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**Professional Educators Licensing and Standards Board**

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**AT A GLANCE**

Oversight of teacher standards, licensure renewals, and ethics for more than 143,000 licensed educators in the State, over 62,000 of whom are actively teaching in Minnesota classrooms.

- Oversight and daily support for 31 teacher preparation program providers
- 6-8 Onsite reviews of Minnesota institutions of higher education conducted annually
- Ongoing Program Review of over 400 programs annually
- Over 200 teacher conduct investigations reviewed annually
- Issuance and renewal of over 30,000 educator licenses annually

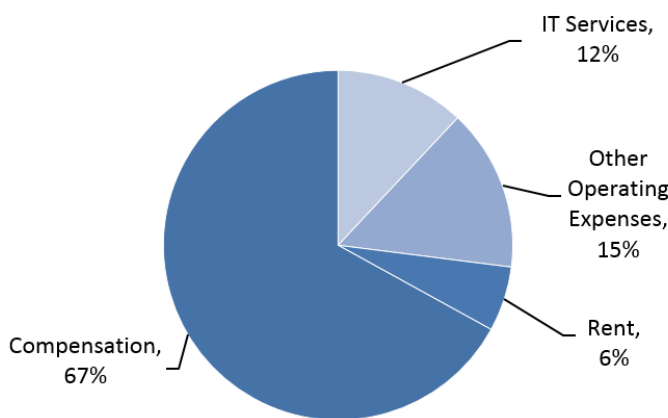
**PURPOSE**

The Professional Educator Licensing and Standards Board’s (PELSB) primary mission is to assure that Minnesota students are served by licensed teachers who are equipped to deliver effective instruction and meet the instructional needs of all learners. PELSB is a new independent board, created to replace the Board of Teaching and absorb the Educator Licensing Division from the MN Department of Education. The new agency will carry on the work of the Board of Teaching and Educator Licensing by providing leadership in teacher education, establishing and maintaining licensure standards and requirements, approving institutions and licensure programs to prepare Minnesota teachers, and by establishing and enforcing the Code of Ethics for Minnesota teachers.

PELSB supports statewide outcomes, assuring that **Minnesotans have the education and skills needed to achieve their goals** contributing to a **thriving economy that encourages business growth and employment opportunities.**

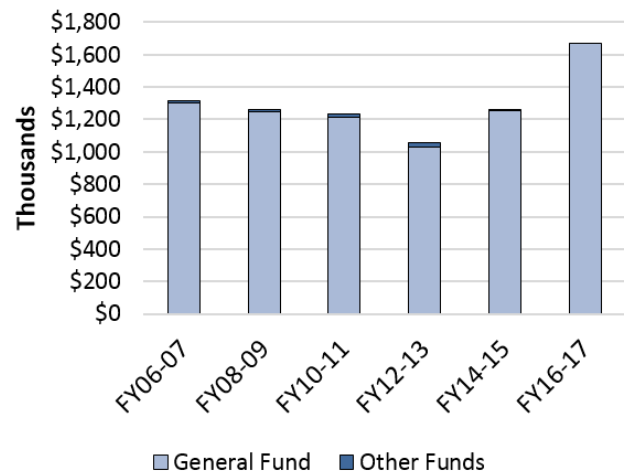
**BUDGET**

**Spending by Category  
FY 17 Actual**



Source: Budget Planning & Analysis System (BPAS)

**Historical Spending**



Source: Consolidated Fund Statement

The majority of the board’s funding is spent to retain 21 FTE positions to conduct the oversight of teacher preparation, teacher assessments, teacher conduct investigation and action, and to issue and renew educator licenses and permissions, including a licensure via portfolio process. PELSB receives an annual appropriation from the legislature, and a special appropriation for licensure via portfolio expenses. All licensing fees for teachers other than those pursuing licensure by portfolio are paid to the general fund. Operating expenses include

reimbursement of mileage and per diem for Board members as well as support for staff administrative and travel fees.

### STRATEGIES

PELSB has provided leadership in teacher education by establishing and maintaining licensure rules, policies and standards for the profession, as well as oversight for the approval of institutions and their licensure programs to prepare Minnesota teachers. The Board conducts investigations into teacher conduct, enforcing the established Code of Ethics for Minnesota teachers.

### RESULTS

PELSB inherited multiple tasks by the combination of the Board of Teaching and Educator Licensing. PELSB became a new independent board on January 1, 2018. This new board will need to review all rules under the Board of Teaching and continue to work with the legislature to align rule with statute. A summary of work accomplished in the previous fiscal year includes:

<i>School Year</i>	<i>2018</i>	<i>Total</i>
Preparation Providers Reviewed	8	31 providers
Preparation Programs Reviewed	400	826 licensure programs, 113 nonconventional
Permissions Granted**	5,582	Steadily increasing each year
Licenses Issued	10,710	Traditionally around 11,000 initial and additional licenses each year
Licenses Renewed	6584*	Traditionally around 21,000 renewals each year
Ethics Cases Reviewed	566	Traditionally between 200-300 cases open each year

\*Due to changes in teacher licensure, the majority of licenses were automatically extended and not able to be renewed.

\*\*Permissions include any path for an individual who does not have a MN teaching license, or is not licensed in the area of the assignment, to be teacher of record.

The current authority and responsibilities of the Professional Educator Licensing and Standards Board are delineated primarily in Minnesota Statutes §122A.05 – §122A.09, §122A.18, §214, and Minnesota Rules, Chapters 8700, 8705 and 8710.

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base		Governor's Recommendation	
					FY20	FY21	FY20	FY21
<b><u>Expenditures by Fund</u></b>								
1000 - General	739	931	3,333	3,630	817	872	2,744	2,719
2000 - Restrict Misc Special Revenue			113	180	2,080	2,000	154	154
<b>Total</b>	<b>739</b>	<b>931</b>	<b>3,446</b>	<b>3,810</b>	<b>2,897</b>	<b>2,872</b>	<b>2,898</b>	<b>2,873</b>
Biennial Change				5,586		(1,487)		(1,485)
Biennial % Change				335		(20)		(20)
Governor's Change from Base								2
Governor's % Change from Base								0

**Expenditures by Program**

Board of Teaching	739	931	3,446	3,810	2,897	2,872	2,898	2,873
<b>Total</b>	<b>739</b>	<b>931</b>	<b>3,446</b>	<b>3,810</b>	<b>2,897</b>	<b>2,872</b>	<b>2,898</b>	<b>2,873</b>

**Expenditures by Category**

Compensation	601	626	964	1,842	1,972	2,005	1,972	2,005
Operating Expenses	138	304	2,477	1,968	925	867	926	868
Capital Outlay-Real Property			1					
Other Financial Transaction	0	1	4					
<b>Total</b>	<b>739</b>	<b>931</b>	<b>3,446</b>	<b>3,810</b>	<b>2,897</b>	<b>2,872</b>	<b>2,898</b>	<b>2,873</b>

**Full-Time Equivalent**

	5.80	5.93	10.07	19.95	22.00	22.00	22.00	22.00
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(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21		Governor's Recommendation FY20 FY21	
<b>1000 - General</b>								
Balance Forward In		11		133				
Direct Appropriation	748	1,018	3,467	3,497	0	0	2,744	2,719
Open Appropriation					817	872	0	0
Transfers In		11						
Transfers Out		11						
Cancellations		98						
Balance Forward Out	9		133					
<b>Expenditures</b>	<b>739</b>	<b>931</b>	<b>3,333</b>	<b>3,630</b>	<b>817</b>	<b>872</b>	<b>2,744</b>	<b>2,719</b>
Biennial Change in Expenditures				5,294		(5,274)		(1,500)
Biennial % Change in Expenditures				317		(76)		(22)
Governor's Change from Base								3,774
Governor's % Change from Base								223
Full-Time Equivalents	5.80	5.93	10.07	19.62	1.00	1.00	21.67	21.67

**2000 - Restrict Misc Special Revenue**

Balance Forward In				38	9	47	9	47
Receipts			138	154	2,232	2,232	154	154
Transfers In			29	34	2,158	1,880	152	34
Transfers Out			17	34	2,272	2,112	114	34
Cancellations				3				
Balance Forward Out			38	9	47	47	47	47
<b>Expenditures</b>			<b>113</b>	<b>180</b>	<b>2,080</b>	<b>2,000</b>	<b>154</b>	<b>154</b>
Biennial Change in Expenditures				293		3,787		15
Biennial % Change in Expenditures						1,294		5
Governor's Change from Base								(3,772)
Governor's % Change from Base								(92)
Full-Time Equivalents				0.33	21.00	21.00	0.33	0.33

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
FY2019 Appropriations	3,497	3,497	3,497	6,994
<b>Base Adjustments</b>				
Current Law Base Change		(3,497)	(3,497)	(6,994)
<b>Forecast Base</b>	<b>3,497</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change Items</b>				
Maintain Funding Structure in FY20		2,744	2,719	5,463
<b>Total Governor's Recommendations</b>	<b>3,497</b>	<b>2,744</b>	<b>2,719</b>	<b>5,463</b>
<b>Open</b>				
<b>Fund: 1000 - General</b>				
<b>Base Adjustments</b>				
Pension Allocation		6	6	12
Forecast Open Appropriation Adjustment		811	866	1,677
<b>Forecast Base</b>		<b>817</b>	<b>872</b>	<b>1,689</b>
<b>Change Items</b>				
Maintain Funding Structure in FY20		(817)	(872)	(1,689)
<b>Total Governor's Recommendations</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Planned Spending	180	2,080	2,000	4,080
<b>Forecast Base</b>	<b>180</b>	<b>2,080</b>	<b>2,000</b>	<b>4,080</b>
<b>Change Items</b>				
Maintain Funding Structure in FY20		(1,926)	(1,846)	(3,772)
<b>Total Governor's Recommendations</b>	<b>180</b>	<b>154</b>	<b>154</b>	<b>308</b>
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Forecast Revenues	154	2,232	2,232	4,464
<b>Change Items</b>				
Maintain Funding Structure in FY20		(2,078)	(2,078)	(4,156)
<b>Total Governor's Recommendations</b>	<b>154</b>	<b>154</b>	<b>154</b>	<b>308</b>
<b>Non-Dedicated</b>				
<b>Fund: 1000 - General</b>				

*(Dollars in Thousands)*

	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>Biennium 2020-21</b>
<b>Forecast Revenues</b>	<b>1,850</b>			
<b>Change Items</b>				
Maintain Funding Structure in FY20		1,818	1,818	3,636
<b>Total Governor's Recommendations</b>	<b>1,850</b>	<b>1,818</b>	<b>1,818</b>	<b>3,636</b>

# Professional Educators Licensing and Standards Board

## FY 2020-21 Biennial Budget Change Item

### Change Item Title: Maintain Funding Structure in FY 2020

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	1,898	1,818	1,818	1,818
Revenues	1,927	1,847	1,847	1,847
Other Funds				
Expenditures	(4,084)	(4,084)	(4,084)	(4,084)
Revenues	(4,084)	(4,084)	(4,084)	(4,084)
Net Fiscal Impact = (Expenditures – Revenues)	29	29	29	29
<b>FTEs</b>	0	0	0	0

### Recommendation:

The Governor recommends maintaining the current funding structure for the Professional Educators Licensing and Standards Board by appropriating their operating budget from the general fund and depositing all educator licensure fees to the general fund. This recommendation brings both the receipts and appropriation to support PELSB back to the general fund to simplify and ensure consistent funding for the agency.

### Rationale/Background:

The 2017 legislature made a number of changes to Minnesota’s teacher licensure system. These changes included the creation of multiple tiers of teacher licenses and the consolidation of the Board of Teaching and the Minnesota Department of Education’s Educator Licensing division into a single state entity, PELSB. Historically, these agencies have been general fund appropriated and all licensing fees for teachers other than those pursuing licensure by portfolio were paid to the general fund.

Beginning in FY 2020, PELSB’s funding structure will change so that licensure fee revenue is deposited into and operating dollars are appropriated out of the Educator Licensure account in the special revenue fund. However under the current fee structure, PELSB does not collect enough receipts in a fiscal year to fully fund their operating budget, so an additional open general fund appropriation was included in law to ensure the agency is fully funded. PELSB does not have enough data to produce reliable revenue estimates under the new fee structure. This combination of funding streams poses many administrative challenges and will be time consuming and difficult for the agency to implement. This recommendation brings both the receipts and appropriation to support PELSB back to the general fund to simplify and ensure consistent funding for the agency.

### Proposal:

The Governor recommends striking statutory language, which appropriates part of the PELSB’s operating funds from the Educator Licensure account in the special revenue fund starting in FY 2020. PELSB would instead remain appropriated entirely out of the general fund, and would continue to deposit licensure fees into the general fund.

### Results:

This proposal is intended to simplify and ensure consistent funding for the agency so they are able to provide current levels of service more effectively.

### Statutory Change(s):

M.S. 122A.14; M.S. 122A.175; M.S. 122A.18; M.S. 122A.21