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Professional Educator Licensing and Standards Board

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AT A GLANCE

Oversight of teacher standards, licensure renewals, and ethics for more than 120,000 licensed educators in the State, over 62,000 of whom are actively teaching in Minnesota classrooms.

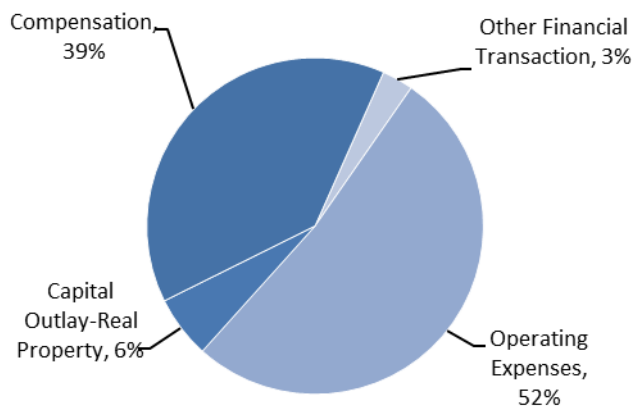
- Oversight and daily support for 31 teacher preparation program providers
- 6-8 onsite reviews of Minnesota institutions of higher education teacher preparation programs conducted annually
- Ongoing Program Review of over 400 licensure area programs annually
- Over 200 teacher conduct investigations 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 an independent board, with members appointed by the Governor and confirmed by the Senate. The agency provides leadership in teacher education, establishes and maintains licensure standards and renewal requirements, approves teacher preparation providers and licensure programs, and establishes and enforces the Code of Ethics for Minnesota teachers.

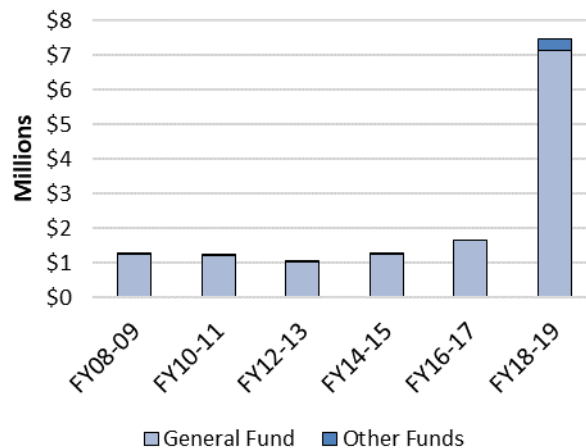
BUDGET

**Spending by Category
FY 2019 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The majority of the board’s funding is spent to retain 23 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>2020</i>	<i>Details</i>
Preparation Providers Reviewed	22	43 providers, including traditional, alternative pathway, transfer pathway providers
Preparation Programs Reviewed	440	848 licensure programs
Permissions Granted	3,036	(unduplicated)
Licenses Issued	6,217	(unduplicated)
Licenses Renewed	18,941	(unduplicated) 2020 allowed individuals about to expire an additional six months to renew due to COVID-19 testing delays.
Ethics Cases Reviewed	620	Traditionally between 200-300 cases open each year. 71 cases had board action.
Educators Online Licensing System		PELSB and MN.IT built a new online licensing system. The backend processing and renewal application portions were completed in FY20.

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 FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
<u>Expenditures by Fund</u>								
1000 - General	3,333	3,818	4,345	4,766	4,469	4,461	4,542	4,581
2000 - Restrict Misc Special Revenue	113	218	242	281	214	214	464	464
Total	3,446	4,036	4,587	5,047	4,683	4,675	5,006	5,045
Biennial Change				2,152		(276)		417
Biennial % Change				29		(3)		4
Governor's Change from Base								693
Governor's % Change from Base								7

Expenditures by Program

Prof Educator Licensing Std Bd	3,446	4,036	4,587	5,047	4,683	4,675	5,006	5,045
Total	3,446	4,036	4,587	5,047	4,683	4,675	5,006	5,045

Expenditures by Category

Compensation	964	1,583	1,997	2,097	2,188	2,173	2,234	2,266
Operating Expenses	2,477	2,109	808	1,263	810	825	1,087	1,102
Grants, Aids and Subsidies			1,779	1,683	1,683	1,675	1,683	1,675
Capital Outlay-Real Property	1	239	1	2				
Other Financial Transaction	4	105	2	2	2	2	2	2
Total	3,446	4,036	4,587	5,047	4,683	4,675	5,006	5,045

Full-Time Equivalents

	10.07	18.38	21.57	21.35	22.10	21.60	22.10	21.60
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Prof Educator Licensing Std Bd

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22 FY23		Governor's Recommendation FY22 FY23	
1000 - General								
Balance Forward In		1,221		248				
Direct Appropriation	3,467	3,497	4,593	4,518	4,469	4,461	4,542	4,581
Transfers In			70	67	67	67	67	67
Transfers Out		900	70	67	67	67	67	67
Cancellations		1						
Balance Forward Out	133		248					
Expenditures	3,333	3,818	4,345	4,766	4,469	4,461	4,542	4,581
Biennial Change in Expenditures				1,960		(181)		12
Biennial % Change in Expenditures				27		(2)		0
Governor's Change from Base								193
Governor's % Change from Base								2
Full-Time Equivalents	10.07	18.00	21.57	21.20	21.95	21.45	21.95	21.45

2000 - Restrict Misc Special Revenue

Balance Forward In		38	31	72	5	5	5	5
Receipts	138	211	245	214	214	214	464	464
Transfers In	29	17	133	15	14	14	14	14
Transfers Out	17	17	95	15	14	14	14	14
Balance Forward Out	38	31	72	5	5	5	5	5
Expenditures	113	218	242	281	214	214	464	464
Biennial Change in Expenditures				192		(95)		405
Biennial % Change in Expenditures				58		(18)		78
Governor's Change from Base								500
Governor's % Change from Base								117
Full-Time Equivalents		0.38		0.15	0.15	0.15	0.15	0.15

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	4,518	4,518	4,518	9,036
Base Adjustments				
One-Time IT Appropriations		(49)	(49)	(98)
Current Law Base Change			(8)	(8)
Forecast Base	4,518	4,469	4,461	8,930
Change Items				
Operating Adjustment		73	120	193
Total Governor's Recommendations	4,518	4,542	4,581	9,123
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	281	214	214	428
Forecast Base	281	214	214	428
Change Items				
Increase IT Fee		250	250	500
Total Governor's Recommendations	281	464	464	928
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	214	214	214	428
Change Items				
Increase IT Fee		250	250	500
Total Governor's Recommendations	214	464	464	928
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	1,600	1,600	1,600	3,200
Change Items				
Increase Application Fee		825	825	1,650
Total Governor's Recommendations	1,600	2,425	2,425	4,850

Professional Educator Licensing and Standards Board

FY 2022-23 Biennial Budget Change Item

Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	0	73	120	120	120
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	73	120	120	120
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$73,000 in FY 2022 and \$120,000 in each subsequent year from the general fund to maintain the current level of service delivery at the Professional Educator Licensing and Standards Board (PELSB).

This represents a 2% increase to PELSB’s overall general fund appropriation.

Rationale/Background:

The operating increases recommended in FY 2022 and FY 2023 fund a portion of the projected cost increases in the upcoming biennium. Each year, the cost of doing business rises—including growing costs for employer-paid health care contributions and other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year without enacted increases.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. To manage costs, most agencies find ways to become more efficient with existing resources.

Efficiencies will continue in the next biennium; however, cost growth will continue to put pressure on budgets and without additional resources, service delivery erodes.

Proposal:

The Governor recommends increasing agency operating budgets to support the delivery of current services. For PELSB, this funding will cover expected and anticipated employee compensation growth and known cost increases in IT services.

Results:

This proposal is intended to allow the Professional Educator Licensing and Standards Board to continue to provide current levels of service and information to the public.

Professional Educator Licensing and Standards Board

FY 2022-23 Biennial Budget Change Item

Change Item Title: IT Fee

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	250	250	250	250
Revenues	250	250	250	250
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends adding an \$8 per application IT fee for applicants applying through the online licensing system. Funds would be deposited in the special revenue fund.

Rationale/Background:

To complete the online licensing system through MN.IT, PELSB needs additional development funds and ongoing maintenance and operations expenses for the system. Initial expenditures for building the new system have been used in development of base functionality. Modernization and streamlining the licensing process for applicants will take additional funds.

To maintain any large IT system, ongoing maintenance and operation costs must be factored in on an annual basis. This fee would help provide that stability for the system, including regular updates and improvements to functionality.

Proposal:

This is a new fee for applicants. In FY 2019, PELSB processed approximately 27,290 applications and in FY 2020 approximately 34,211. MN.IT projects \$250,000 need for ongoing maintenance and operations costs for the Educators Online system. This includes development toward improved functionality and modernization.

At an application for of \$8 per application, the special revenue fund should gather revenue nearing \$250,000 each year. PELSB proposes a special revenue fund to hold funds. This would allow years when revenue is higher to balance lower revenue years. It will also allow PELSB to work with MN.IT on accumulating funds, if needed, for larger development work, forestalling future large budget requests.

Impact on Children and Families:

This will ensure teachers will be able to receive their license in a timely manner.

IT Related Proposals:

Category	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Payroll	250	250	250	250	250	250
Infrastructure						
Software						
Training						

<i>Category</i>	<i>FY 2022</i>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>
Enterprise Services						
Professional/ Technical Contracts						
Other						
Total	250	250	250	250	250	250
MNIT FTEs	2	2	2	2	2	2

Professional Educator Licensing and Standards Board

FY 2022-23 Biennial Budget Change Item

Change Item Title: Application Fee Increase

Fiscal Impact (\$000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	825	825	825	825
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	-825	-825	-825	-825
FTEs	0	0	0	0

Recommendation:

The Governor recommends increasing the statutory licensure application fee of \$57 per application to \$85 per application (MN Statute 122A.21, subdivision 1). These funds are deposited into the general fund.

Rationale/Background:

Licensure fees generated by the applicants bring in an average of \$1.7 million, an increase of \$28 per application adds an additional \$825,000 in revenue to the state. Because some years may bring in additional revenue, PELSB is proposing an amount that would rarely, if ever, bring in revenue that is beyond the base budget.

The licensure fee has remained at \$57 since 2003. An increase to \$85 aligns with inflation increases during these 20 years. An analysis of neighboring states shows that \$85 is in the middle of other licensure fees in the Midwest. However, PELSB requires only one fee, not one fee per license requested in one application. For example, someone requesting three special education licenses will pay the same fee as someone requesting a single elementary license. The same is true for renewal applications. Neighboring states often charge per application, and often have differing fees for the level of complexity of the application.

Proposal:

A licensure application fee is already charged to new and renewing applicants, this proposal would increase fees by \$28 fee per application.