

Department of Education
State Board of Education

A.R.S. § 15-201

	FY 2000 Actual	FY 2001 Estimate	FY 2002 Approved	FY 2003 Approved
OPERATING BUDGET				
Full Time Equivalent Positions	0.0	0.0	34.0 ^{1/}	34.0 ^{1/}
Personal Services	0	0	111,400	117,100
Employee Related Expenditures	0	0	21,500	21,400
Professional and Outside Services	0	0	111,000 ^{2/}	111,000 ^{2/}
Travel - In State	0	0	10,700	10,700
Other Operating Expenditures	<u>0</u>	<u>0</u>	<u>24,500</u>	<u>24,500</u>
<i>Operating Subtotal</i>	0	0	279,100	284,700
Arizona Teacher Evaluation	0	0	203,100	206,700
Career Ladder Administration	0	0	86,300	89,400
Certification Investigations	0	0	228,900	234,500
Charter Schools	0	0	208,000	210,900
Teacher Certification	<u>0</u>	<u>0</u>	<u>1,027,000</u> ^{3/}	<u>1,057,500</u> ^{3/}
TOTAL APPROPRIATIONS	0 ^{4/}	0 ^{4/}	2,032,400 ^{5/6/}	2,083,700 ^{5/6/}
FUND SOURCES				
General Fund	0	0	1,005,400	1,026,200
<u>Other Appropriated Funds</u>				
Teacher Certification Fund	<u>0</u>	<u>0</u>	<u>1,027,000</u>	<u>1,057,500</u>
<i>Subtotal - Other Appropriated Funds</i>	<u>0</u>	<u>0</u>	<u>1,027,000</u>	<u>1,057,500</u>
TOTAL APPROPRIATIONS	0	0	2,032,400	2,083,700

COST CENTER DESCRIPTION — *The 9-member State Board of Education establishes programs, initiates policies and enforces laws and regulations relating to schools and the educational development of the individual child as provided in A.R.S. § 15-203. The board members (other than the Superintendent of Public Instruction) are appointed by the Governor for 4-year terms.*

^{1/} Includes 32.0 FTE Positions funded from Special Line Items in FY 2002 and FY 2003.

^{2/} The appropriated amount includes \$100,000 for administering a survey each academic year to a random sample of parents of children in public schools statewide. The survey shall consist of the following question: "Students are given the grades A+, A, B, C, D and Fail to denote the quality of their work. Using the A+, A, B, C, D and Fail scale, what grade would you give the school that your oldest child attends?" (General Appropriation Act footnote)

^{3/} Monies collected by the Department of Education for teacher certification fees, as authorized by A.R.S. § 15-531, paragraphs 1 and 2, shall be deposited in a Teacher Certification Fund for use in funding costs of the Teacher Certification program. (General Appropriation Act footnote)

^{4/} Funding for the program in FY 2000 and FY 2001 was appropriated to General Services Administration cost center under the former State Board of Education Special Line Item.

^{5/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items for the Program.

^{6/} The State Board of Education program may establish its own strategic plan separate from that of the Department of Education and based on its own separate mission, goals and performance measures. (General Appropriation Act footnote)

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• Average number of days to process applications for certification services	NA	NA	NA	30
• Increased percentage of customers satisfied with certification services above the FY 2001 percentage	NA	NA	Baseline*	+1/+2

* “Baseline” means that the department will use the performance measure for the first time that year and therefore does not yet have an estimate for it. For years after the “baseline” year, the numbers shown indicate the anticipated increase or decrease for the new measure relative to its “baseline” score.

Transfer of Programs — The approved amounts include the transfer of \$1,877,200 and 32 FTE Positions in FY 2002 and \$1,877,600 and 32 FTE Positions in FY 2003 from the General Services Administration (GSA) and Assistance to Schools cost centers to this cost center in order to better reflect the duties of the 3 cost centers. The FY 2002 transfer includes \$892,400 from the General Fund and \$984,800 from the Teacher Certification Fund. The FY 2003 transfer includes \$892,600 General Fund and \$985,000 Teacher Certification Fund. A breakdown of the overall transfers is shown in *Table 1*.

amount includes a net increase of \$28,100 (General Fund) for the various items shown in *Table 2*.

Program	FTE's	FY 2002 Dollars	FY 2003 Dollars	Fund Source
State Board of Education Special Line Item (SLI)	4	\$306,300	\$ 306,400	GF
Arizona Teacher Evaluation SLI	2	201,000	201,100	GF
Career Ladder Administration SLI	1	128,000	128,000	GF
Charter Schools Administration SLI	2	110,100	110,100	GF
Teacher Certification SLI	21	984,800	985,000	OF
Certification Investigations (from GSA Operating budget)	2	100,000	100,000	GF
Rent and Risk Management (from GSA Operating budget)	0	47,000	47,000	GF
Totals	32	\$1,877,200	\$1,877,600	GF + OF

Item	FTE's	FY 2002 Dollars	FY 2003 Dollars
Parent Survey funding transferred from “Accountability Measures” program		100,000	100,000
Rent and Risk Management funding transferred from General Services Administration cost center		47,000	47,000
Career Ladder Administration “excess” funding transferred to board’s operating budget		43,000	43,000
Transfer from the board’s operating budget to new Certification Investigations SLI	(1)	(75,200)	(75,200)
Transfer from the board’s operating budget to new Charter School SLI	(1)	(94,900)	(94,900)
Standard Changes		17,300	8,200
Net Change	(2)	37,200	28,100

The totals in *Table 1* do not equal the entire budget for the program in FY 2002 and FY 2003 because of standard changes and additional policy issues described below. In addition, the approved amounts include 2 new FTE Positions in FY 2002 and FY 2003 above FY 2001 to be funded out of existing resources.

The \$100,000 in parent survey funding is for an annual satisfaction survey of a random sample of parents of public school pupils statewide (*see footnote 2 from the cost center’s funding summary table*). Prior to FY 2002, the survey was funded through the Accountability Measures Special Line Item in the Assistance to Schools cost center, which has now been eliminated.

Operating Budget — The approved amounts for FY 2002 and FY 2003 both include a decrease of (2) FTE Positions below FY 2001 due to a transfer of resources to the new Certification Investigations and Charter School Special Line Items in this cost center (discussed further below). In addition, the FY 2002 amount includes a net increase of \$37,200 (General Fund) above FY 2001 and the FY 2003

The transfer of \$47,000 in Rent and Risk Management funding from the operating budget of the General Services Administration cost center is based on the department’s analysis of pro rated Rent and Risk Management costs for the board. This change makes the board’s budget more self-contained in nature, as requested by the board during the legislative session.

All other items in *Table 2* are discussed in further detail under the related policy issue below.

Special Line Items

Arizona Teacher Evaluation — The approved amount (all from the General Fund) includes 2 FTE Positions for both years (no change), a FY 2002 General Fund increase of \$2,100 above FY 2001 and a FY 2003 General Fund increase of \$5,600 above FY 2001 for standard changes.

The approved amounts include funds transferred to this cost center from the Assistance to Schools Cost Center (*see Table 1*) and are for administration of the following programs: 1) the Arizona Teacher Proficiency Examination (ATPE) [A.R.S. § 15-533], 2) the State of Arizona and United States Constitutions examination [A.R.S. § 15-532], and 3) the Alternative Secondary Certification Program [Arizona Administrative Code R7-2-602].

Career Ladder Administration — The approved amount (all from the General Fund) includes 1 FTE Position for both years (no change) and a decrease of \$(43,000) in both FY 2002 and FY 2003 below FY 2001 based on actual costs observed during FY2000. It also includes a FY 2001 General Fund increase of \$1,300 above FY2001 and a FY 2003 General Fund increase of \$4,400 above FY 2001 for standard changes. The approved amounts include funds transferred to this cost center from the Assistance to Schools cost center (*see Table 1*) and are for state-level administration of the Career Ladder program, pursuant to Laws 1990, Chapter 319.

Certification Investigations — The approved amount (all from the General Fund) includes an increase of 4 FTE Positions and \$225,000 (General Fund) in both FY 2002 and FY 2003 above FY 2001. That total includes a transfer of 2 FTE Positions and \$100,000 (General Fund) from the operating budget of the General Services Administration cost center (*see Table 1*), through which funding for the program formerly was channeled. It also includes an increase of 1 FTE Position in both FY 2002 and FY 2003 above FY 2001 funded out of existing resources from the General Services Administration cost center's operating budget (*see \$75,200 transfer in Table 2*). In addition, it includes an increase of 1 FTE Position and \$49,700 (General Fund) in both FY 2002 and FY 2003 above FY 2001 as a separate policy issue aimed at addressing increased caseloads for the program. The approved amounts also include a FY 2002 General Fund increase of \$3,900 above FY 2001 and a FY 2003 General Fund increase of \$9,500 above FY 2001 for standard changes.

Charter Schools — The approved amount (all from the General Fund) includes an increase of 4 FTE Positions and \$225,000 (General Fund) in both FY 2002 and FY 2003 above FY 2001 for board duties pertaining to charter schools. These totals consist of 2 FTE Positions and \$110,100 (General Fund) being transferred from the Charter Schools Administration Special Line Item in the General Services Administration cost center to this program (*see Table 1*). It also includes an increase of 1 FTE Position in both FY 2002 and FY 2003 above FY 2001 funded out of existing resources from the board's operating budget (*see \$94,900 transfer in Table 2*). The approved amounts also include a FY 2002 General Fund increase of \$3,000 above FY 2001 and a FY 2003 General

Fund increase of \$5,900 above FY 2001 for standard changes.

In addition, as with the Certification Investigations program, the approved amount includes an increase of 1 FTE Position and \$49,700 (General Fund) in both FY 2002 and FY 2003 above FY 2001 as a separate policy issue for increased caseloads. This is to accommodate the growing number of charter schools under the board's sponsorship. As of June 2001, the board sponsors about 70 charter schools (some with multiple sites). There is no limit as to the number of new charter schools that the board may sponsor each year. The board anticipates that the number of charter schools under its sponsorship will continue to grow strongly during the biennium.

The State Board of Education is one of 3 entities that can sponsor charter schools (the other 2 are school districts and the State Board for Charter Schools). The board therefore is responsible for monitoring charter schools under its sponsorship and for reviewing applications to it for new charter schools. The board may award an unlimited number of new charters each year. It sponsored approximately 70 charter schools during FY 2001.

Teacher Certification — The approved amounts (all from the Teacher Certification Fund) include 21 FTE Positions in both FY 2002 and FY 2003 (no change), a FY 2002 Teacher Certification Fund increase of \$42,200 above FY 2001 for standard changes and FY 2003 Teacher Certification Fund increase of \$72,500 above FY 2001 for standard changes. The approved amounts include monies transferred to this cost center from the General Services Administration cost center (*see Table 1*). The program processes applications for teacher certification, including certification renewal. It is funded through fees paid by certification applicants pursuant to A.R.S. § 15-531.

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