In Millions)

Name	Ongoing Funding	Description
CTE Incentive Grants	\$300	Allocated on a competitive basis. Funds are disbursed based on a formula that considers the size of the CTE program. Priority given in eight different categories, including whether the program is in a rural area and whether it already uses other CTE funding, such as federal grants. Requires \$2 local match for every \$1 in state funding.
K-12 Strong Workforce Program	150	Allocated to regional consortia based on a formula considering grades 7 through 12 attendance and regional workforce needs. Each consortium, in turn, awards grants to school districts, charter schools, and county offices of education on a competitive basis. Requires that grantees partner with a community college develop CTE opportunities and career pathways. Requires \$2 local match for every \$1 in state funding.

The final 2021-22 Budget Act doubled the CTEIG program to \$300 million in ongoing Proposition 98 funding. In each of the four years available, the requested amounts of CTE funding exceeded funds available for both programs:

Total requests for funding	2018-19	2019-20	2020-21	2021-22
CTEIG	\$344,664,322	\$311,392,320	\$310,833,311	\$329,170,620
K-12 SWP	\$265,732,872	\$248,574,537	\$221,543,026	\$176,601,208
Total	\$610,397,194	\$559,966,857	\$532,376,337	\$505,771,828
Funding available	\$300,000,000	\$300,000,000	\$300,000,000	\$450,000,000

Source: CDE

A total of 370 applications to the CTEIG program for the 2021-22 round of funding were recently received by CDE, with total grant requests of \$329 million. The SBE approved funding of \$240 million for 342 of the applications. CDE anticipates exhausting the CTEIG funding increase in the next application cycle.

Community College and K-12 Strong Workforce Programs. The state provides \$150 million ongoing for the K-12 SWP, and \$290 million ongoing for the CCC SWP, which shares the same regional structure with the K-12 SWP. Both programs are required to focus on regional workforce needs, with the K-12 program intended to feed into CCC degree and certificate programs.

The state also provides \$1.8 million ongoing in program support for “middle college high schools.” These schools are a partnership between a school district or charter school and a community college to operate a high school on a community college campus, targeted to students who are at a risk of dropping out of high school. (A similar model, known as “early college high school,” is a partnership between public schools and a CCC, CSU, or UC campus that allows students to earn a diploma and up to two years of college credit in four years or less.) In addition to the programs at community colleges, both UC and CSU have programs that provide outreach and recruitment to high schools to support students to enroll at a university after graduation.

Total requests for K-12 CTE grant funding totaled \$506 million, however only \$450 million is available, through the two programs, to fund these programs.

CTE technical assistance provided through County Offices of Education (COEs). Through state level funding provided through the CTEIG program, CDE established seven COEs as regional technical assistance providers. The seven centers were chosen for the leadership and expertise in the delivery of K-12 CTE as well as their understanding of the K-12 environment. These seven centers provide technical assistance and professional development based on the unique regional and statewide needs of K-12 CTE, including CTE Model Curriculum Standards, integration of K-12 general education

courses and CTE, Career Student Leadership Organizations, and college and career pathway development as defined in the state plans for both the federal Perkins Act as well as the Every Student Succeeds Act (ESSA). Funding for these contractors expired at the end of June 2019. Technical assistance infrastructure remains for the K-12 SWP through the California Community College Chancellor's office.

Regional K-16 Education Collaboratives Grant Program. The 2021-22 Budget Act provided \$250 million for the Office of Public School Construction to establish and administer a competitive grant program to support regional K-16 education collaboratives that create streamlined pathways from high school to postsecondary education and into the workforce.

The Office of Public School Construction selected the Foundation for California Community Colleges (Foundation CCC) as the third party administrator for the entire Regional K-16 Education Collaboratives Grant Program.

The Regional K-16 Education Collaborative Grant Program (Program) requires the collaborative to meet all of the following criteria for funding:

- a. Include at least one K-12 school district, at least one University of California campus, at least one California State University campus, and at least one California Community College district.
- b. Establish a steering committee, of which at least 25 percent of the members shall be local employers, thereby ensuring that regional economic needs inform the creation of the streamlined pathways.
- c. Commit to participate in the [California Cradle-to-Career Data System](#) established pursuant to Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of Division 1 of Title 1 of the Education Code.
- d. Commit to implement at least four of the following seven recommendations from the [February 2021 Recovery with Equity](#) report to promote student success:
 1. Improve faculty, staff, and administrator diversity.
 2. Cultivate inclusive, engaging, and equity-oriented learning environments.
 3. Retain students through inclusive supports.
 4. Provide high-tech, high-touch advising.
 5. Support college preparation and early credit.
 6. Subsidize Internet access for eligible students.
 7. Improve college affordability.

- e. Commit to create occupational pathways, including accelerated degree and/or credential programs that incorporate work-based learning, in at least two of the following sectors, based on regional needs:
 1. Healthcare
 2. Education
 3. Business Management
 4. Engineering or Computing
- f. By June 30, 2024, implement two of the target Recovery with Equity report recommendations and fully establish one occupational pathway, demonstrate progress toward the final two target Recovery with Equity report recommendations and occupational pathway, and participate fully in a statewide evaluation of the regional collaboratives.
- g. By June 30, 2026, fully implement both occupational pathways and all four target Recovery with Equity report recommendations.

The Office of Public School Construction will provide an update on this program's launch in the hearing.

College Readiness

Almost Two-Thirds of High School Graduates Attend a Postsecondary Institution. California's four-year high school graduation rate (86 percent) is similar to the national average. Of the state's graduates, 64 percent enrolled in college after graduating high school. (This is based on 2017-18, the most recent year for which data is available.) Of those enrolling in college, 55 percent enrolled in a California community college (CCC), 30 percent enrolled in the University of California (UC) or California State University (CSU) systems, and 15 percent enrolled either at private or out-of-state colleges and universities.

About Half of Graduates Complete UC/CSU College Preparatory Course Requirements. Of the state's high school graduates, about half (49 percent in 2017-18) completed the college preparatory coursework required to be eligible for freshman admission at UC/CSU (known as the "A through G" series). Certain subgroups have lower rates of completion of these UC/CSU requirements. For example, in 2017-18, 40 percent of graduates who were from low-income families, 16 percent of graduates who were English learners, and 12 percent of graduates who were foster youth had completed UC/CSU college preparatory course requirements at graduation.

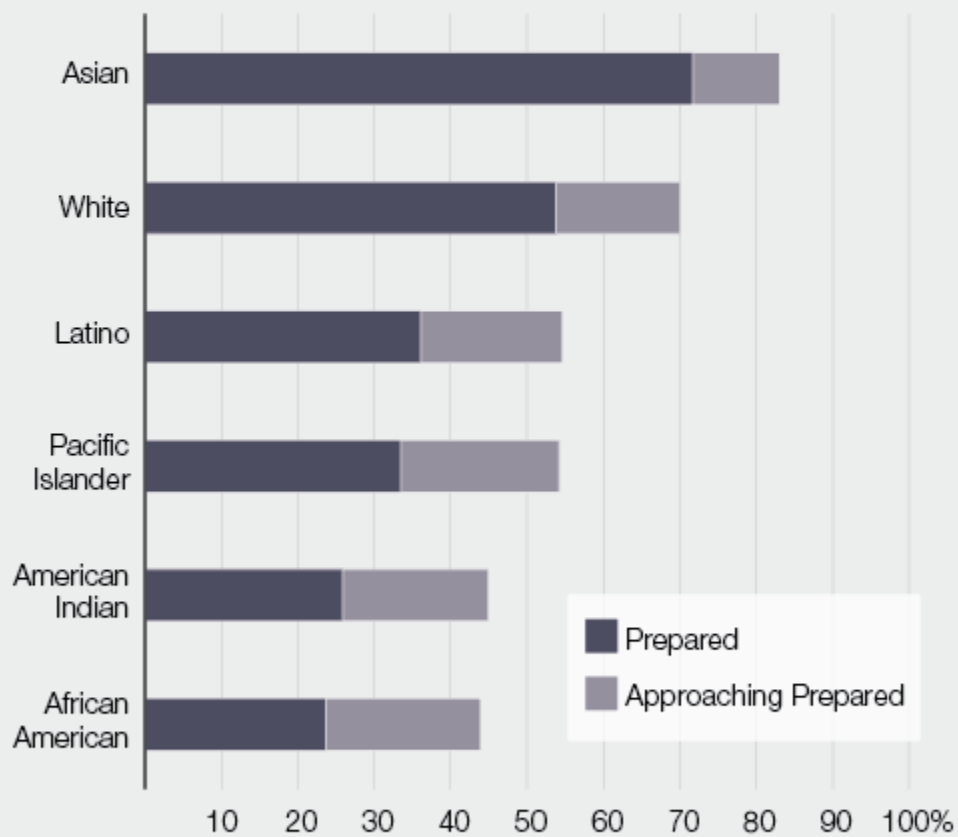
College and Career Indicator Part of State's Accountability System. The school dashboard includes a variety of data, including standardized test scores, graduation rates, and suspension rates. Another key indicator is the College and Career Indicator, which combines information about a student's course completion and test scores. The indicator allows multiple ways for students to demonstrate they are "prepared" or "approaching

prepared” for college and career. In 2018-19, 44 percent of the state’s high school graduates were deemed prepared, 17 percent were approaching prepared, and 39 percent were not prepared.

Figure 2

Student College and Career Readiness Varies by Racial/Ethnic Subgroup

College and Career Indicator, Graduating Class of 2019



A-G Completion Improvement Grant Program

The 2021-22 Budget Act provided \$547.5 million in one-time Proposition 98 funds for the A-G Completion Improvement Grant Program for the purpose of providing additional supports to local educational agencies to help increase the number of California high school pupils, particularly unduplicated pupils, who graduate from high school with A–G eligibility. Of the total, \$400 million grants for activities that directly support pupil access to, and successful completion of, the A–G course requirements. The remaining \$147.5 million is to allow pupils who failed an A–G approved course in the spring semester of 2020 or the 2020–21 school year to retake those A–G courses or for other credit recovery.

STAFF COMMENTS & QUESTIONS

- What would CDE recommend as a sustainable on-going increase to the CTEIG program? Should the program maintain a statutory COLA?
- What is the scale students repeating high school courses, under AB 104, and the extent of the A-G Grant's support for these students?
- How is the K-16 Collaborative funds supporting new regional partnerships that could translate into demand for more ongoing CTE funds?

STAFF RECOMMENDATION: HOLD OPEN.

ISSUE 6: CAREER & COLLEGE READINESS: JANUARY BUDGET PROPOSALS

The Governor's January Budget contains \$2 billion one-time investments in TK-12 student readiness for careers and college. This issue will cover 2022-23 proposals in various career and college readiness initiatives, including Dual Enrollment, the Golden State Pathways Grant, 21st Century Leadership Academy, Special Olympics, Ag Vocational Education, the Pathways Grant Program for High-Skilled Careers, and Healthcare Vocational Education.

PANEL

The following individuals will present on this issue:

- Chris Ferguson, DOF
- Michael Alferes, LAO
- Paul Steenhausen, LAO
- Pete Callas, CDE
- Lizette Navarette, California Community College Chancellor's Office

BACKGROUND**CTE technical assistance provided through County Offices of Education (COEs).**

Through state level funding provided through the CTEIG program, CDE established seven COEs as regional technical assistance providers. The seven centers were chosen for the leadership and expertise in the delivery of K-12 CTE as well as their understanding of the K-12 environment. These seven centers provide technical assistance and professional development based on the unique regional and statewide needs of K-12 CTE, including CTE Model Curriculum Standards, integration of K-12 general education courses and CTE, Career Student Leadership Organizations, and college and career pathway development as defined in the state plans for both the federal Perkins Act as well as the Every Student Succeeds Act (ESSA). Funding for these contractors expired at the end of June 2019. Technical assistance infrastructure remains for the K-12 SWP through the California Community College Chancellor's office.

California Career Pathways Trust. As part of enacting the 2013–14 and 2014–15 state budgets, the Legislature authorized and funded the \$500 million California Career Pathways Trust (CCPT). Through a competitive application process, the CDE awarded grants of up to \$15 million, in one-time Proposition 98 funds, to grantees consisting of regional and local partnerships that included kindergarten through grade twelve LEAs, community colleges, and business employers. At the time of creation, the CCPT, represented the largest workforce development-through-education program in the nation, and was intended to provide for the establishment or expansion of career pathways in grades nine through fourteen that integrate standards-based academics with a

sequenced, career-relevant curriculum following industry-themed pathways that are aligned with high-need, high-growth, or emerging regional economic sectors. One-time funding expired in 2018, with the creation of CTEIG.

Agricultural Education Vocational Incentive Grant Program. CDE administers the long-standing Agricultural Education Vocational Incentive Grant Program (Ag Voc Ed). A successful Ag Voc Ed program must be based on three components: classroom instruction, Future Farmers of America (FFA) leadership activities, and Supervised Occupational Experience Projects. The programs seek to accomplish four major purposes:

- Enable local education agencies to improve the curriculum for students enrolled in agricultural education programs through the development and implementation of (a) an integrated academic and vocational curriculum, (b) curriculum that reflects workplace needs and instruction, and (c) support services for special populations.
- Increase the competence of future and current high school, middle grades, and regional occupational centers and programs agricultural education instructors in developing and implementing a new integrated curriculum, student and program certification systems, technical preparation strategies, and effective instructional methodologies.
- Promote the development and use of curriculum, instructional materials, and instructional strategies that prepare students in all aspects of the agricultural industry and foster critical thinking, problem solving, leadership, and academic and technical skill attainment.
- Increase linkages between secondary and postsecondary institutions offering agricultural education programs; between academic and agricultural educators; and among agricultural educators, the agricultural industry, professional associations, and local communities.

The existing Budget provides \$4.1 million, ongoing Proposition 98 funding for Ag Voc Ed programs.

Adult Education. Adult education focuses on providing precollegiate-level instruction and short-term training in various program areas. These areas include various health care occupations—such as certified nursing assistants and home health aides—as well as English courses for English as a second language students. Through the state’s Adult Education Program (AEP), more than 350 adult education providers—primarily school districts (through their adult schools) and community colleges—are organized into 71 regional consortia. The consortia have developed plans to coordinate and deliver adult education in their regions. In 2021-22, the state is providing \$566 million ongoing Proposition 98 General Fund for AEP. Statute provides this level of funding regardless of the number of students served or the type of instruction provided. In addition, the state is providing in 2021-22 about \$300 million Proposition 98 General Fund directly to community colleges for noncredit (adult education) instruction, which also includes health care training programs and English as a second language classes.

Dual Enrollment. Dual enrollment allows high school students to take college-level courses, typically at a community college. Credit from these college-level classes may count toward both a high school diploma and an associate degree. By graduating high school having already earned college credits, students can save money and accelerate progress toward a postsecondary degree or certificate. All 72 locally governed districts have at least some dually enrolled students.

In 2019-20, community colleges served about 48,000 FTE students through traditional dual enrollment. Statute permits community colleges to charge an enrollment fee for regular dual enrollment students, which colleges typically waive. Students, however, typically are required to cover textbook and other instructional material costs. Community colleges can claim apportionment funding for high school students taking CCC classes (funded at \$ 5,907 per FTE student in 2021-22), and high schools also generate ADA for dual-enrolled students for purposes of LCFF funding. Courses allowing for dual enrollment generally must be open to the public for colleges to claim apportionment funding. The state provides community colleges about \$200 million annually in apportionment funding for high school students dually enrolled in CCC courses.

College Access and Career Pathways (CCAP) program. The CCAP program is another form of dual enrollment and was created in 2015. CCAP allows for partnerships between school and community college districts such that high school students dual-enroll in up to 15 community college units per term; students may enroll in no more than four courses per term. Unlike traditional dual enrollment, CCAP allows cohorts of high school students to take college-level classes on a high school campus. Community colleges may still claim apportionment funding for such instruction. Unlike traditional dual enrollment, CCAP students only need to attend their high school classes for 180 minutes (three hours) for school districts to claim ADA funding. Existing law prohibits students in a CCAP program from being charged either enrollment fees or fees for textbooks and other instructional materials. To form a CCAP program, school and community college districts must agree to a memorandum of understanding (MOU). These MOUs contain information such as the courses to be offered, the number of students to be enrolled, and which partner (the school or community college district, or both) is to cover program costs, including the cost of providing instructional materials.

The Chancellor's Office notes that there are 53 districts and 76 colleges the participate in CCAP, and notes that CCAP dual enrollment courses had an 86 percent successful completion rate, defined as completion with a grade of A, B, C, or P. In the fall of 2019, 6,811 FTES enrolled in credit and noncredit courses through CCAP, this equates to a 28,030 unduplicated headcount. This compares to just 586.57 FTES in fall of 2017, which is approximately 3,614 unduplicated headcount.

California STEM Pathways Grant Program. The Legislature provided CCC \$10 million one-time Proposition 98 General Fund for the initiative, known as the “California STEM Pathways Grant Program.” Under the initiative, community college grantees collaborate with high schools and industry partners to create a school spanning 9th through 14th grades (that is, through lower-division coursework at CCC). Participating community colleges and schools first enter into a CCAP agreement. Students in the program then take a mix of high school and community college courses that lead both to a high school diploma and a “no cost” associate degree in a designated science, technology, engineering, and math (STEM) field (including manufacturing and information technology). Though the program is structured as a six-year model, students can progress at their own pace and complete their associate degree in a somewhat faster or slower time period. In addition, students participate in work-based experiences, such as internships and mentorships with local businesses. Upon graduation, students can choose to continue their education at a four-year college or obtain an entry-level job in the field they studied. Industry partners commit to giving program graduates first priority for relevant job openings. Statute requires the Chancellor’s Office to prioritize grants to applicants serving students from groups that have historically faced barriers to completing high school or college. The Chancellor’s Office also is required to report to the Legislature and Department of Finance by January 2025 on the outcomes of students who participated in the program—including the number and percentage of students who obtained an associate degree, gained full-time employment in the area they studied, or enrolled in a four-year college.

Special Olympics. The 2021-22 Budget Act included \$6 million in one-time General Fund for the Special Olympics of Northern and Southern California. These funds support various programs and would be available for expenditure through 2023- 24.

In addition to providing Olympic sport and leadership accessibility to children and adults with disabilities, the organizations manage The Schools Partnership Program, which includes the Unified Champion Schools initiative. According to the Special Olympics, this is a unique education program in PreK – Transition schools (ages 18-22). The program unifies students with and without disabilities through sports and Whole School Engagement. These activities educate students with the skills necessary to sustainably develop school communities that promote inclusion, acceptance and respect for all students. The Special Olympics of Northern California is currently partnering with 611 schools and has an annual net revenue of \$27.7 million, from various private and public sources. The Special Olympics of Southern California has a reported annual net revenue of \$24.6 million.

The Governor’s 2022-23 January Budget

Golden State Pathways Program Grant. The January Budget proposal would create a new competitive grant program intended to improve college and career readiness. The program is to be administered by CDE and would fund the development of specific types of high school pathways programs. Funding would be available over five years.

Funding would be for three activities: implementation (85 percent funds), regional planning (10 percent) , and technical assistance (5 percent). The proposal defines high-priority LEAs as those that have (1) a majority of their student population consisting of English learners or low-income students, or (2) higher than the state average rate of high school dropouts, suspensions or expulsions, child homelessness, foster youth, or justice-involved youth, or (3) lower than average A-G completion rate. The proposal would give preference to high-priority LEAs that seek to establish programs in education (including early education), computer science, health care, or STEM pathways that also focus on climate resilience.

Grant recipients would be required to:

- Provide high school students a program that includes (1) an integrated program of study that incorporates all of the UC/CSU course requirements, and at least one of the other criteria to be considered prepared under the College and Career Indicator; (2) the opportunity to earn at least 12 college credits; (3) opportunities to participate in work-based learning experiences, and (4) integrated support services to address a student’s social, emotional, and academic needs.
- Develop and integrate standards-based academics with a sequenced curriculum aligned to high-skill, high-wage, high-growth jobs.
- Provide articulated pathways from high school to postsecondary education and training that are aligned with regional workforce needs.
- Collaborate with other entities—such as institutions of higher education and employers—to increase the availability of college and career pathways that address regional workforce needs.
- Leverage available resources or in-kind contributions from public, private, and philanthropic sources to sustain the ongoing operation of the pathways they develop.

Golden State Pathways Funding Split Among Three Activities

Proposition 98 General Fund (In Millions)

Description	Funding
Implementation grants for local educational agencies (LEAs).	\$1,250
Grants to develop regional consortia and support collaborative planning.	\$150
Technical assistance grants. The California Department of Education can contract with up to ten LEAs for this purpose.	\$75

Source: LAO

Under the proposal, grant recipients would be required to annually report data disaggregated by student subgroups in several areas, including academic performance, graduation rates, completion of UC/CSU course requirements, postsecondary outcomes, and employment outcomes. An evaluation of the program would be required to be completed between June 30, 2027 and June 30, 2028.

Dual Enrollment. The January Budget provides \$500 million one-time, over five years, to increase dual enrollment. The funding would be split among three different grant types, as seen in the LAO graphic below. Funding would be administered by CDE and allocated through a competitive grant process. Priority would be given to LEAs where at least half of their student population consists of English learners or low-income students, as well as those that have higher than the state average rate of high school dropouts, suspensions or expulsions, child homelessness, foster youth, or justice-involved youth.

Governor's Proposed Dual Enrollment Grants

Proposition 98 General Fund (In Millions)

Description	Funding
Up to \$500,000 for enhanced student advising and success support. Can be spent over five years.	\$300.0
\$250,000 for planning and starting up middle and early college high schools on K-12 school sites.	137.5
\$100,000 to establish CCAP agreements that allow students to take some community college courses at their high school.	62.5

CCAP = College and Career Access Pathways.

Source: LAO

Local educational agencies may apply for any or all of the following: (1) a one-time grant of up to \$500,000 to support a local educational agency's costs to couple student advising and success supports with available dual enrollment and accelerated college credit opportunities; (2) a one-time grant of up to \$250,000 to support the costs to plan for, and start-up, a middle and early college high school that is located on a schoolsite; and/or (3) a one-time grant of up to \$100,000 to establish a College and Career Access Pathways dual enrollment partnership agreement and to enable students at the participating high school to access dual enrollment opportunities

Pathway Grant Program for High-Skilled Careers. The proposed budget includes \$20 million one-time Proposition 98 General Fund to support the Pathway Grant Program for High-Skilled Careers, which is similar to the California STEM Pathways Grant program from the 2018-19 budget. The program supports community college grantees, who collaborate with high schools and industry partners to create a school spanning 9th

through 14th grades (that is, through lower division coursework at CCC). Participating community colleges and schools first enter into a dual enrollment agreement. Students in the program then take a mix of high school and community college courses that lead both to a high school diploma and a “no cost” associate degree in a designated science, technology, engineering, and math (STEM) field (including manufacturing and information technology). Statute requires the Chancellor’s Office to prioritize grants to applicants serving students from groups that have historically faced barriers to completing high school or college. The Chancellor’s Office also is required to report to the Legislature and Department of Finance by January 2025 on the outcomes of students who participated in the program—including the number and percentage of students who obtained an associate degree, gained full time employment in the area they studied, or enrolled in a four year college.

The Governor’s proposal adds education (including early education) as an eligible field that students can study in the pathways program. In addition, the Governor’s proposal adds another reporting requirement (January 2029) for the Chancellor’s Office. As in 2018-19, the Governor’s budget allows the Chancellor’s Office to decide on the number and size of the grants using the proposed funds. Also, like the 2018-19 grants, grantees would have six years to spend their fund awards (aligned with the amount of time a 9th through 14th grade cohort of students is to spend in the program).

Healthcare Vocational Education. The proposed budget includes \$130 million one-time Proposition 98 General Fund to support limited-term, healthcare-focused vocational programs for English language learners across all levels of English proficiency through the Adult Education Program. Budget bill language directs the California Community Colleges Chancellor’s Office, the California Department of Education, the California Labor and Workforce Development Agency, and the California Health and Human Services Agency to collaborate to develop guidance to assist the Adult Education consortia in developing pathways focused on local programs intended to support healthcare and care economy workforce needs. The funding would be distributed in the same manner as other Adult Education Program funds over a three-year period, with \$30 million allocated in 2022–23, \$50 million in 23-24, and \$50 million in 2024–25.

Agriculture Career Technical Education Incentive Grant Program. The January Budget proposes an ongoing increase of \$2 million Proposition 98 General Fund to support an augmentation to the Agricultural Career Technical Education Incentive Grant program.

Special Olympics. The January Budget proposes an increase of \$30 million one-time non-Proposition 98 General Fund, available over three-years, to support the Special Olympics in Northern and Southern California’s school and community-based programs.

LAO Comments

Major Proposals Provide One-Time Funding for Ongoing Activities. The administration indicates the one-time funding in these proposals is intended to be used as start-up costs to create or expand pathways and dual enrollment programs. However, the bulk of the costs associated with building and sustaining these programs—such as hiring staff, developing partnerships with industry, and purchasing instructional materials and equipment—are ongoing. Moreover, in the case of the \$500,000 dual enrollment grants for academic support and advising, the funding appears to be covering an ongoing cost that, if not continued, would have no long-term benefits. Although the expectation is that LEAs commit to sustaining the programs when grant funding expires, there is no guarantee that this would occur. Alternatively, the grantees that apply for and receive these funds may be LEAs that already were planning and committed to implementing these programs, regardless of whether they were to receive one-time state funding.

Golden State Pathways Proposal Would Add More Complexity to State’s Approach to Funding College and Career Readiness. The Golden State Pathways proposal has several elements that are similar to the existing CTEIG and K-12 SWP. Most notably, it is intended to be aligned with regional workforce needs and include partnerships with industry and institutions of higher education. However, the program has a significant number of additional program requirements, such as having pathways be aligned with UC/CSU course requirements and providing students with integrated support services. There could be benefits to encouraging LEAs to implement programs of this type, as they can provide students with greater options after high school. However, enacting this proposal would leave LEAs often operating programs with three different sources of funding and three different program rules. Such a fragmented approach can make implementing well aligned and coordinated programs administratively and fiscally challenging for LEAs.

No Clear Fiscal Barriers to Implementing Dual Enrollment. Research suggests that dual enrollment can be an effective model for improving college preparation. Moreover, the state supports an extensive amount of dual enrollment through several program models. In proposing additional funding for dual enrollment, however, the administration fails to identify what problem currently exists with dual enrollment. In particular, the administration does not specify what barriers LEAs currently face in implementing dual enrollment programs and how additional funding might help remove these barriers. For example, most of the proposed funding for dual enrollment is intended to increase the level of student support services, such as tutoring. Yet, the administration does not specify how current funding to support students is inadequate at high schools and community colleges. Given that community colleges currently are receiving funding from the state far in excess of their enrollment levels, we question whether students—including dually enrolled students—have inadequate access to tutors, counselors, and other support staff. In the case of CCAP, it is not clear that funding barriers exist at all. Full-time equivalent enrollment in CCAP programs has grown to almost 18,000 students in just a few years. In 2020-21, CCAP enrollment grew by 22 percent from 2019-20 to 2020-21, even as overall community college enrollment declined by 8 percent. Moreover,

rather than posing fiscal barriers, CCAP funding policies can work to the benefit of schools and colleges. This is particularly the case when students take CCAP courses in place of their regular high school coursework. In such cases, schools can receive attendance-based funding even though they may only be providing three hours (rather than the standard six hours) of instruction per day. (For more background on dual enrollment, please see our [2021-22 analysis](#) of a proposal to fund dual enrollment instructional materials.)

Consider Ways to Target Schools and Students With Highest Need. If the Legislature chooses to adopt the Golden State Pathways or dual enrollment proposals, it could modify the proposals to prioritize a smaller subset of districts. For example, it could designate a high-priority LEA as one where at least 75 percent of the student population is low income or an English learner. This would restrict priority to the top one-third of school districts. To increase the likelihood that grant funds ultimately benefit students with the greatest needs, the Legislature could consider requiring that grantees demonstrate they will be implementing these programs equitably across various school sites and in a way that is targeted to benefit student subgroups with lowest college and career outcomes.

Little Information Available Regarding Current STEM Pathways Grant Program. The program is based on a decade old model aimed at combining education and workforce development through dual enrollment and industry partnerships. Though the model has been implemented in other states and countries, it is relatively new to California. To better assess the merits of the Governor's proposal, the Legislature thus would benefit from a basic status update on how the currently funded \$10 million initiative is working (recognizing that the report due in 2025 will have more complete outcomes data). For example, our understanding is that the Chancellor's Office awarded \$10 million in grants to a total of six community colleges in early 2019 and that programs generally began enrolling 9th grade students in fall 2019 or fall 2020. (The Chancellor's Office originally offered seven grants but only six community colleges met minimum application requirements.) It is unclear, however, how many students began these programs, how many are still enrolled, and the progress they are making toward a high school diploma and acquiring college credits. In addition, since the program is designed to focus on supporting underserved youth, the Legislature would benefit from receiving data on the demographics of students in these programs. Without the above information, it is difficult for the Legislature to know whether the Governor's proposal to fund another round of grants would be an effective approach to increasing college and career readiness.

Direct Chancellor's Office to Report at Spring Hearings About Current STEM Pathways Program. By obtaining a status update on the six programs that received a grant in 2018-19, the Legislature would be in a better position to make an informed decision about the Governor's proposal. In addition, given that only six grants were awarded in 2018-19, the Legislature should request the administration to explain how it determined the amount proposed for 2022-23 and share any indications it has that enough interest and demand exists from college, school, and industry partners to justify the requested amount. The Legislature could use information to help weigh the Governor's proposal against other one time legislative spending priorities for 2022-23.

Reject Proposed Funding for Adult Education Program. Due to the significant amount of ongoing funding adult education providers currently have to serve more students, we recommend the Legislature reject the Governor's proposed \$130 million one-time funding for this purpose. Instead, the Legislature could redirect the funds to higher-priority Proposition 98 purposes.

STAFF COMMENTS & QUESTIONS

Dual Enrollment. Advocates have recommended the following modifications to strengthen the January Budget proposal:

- Add prioritization to increase access to dual enrollment for under-represented student groups
- Ensure both high school and college credit is received for coursework, as applicable
- Provide students and parents with information about dual enrollment options
- Require the California Department of Education to convene an advisory committee from experts in the field to ensure equitable distribution of funds and uplift best practices.

Golden State Career Pathways Grant. Advocates have requested explicit ties between the January Budget Dual Enrollment and CTE proposals, citing:

Completing coursework through dual enrollment is associated with several positive academic outcomes for students, across race and socioeconomic status including, higher rates of high school graduation, college enrollment, and college graduation, and shorter average time-to-degree. Dual enrollment can also avoid some of the equity problems with AP and IB, such as a standardized test requirement for earning college credit.

Additionally, there are key CTEIG program requirements that are missing from the proposal and may strengthen the articulation between the on-going and one-time programs:

- Leads to an industry-recognized credential or certificate, or appropriate postsecondary education or training, employment, or a postsecondary degree.
- Is staffed by skilled teachers or faculty, and provides professional development opportunities for any teachers or faculty members supporting pupils in those programs.
- Provides opportunities for pupils who are individuals with exceptional needs to participate in all programs.
- Give positive consideration to each of the following characteristics in an applicant:

- Serving unduplicated pupils, as defined in Section 42238.02.
- Serving pupil subgroups that have higher than average dropout rates as identified by the Superintendent.
- Located in an area of the state with a high unemployment rate.
- Offer an existing high-quality regional-based career technical education program as a joint powers agency or county office of education.

Pathway Grant Program for High-Skilled Careers and Healthcare Vocational Education. Advocates have suggested that language be added to ensure funding can be used for student support services.

Questions:

Golden State Pathways:

- How does the administration expect LEAs to coordinate funding from Golden State Pathways and other CTE programs into a coherent approach for serving students?
- What considerations is the administration taking to decide how to set grant amounts for the Golden State Pathways program? Is the former California Career Pathways Trust maximum amount of \$15 million sufficient?
- Why is the administration proposing one-time funding for programs that will need ongoing support? Should statute require a more robust sustainability plan with LEA ongoing funds, like LCFF and CTEIG?
- The Golden State Pathways funding amount is historically high for CTE: is five years sufficient, with size of investment?
- How will the ten LEAs providing TA reconcile with the 7 county offices of Education originally funded under CTEIG, and the K-12 SWP TA infrastructure?
- Career Pathways Trust evaluations were positive, but provided only a single year snapshot on student and system outcomes? How can CalPADS and Cradle to Career Data Systems provide an updated evaluation of this program to help inform the Golden State proposal?

Dual Enrollment:

- Why does the administration believe additional dual enrollment funding is necessary given the fiscal incentives that already exist?
- How will the administration ensure that funding is being distributed in an equitable manner that targets the students that could benefit most from high-quality high school programs?

Other:

- Given the decline in enrollment in the Adult Education Program, is more funding warranted? What are the specific goals of the Governor's Budget proposal to increase healthcare programs within the Adult Education Program?
- What information is available on the current STEM Pathways program? Have all funded programs successfully launched and are underway? Is there demand for more grants?

STAFF RECOMMENDATION: HOLD OPEN: THE ASSEMBLY MAY WANT TO CONSIDER SIZE AND SCALE OF CAREER AND COLLEGE READINESS INITIATIVES IN CONTEXT OF MAY REVISION REVENUES.

ISSUE 7: CRADLE TO CAREER DATA SYSTEM

This issue will cover updates and proposals regarding interagency needs for the Cradle to Career Data System.

PANEL

The following individuals will present on this issue:

- Chris Ferguson, DOF
- Amy Li, LAO
- MaryAnn Bates, Cradle to Career
- Cindy Kazanis, CDE

BACKGROUND**Cradle 2 Career Data System**

California's education system is made up of numerous segments and other entities. Specifically, the system includes early education programs, elementary and secondary schools, county offices of education, community colleges, and universities in both the public and private sectors. Currently, each of these entities collects and maintains data on its students, but the data generally are not linked across the segments of education (such as from high school to community college). Not linking data limits the ability of policymakers, educators, researchers, parents, and others to get answers to many basic questions about student progression from preschool through K-12 education, through higher education, and into the workforce.

As part of the 2019-20 budget package, Chapter 51 of 2019 (SB 75, Committee on Budget and Fiscal Review) provided \$10 million one-time non-Proposition 98 General Fund to the OPR for initial work related to developing an integrated data system. The budget package included intent language that the data system be built to "advance academic and governmental research on improving policies from birth through career" as well as "create direct support tools for teachers, parents, advisors, and students."

California College Guidance Initiative. CCGI offers access to college planning, financial aid, and career exploration tools to students from grades six to 12 through its online platform CaliforniaColleges.edu. CCGI also partners with school districts to streamline the college application process through verified electronic transcripts. Partner districts can upload verified academic transcript data onto the platform and into students' accounts. When students from these partner districts apply to a California Community College (CCC) or California State University (CSU), certain high school data is shared. The college or university, in turn, can use the data to inform decisions about admissions and course placement. As of 2021-22, 95 school districts participate in CCGI.

CCGI Is Funded Through Mix of Proposition 98, Fee Revenue, and Philanthropy. In 2018-19, the state provided CCGI \$3.5 million ongoing Proposition 98 for operational costs. The state currently funds CCGI as part of the California Department of Education's budget, with Riverside County Office of Education (COE) and the nonprofit Foundation for California Community Colleges acting as intermediaries. CCGI generates some additional funding by collecting fees from participating districts and charter schools—\$2 per middle school student and \$2.75 per high school student. Fee revenue for 2021-22 was slightly less than \$700,000. CCGI also receives funding from private philanthropy and institutional partners. For example, CCC and CSU cover participation fees for 77 districts in the Central Valley and Inland Empire.

Recent Work Group Recommended Statewide Expansion of CCGI Under Integrated “Cradle to Career” Data System. As part of the 2019-20 budget package, SB 75 (Committee on Budget and Fiscal Review), Chapter 51, Statutes of 2019 provided \$10 million one-time non-Proposition 98 General Fund to begin initial planning and development of a statewide integrated education data system. This initial work included convening a cross-agency work group to recommend a data system consistent with legislative intent. Specifically, the budget package included intent language that the data system “create direct support tools for teachers, parents, advisors, and students” and have the ability to “transfer high school pupil educational records to postsecondary educational institutions.” The final work group report released in June 2021 included a recommendation to expand CCGI to school districts throughout the state to fulfill certain components of legislative intent.

Regarding governance, trailer legislation created a 21-member governing board comprised of a mix of chief executives from those state agencies tasked with contributing data to the data system, along with members of the public and legislative members.

Regarding system management, the Budget Act included \$15 million non-Proposition 98 General Fund (\$11.5 million ongoing, \$3.5 million one-time) to the Government Operations Agency (GovOps). A portion of the funds supports 12 staff (including an executive director) in 2021-22 at a newly created Cradle-to-Career office within GovOps. (The budget increases authorized staff to 16 in 2022-23 and provides an additional \$500,000 ongoing funding for GovOps at that time, bringing its funding to \$12 million annually beginning in 2022-23.) The one-time funds provided in 2021-22 will be used to cover various operating and technology acquisition costs related to the integrated data system, including funds to upgrade CDE's K-12 database.

2021-22 Budget Provided \$3.8 Million Ongoing Augmentation for CCGI Expansion. The 2021 Budget Act budget increased CCGI funding to begin scaling statewide (bringing total ongoing Proposition 98 funding to \$7.3 million). The 2021-22 budget package authorized CCGI to provide its services to all California school districts. The budget also included intent language that, upon full implementation, CCGI would be expected to provide several services—including free college planning, financial aid lessons, and career planning curricula—for students in grades six through 12. Trailer legislation also requires CCGI to report additional information by April 1, 2022 (and every year thereafter),

such as budget change proposals; details for participating districts and charter schools; and, in the first report, a needs assessment examining platform usage and relevance of existing features to users.

The Governor's 2022-23 January Budget

CCGI Expansion. The Governor's Budget proposes \$9.3 million ongoing Proposition 98 General Fund for CCGI expansion. Of this funding, \$4.5 million is proposed to cover the cost of operating the platform for existing districts, including covering the costs of fees previously paid by participating districts. The remaining \$4.8 million would cover costs associated with new districts participating on the platform, including technology operations, maintenance, and development, as well as CCGI personnel. The proposed augmentation would bring total ongoing Proposition 98 funding for CCGI to \$16.8 million.

The Governor's Budget also includes \$4.4 Million one-time Proposition 98 funding to establish a regional network of 11 COEs to increase utilization of the CCGI platform and provide technical assistance to participating schools. Funding would be available over three years.

California Department of Education State Operations. The January Budget includes significant state operations increases relevant to CDE's data systems, including 6.0 FTEs for data security, 2.0 FTEs for IT generally, and 9.0 FTEs for the Cradle to Career Data System specifically.

CTC Operations. The January Budget includes state operations increases for the CTC of 4.0 FTEs for data collection and analysis, including work on the Cradle to Career Data System.

LAO Comments

Proposed Augmentation Is Aligned With Legislative Intent. As previously discussed, trailer legislation as part of the 2021-22 budget package authorized CCGI to provide its services to all California school districts and established expectations for the services CCGI would provide once fully implemented. The proposed augmentation is consistent with legislative intent to scale CCGI statewide.

Full Costs for Scaling CCGI Remain Unclear. With the proposed augmentation, CCGI plans to expand the platform to an additional 136 districts in 2022-23. As a result, roughly 230 out of 424 unified and high school districts (54 percent overall) would be participating in CCGI statewide. CCGI plans to fully scale by 2025-26. The proposed augmentation brings total ongoing CCGI funding to \$16.6 million, with 294 districts that still need to be added to the platform. CCGI initially estimated the cost of fully scaling operations between \$18 million and \$20 million, but given the large number of districts that have yet to be added to the platform, the LAO states that uncertainty remains about the long-term costs for fully scaling CCGI.

CCGI Could Benefit From Long-Term Implementation Plan. Although CCGI assumes more districts will want to participate as the platform becomes more helpful to students during the college application and financial aid process, there is no clear plan to expand to the remaining districts. A long-term implementation plan could be particularly beneficial given the challenges of scaling statewide. For instance, there is no state mandate requiring schools to use the CCGI platform or incentive funding to encourage more districts to participate. A long-term implementation plan could clarify how CCGI would target outreach and resources to engage new districts and address any barriers to participation. For example, CCGI could use a regional approach based on local college attendance rates or focus on the state's largest school districts first. The plan could also identify ways to encourage more district participation in CCGI, including amending existing state law.

Technical Assistance Seems Reasonable, but Regional Approach Might Have Limited Impact. In the LAO's conversations with CCGI, they indicated the regional approach is intended to take advantage of COEs' knowledge of their local context, as well as the strong reputation of some COEs in their region. However, there is no guarantee that a district will be inclined to follow advice on best practices from a regional COE, given that under the proposal, the selected COEs will be working with a large number of districts located in a separate county and with which they may not have an existing relationship.

In addition, the proposal includes little detail about the types of activities regional COEs would be expected to perform to increase utilization of the platform. Other approaches might better increase CCGI utilization, such as having CCGI or CDE highlight exemplar districts or working within the state's existing system of support to promote CCGI and share best practices statewide, especially as they relate to college and career readiness.

Evaluate Proposal Based on Additional Details CCGI Will Provide in Spring. Since more details will be available in April, the LAO recommends that the Legislature review the additional documentation CCGI will provide and ensure key questions are addressed.

The Legislature could also consider moving CCGI's existing reporting deadlines in statute from April to the fall, consistent with the Administration's budget development cycle. Some key questions for the Legislature to consider include:

- What is CCGI's long-term plan for fully scaling the platform? What challenges does CCGI anticipate in reaching full implementation? How does CCGI plan to address these challenges?
- What are the ongoing costs associated with fully scaling CCGI? How do other revenue sources, such as private philanthropic funding, factor into these ongoing cost estimates? Are the underlying assumptions to this cost estimate reasonable?
- Does CCGI have a comprehensive plan for addressing issues identified in their needs assessment? What degree of user feedback does CCGI plan to regularly incorporate into their platform updates?

- Can CCGI provide more information on why districts might not want to participate in CCGI and other related barriers to participation? How does CCGI plan to address these barriers?

STAFF COMMENTS & QUESTIONS

Staff concurs with the LAO's questions above regarding CCGI. The goal of providing easy-to-use college guidance support for K-12 statewide is laudable, but the Subcommittee may wish for more information about this expansion plan.

- CDE: What planning does CDE need to undertake in the near-term to prepare for CalPADS' successor data system and how it may need to work within the C2C system?
- CDE: What will it cost to track TK as a separate grade in CalPADs for the upcoming school year? How long does it take for LEAs to update their data system interface to accommodate this reporting change?
- DSS/CDE: What is the timeline for a new early childhood education data system that will be ready for federation in the C2C system?

STAFF RECOMMENDATION: HOLD OPEN.