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A MANAGEMENT STUDY OF THE CALIFORNIA COMMISSION ON TEACHER CREDENTIALING

Submitted to:

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1.0 EXECUTIVE SUMMARY

In August 1999, the California Legislative Analyst's Office issued a Request for Proposal to conduct a comprehensive management study of the California Commission on Teacher Credentialing (CCTC) credentialing processes. MGT of America, Inc. (MGT), a national management consulting firm, was selected to conduct the study. The following is a brief overview of our findings.

Although we did not identify any single significant problem in the credentialing process, we identified several policy issues that should be reviewed as well as a number of opportunities to improve business processes. One of the primary policy considerations the CCTC faces is the value of the credential renewal. Currently, teachers must renew their credentials every five years. The applicant submits an application, a \$60 fee, and some applicants affirm completion of their professional growth requirements. The CCTC performs no evaluation of these applications. Since the quality of professional growth requirements is ensured by the advisor at the local level, it is unclear what purpose is served by the renewal or the process conducted by the CCTC. We therefore recommend that the Legislature reconsider the purpose of the renewal. If the renewals are eliminated, the CCTC might be able to save between 3,396 and 9,325 hours annually but will lose between \$2 million and \$5.65 million in revenues as a result.

A second policy issue we found is that the CCTC spends a lot of time and effort training certification staff. In fiscal year (FY) 1998-99, 29 staff spent about 8,872 hours in training, or about 7.7 weeks per person. The current training cycle takes approximately 18 months. The CCTC has no formalized training program, including no guide or curriculum. As a result, the CCTC is unable to measure the effectiveness of the

training program or identify ways to improve it, including reducing the number of hours spent in training. We recommend that the CCTC develop a formal training program, establish goals and performance measures, and track its success.

Related to internal training, we found that the CCTC should improve training and communication with the Institutes of Higher Education (IHEs), some of which consistently submit incorrectly completed credential applications. These applications are returned to the IHEs thereby delaying processing. To remedy this problem, the CCTC should identify the types of error by volume and provide a targeted training program to reduce these errors.

The IHEs submit applications on behalf of its students. Those applications submitted by IHEs that have a track record of correctly completing applications receive only a cursory review. Trained evaluators, known as Program Technicians, process these applications. The CCTC management indicates that the Program Technicians do not provide any type of evaluation of these applications. Therefore, these applications should be separated when received and processed by clerical staff, thereby freeing Program Technicians to process applications that require an evaluation.

MGT found that before submitting applications to the CCTC, County Offices of Education (COE), IHEs, and school districts may hold applications up to four months due to a variety of factors. Fourteen percent of respondents to our survey indicated that they hold applications six months or more before submitting them to the CCTC. Since students at IHEs currently are not allowed to submit their applications directly to the CCTC, they must work with the IHEs to prepare the application packet. We recommend that the CCTC explore the reasons why institutions hold onto applications for extended periods of time and consider alternatives such as allowing applicants to submit applications directly to the CCTC.

In addition to the preceding policy considerations, we identified a number of problematic process-related issues:

- The current fingerprinting process is duplicative because it requires applicants to submit fingerprints to both the COE and to the CCTC, both of whom forward the fingerprints to law enforcement agencies for background checks. We recommend that the Legislature direct the Department of Justice (DOJ), CCTC, and COEs to implement a process that eliminates duplication of effort.
- The Legislature should pass legislation to require all applicants to submit fingerprints electronically via Livescan, which would decrease the time required for law enforcement agencies to perform background checks and reduce the CCTC's workload.
- The CCTC's external communications efforts are numerous, yet internal communications are less so. Staff are concerned that they do not have the opportunity to provide input into proposed changes and that staff does not always receive notification of policy changes. The CCTC should continue its numerous communication efforts with external stakeholders and develop an inclusive process to gather staff input and share information about proposed changes.
- The CCTC produces and mails two copies of credentials – one for the applicant and one for the county office of education. The CCTC should provide electronic access to credential and application status information to counties and eliminate the mailing of duplicate certificates.
- The CCTC currently returns batches of applications to IHEs, school districts and COEs if they remit the incorrect fees, resulting in delays for all 20 applications contained in the batch. To avoid unnecessary processing delays, the CCTC should continue to process application batches and bill IHEs, school districts and COEs to collect insufficient fees.
- Currently, the CCTC takes about one month to process applications accompanied by fingerprints before submitting fingerprints to law enforcement agencies for background checks. To expedite background checks, the CCTC should send fingerprint cards to law enforcement immediately upon receipt of the application.

Another segment of our review included determining whether the CCTC effectively utilizes information technology to improve program operation and efficiency. Through the course of our review, we found that the CCTC needs to improve its information technology strategic plan by linking the goals and objectives to those of the overall agency. In addition, the goals and objectives included in the information

technology strategic plan should be specific, measurable and linked to an action plan. We also found that the CCTC could benefit by including executive management more in the information technology planning and decision-making process. We suggest that the CCTC consider creating an information technology governance council to oversee the planning and utilization of information technology from an agency-wide perspective.

A specific improvement opportunity offered by information technology relates to the credential application process. The CCTC could improve the efficiency of its credential application process by allowing electronic submission of certain documents. We recommend that the CCTC pursue several opportunities such as the electronic submission of applications, expansion of the pilot project to accept credit card and debit card payments, and the electronic submission of fingerprints and the resulting background clearances. The CCTC should also restart efforts to improve the on-line edit capabilities of its Credential Automated System (CAS), which were suspended by management. Additionally, we found that the CCTC needs to develop an information technology equipment replacement plan, develop a staff training plan and ensure that all of its software applications are properly documented.

The Legislature also requested a review of the CCTC's customer service efforts. One of the CCTC's six strategic goals is to improve customer service. In 1999, the Certification, Assignment and Waivers (CAW) Division, which is the division with responsibility to evaluate applications and respond to customers, took numerous steps to improve customer service, especially accessibility. These steps included doubling the time staff is available to answer telephone inquiries, establishing a toll-free telephone number, expanding the number of telephone lines from five to 16, and providing expanded application status data via an automated telephone system.

The CCTC spends over 6,000 hours annually responding to customer inquiries regarding application or credential status. In order to increase accessibility while not

redirecting staff away from processing credentials, the CCTC should develop alternative methods to provide credential status information to its customers. By making application status information available electronically, the CCTC could free up time that could then be redirected to processing applications.

Customers indicated in response to MGT surveys that they are generally satisfied with customer service provided by the CCTC. However, customers have difficulty understanding credential criteria, especially as explained in CCTC documents. The CCTC should rewrite its Credential Information Alerts, Leaflets and Coded Correspondence so that customers can understand them better.

The RFP requested MGT to "determine an appropriate staffing level to process applications in an efficient and timely manner." Through interviews with management and staff and by reviewing a variety of documents, we discovered that "appropriate staffing level" largely depends upon how the staff are utilized. Out of its 190 approved positions, the CCTC has 28 staff that evaluate credential applications. However, in FY 1998-99, only 31 percent of their time was dedicated to processing credentials. The remainder of their time was spent on other activities such as customer service (20 percent), training (14 percent), vacation and sick leave (12 percent) and other miscellaneous activities. At this rate, each of the 28 staff can process about 6,515 applications in a year. The CCTC will require four additional staff to process the volume of credential applications received in FY 1998-99, assuming the CCTC continues to utilize its staff as it did in FY 1998-99.

In total, we identified a number of processing efficiencies that could result in 8,614 to 14,543 more available hours from existing staff—the equivalent of four to seven personnel years. The reader should note that this calculation is based on full, successful implementation of a number of recommendations, and that these hours represent

potential benefits of future business practice changes. It will take time and resources to implement these changes and realize these savings.

We also discovered that not all staff record time in the Personnel Accounting System (PAS), resulting in the CCTC's inability to calculate time spent on different processes. By increasing the use of PAS, the CCTC management would have more accurate data upon which to make personnel decisions and to gauge the impact of policy changes.

Lastly, as part of this review, the Legislature requested an analysis of whether the \$60 fee is appropriate and what options exist to change the fee's structure. Individuals applying for teaching credentials currently pay a \$60 fee for most credential types. During our analysis, MGT examined the fee from three different perspectives and concluded that the \$60 fee appears to be appropriate.

However, during the course of this analysis, we discovered that the CCTC does not capture detailed expenditure data. Identifying how much it spends on fixed and variable costs would enable the CCTC to develop tools to forecast future costs. Since the credential fee is designed to cover the CCTC's operating expenses, the ability to predict future operating expenses would enable the CCTC to set credential fees more accurately in relation to projected application volume. Therefore, we recommend that the CCTC consider collecting more detailed data regarding its expenditures.

In addition to analyzing the appropriateness of the current fee, we also identified alternatives to the current fee structure. One alternative is to remove the costs associated with accrediting teacher preparation programs at IHEs because this function appears to have the least direct link to the applicant. The other alternative eliminates the revenue from one type of renewal in the event that the Legislature decides to eliminate the renewals. This builds upon our recommendation that the Legislature determine whether the current renewal provides value to the public, and if not, eliminate it.

During the course of this fee structure analysis, we found two issues that should be addressed. First, the statutory language describing the CCTC's acceptable reserve level is vague and therefore subject to interpretation. As a result, some stakeholders have interpreted the language differently and believe that the CCTC's current fund balance is inconsistent with statutory provisions. To resolve this issue, the Legislature should clarify the intent behind Education Code Section 44234(b). Second, we found that the Department of Finance has not performed its annual review of the CCTC's rates since 1994 and should resume this practice of recommending an appropriate fee level to the Legislature.

Agency Response

The CCTC indicates that it was looking forward to the results of the management study commissioned by the Legislature with anticipation that the review would provide valuable observations and recommendations. The CCTC shares the belief that a fresh look at the agency's operations can lead to helpful information and to improvements in agency operations. The CCTC believes that many of the recommendations in the study have merit, and that some of them have been, or are currently being implemented by the agency. The CCTC appreciates the many commendations in the report that recognizes its efforts to improve efficiency and service, but that some of the recommendations are not within its purview. They will be working with control agencies to review these in further detail. Lastly, the CCTC points out that several of the recommendations require in-depth analysis, particularly concerning costs and benefits. The CCTC indicates it will be happy to work with policy makers to analyze these recommendations further, if policy makers desire to take the pursue these recommendations.

2.0 METHODOLOGY

In August 1999, the California Legislative Analyst's Office (LAO) issued a Request for Proposal (RFP) to conduct a comprehensive management study of the California Commission on Teacher Credentialing (CCTC) credentialing processes. MGT of America, Inc. (MGT), a national management consulting firm, was selected to conduct the study.

2.1 Scope Of Services

The RFP was issued as a result of the *1999-00 Budget Act* (Chapter 50, Statute of 1999 [Peace]). The *1999-00 Budget Act* specifies that:

The study shall include at a minimum, to the extent feasible and appropriate, all of the following information: (1) identification of regulations and statutes related to teacher credentialing that may be modified to improve the efficient processing of credentials; (2) evaluation of the extent to which the Commission on Teacher Credentialing's information technology plans achieve improvements in efficiency and timeliness in credential processing and other service areas and recommendations for further improvement in this area; (3) recommendations regarding the appropriate level of staff to process credentials in an efficient and timely manner; (4) recommendations for any customer service improvements, including, but not limited to, accessibility; (5) recommendations for an appropriate credential fee structure to support the Commission on Teacher Credentialing's average cost to process a credential, including the costs of potential discipline review, professional standards development, institutional accreditation, and agency administration; and (6) recommendations for further topics of study. The Legislative Analyst, the Department of Finance, and Commission on Teacher Credentialing shall submit a report prepared by the contractor of findings and recommendations to the Governor and the appropriate policy and fiscal committees in each house no later than March 1, 2000.

The RFP identified seven questions that the study should answer:

1. How can CCTC modify its processing of credentials to improve program efficiency?

2. Are there potential regulatory or statutory changes that would reduce or eliminate inefficiencies in the credentialing process?
3. Has CCTC effectively utilized information technology to improve program operation and efficiency? What options exist to better utilize information technology?
4. Have CCTC's staffing levels and strategies effectively managed the agency's workload? What options exist to improve program operation and efficiency?
5. How can CCTC improve its quality of customer service?
6. What is the appropriate fee structure for CCTC's services?
7. Are there other topics that should be studied to further illuminate the concerns of this study?

2.2 Work Plan

MGT conducted the study over a four-month period. MGT developed a detailed work plan to address the RFP study requirements, including objectives, work activities, and deliverables for each task. The nine tasks in the work plan included:

- Task 1.0 Initiate Project
- Task 2.0 Develop Preliminary Profile of the CCTC
- Task 3.0 Solicit External and Internal Stakeholder Input
- Task 4.0 Conduct Detailed Review of Management and Administrative Functions, Organizational Structures and Operations
- Task 5.0 Technology Review
- Task 6.0 Conduct Workload and Staffing Review
- Task 7.0 Develop Recommendations for Improved Customer Service
- Task 8.0 Credential Fee Structure
- Task 9.0 Prepare Draft and Final Reports

2.3 Methodology

The methodology that MGT used to conduct this study included:

- Meeting with representatives from the LAO, CCTC, and the Department of Finance (DOF) to establish working relationships, communication lines, finalize contractual arrangements, establish a mutual understanding of the project's goals and expectations, and schedule monthly meetings with these representatives.
- Collecting, reviewing, and analyzing background information related to the CCTC, including:
 - strategic or comprehensive plan, goals and objectives;
 - description of the CCTC's credentialing program, organization structure and staffing levels;
 - information the CCTC has collected on other state's credentialing programs;
 - current and historical staffing data for the CCTC, including breakdowns by units;
 - recent financial audits and internal audit management reports;
 - budgets, both operational and capital;
 - operating policy and procedures;
 - existing performance indicators or similar data used to plan, budget, and measure labor requirements and/or performance;
 - personnel classifications and pay plan, and performance evaluation program;
 - staffing allocation plans and personnel statistics such as turnover, workers' compensation claims, and sick leave utilization;
 - information technology plans and overview descriptions of all other types of technology employed within the CCTC;
 - language of all statutes and regulations which govern the CCTC;
 - any reviews conducted by the CCTC staff identifying regulations and laws which may no longer be necessary;
 - previous management and organization studies, performance reviews, program audits and/or internal analyses related to organization, staffing, or performance; and
 - additional data as identified through the meetings with key officials.
- Meeting with representatives from the LAO, CCTC, and DOF to discuss project progress on a monthly basis with additional progress reports submitted electronically every two weeks.
- Developing a profile of the CCTC based on the data collected including staffing levels; description of services provided; description of processes; workload data; mission statement, goals and objectives; and budget data.

- Conducting an employee survey to identify the strengths and weaknesses of the organization from the staffs' perspective. Surveys were distributed to all employees of the CCTC and the CCTC gave all staff one hour of state time to complete the survey. One hundred nineteen staff returned the survey for a response rate of 67 percent.
- Conducting an applicant/teacher survey to understand the expectations and experiences of the CCTC's customers. Surveys were mailed to 500 applicants/teachers, and 40 returned the survey for a response rate of eight percent.
- Conducting an external stakeholder survey to identify the quality of service they received from the CCTC staff. Surveys were mailed to 500 institutes of higher education, public school districts, local education agencies, and county offices of education. One hundred forty returned the survey for a response rate of 28 percent.
- Conducting 11 phone and personal interviews with external stakeholders including the Department of Justice, Legislative Analyst's Office, legislative policy and budget staff, Chair of the Commission, and a representative of the Credential Counselors and Analysts of California.
- Conducting over 26 personal interviews with the CCTC staff. A structured interview guide was used to conduct these interviews. These interviews were used to develop an in-depth understanding of the operations of CCTC, identify best practices, and identify opportunities for improvement.
- Conducting focus groups with the CCTC staff members to identify the specific steps involved in the various processes related to credentialing. Seventeen staff participated in these focus groups. As a result of these focus groups five processes were identified and flowcharted in detail. Each flowchart was reviewed with appropriate staff to ensure accurate representation of the process at the time of the focus groups.
- Conducting brainstorming sessions with the CCTC staff to review each process and identify opportunities for improving the credentialing process. Seventeen staff members participated in the brainstorming sessions representing the Certification, Assignment and Waivers, Information Technology, and Division of Professional Practices.
- Conducting interviews with two, top Information Technology Managers and one focus group with eight CCTC Information Technology staff to develop an in-depth understanding of the current technology environment, identify how the CCTC can utilize technology to improve efficiency and effectiveness, and

development of an Alternative Procurement Business Justification (APBJ) document.

- Conducting one meeting with the DOF, Department of General Services, Department of Information Technology and the CCTC to discuss the issue of the alternative procurement process for those processes within the CCTC that could benefit from increased or improved automation.
- Conducting 16 personal interviews with the CCTC staff to determine past workload data, processing times, and to develop an in-depth understanding of the staffing requirements.
- Reviewing and assessing best practices of other licensing organizations within the state and teacher credentialing organizations in other states.
- Evaluating the accuracy, reliability, and timeliness of the CCTC's cost accounting system.
- Developing models to determine the impact on costs of various levels of increases or decreases in the demand for credential processing.
- Meeting with the CCTC staff to discuss preliminary recommendations and alternatives.
- Preparing a draft and final report that presents the findings and recommendations related to each aspect of the study and answers the seven questions outlined in the RFP.

The evaluation was conducted in accordance with generally accepted government audit standards (Yellow Book).

2.4 Organization of the Report

The report is organized into seven chapters:

- 1.0 Executive Summary
- 2.0 Methodology
- 3.0 Certification
- 4.0 Information Technology
- 5.0 Customer Service
- 6.0 Staffing
- 7.0 Fee Structure
- 8.0 Cross-Cutting

3.0 CERTIFICATION

3.1 Chapter Summary

Since the CCTC's major service to the people of California is certifying teachers, this review primarily focused on the CCTC's certification process. The Certification, Assignment and Waivers (CAW) Division has primary responsibility for processing credential applications. During our review of CAW, we identified a number of findings and recommendations with policy and procedural implications to CAW. Additionally, we also identified issues that the organization as a whole and the Legislature needs to address.

MGT found that one of the primary policy considerations the CCTC faces is the value of the credential renewal. Currently, teachers must renew their credentials every five years. The applicant submits an application, a \$60 fee, and affirms completion of his or her professional growth requirements. The CCTC performs no evaluation of these applications. Since it is unclear what purpose is served by the renewal or the process, we recommend that the Legislature reconsider the purpose of the renewal. Eliminating the renewal could save the CCTC between 3,396 and 9,325 hours annually. However, it may result in a revenue loss of between \$2 million and \$5.65 million annually.

A second policy issue we found is that the CCTC spends a lot of time and effort training certification staff. In FY 1998-99, 29 staff spent about 8,872 hours in training, or about 7.7 weeks per person. The current training cycle takes approximately 18 months. The CCTC has no formalized training program and no curriculum or training guide. Therefore, the CCTC is unable to measure its success or identify ways to improve its training program. We recommend that the CCTC explore opportunities to reduce the time spent on training.

Related to internal training, we found that the CCTC should improve training and communication with the Institutes of Higher Education (IHEs), some of which consistently submit incorrectly completed credential applications. To remedy this problem, the CCTC should provide a targeted training program based on the needs of IHEs.

The IHEs submit applications on behalf of its students. Those applications submitted by IHEs that have a track record of correctly completing applications receive only a cursory review. Trained evaluators, known as Program Technicians, process these applications. Since the CCTC indicates that no evaluation is done, these applications should be separated when received and processed by clerical staff, thereby freeing Program Technicians up to process applications that require an evaluation.

MGT found that before submitting applications to the CCTC, County Offices of Education (COE), IHEs, and school districts may hold applications up to four months due to a variety of factors. Students at IHEs currently are not allowed to submit their applications directly to the CCTC. We recommend that the CCTC explore the reasons why institutions hold onto applications for extended periods of time and consider alternatives such as allowing applicants to submit applications directly to the CCTC.

In addition to the preceding policy considerations, we identified a number of process-related issues and proposed potential solutions including:

- The current fingerprinting process is duplicative because it requires applicants to submit fingerprints to both counties and to the CCTC, both of whom forward the fingerprints to law enforcement agencies for background checks. We recommend that the Legislature direct the DOJ, CCTC and COEs to implement a process that eliminates duplication of effort.
- The Legislature should pass legislation that requires all applicants to submit fingerprints electronically via Livescan, which would decrease the time required for law enforcement agencies to perform background checks and reduce the CCTC's workload.

- The CCTC's external communications efforts are numerous, yet internal communications are less so. Staff are concerned that they do not have the opportunity to provide input into proposed changes and that staff does not always receive notifications of policy changes. The CCTC should continue its numerous communication efforts with external stakeholders and develop an inclusive process to gather staff input and share information about proposed changes.
- The CCTC produces and mails two copies of credentials – one for the applicant and one for the county office of education. The CCTC should provide electronic access to credential and application status information to counties and eliminate the mailing of duplicate certificates.
- The CCTC currently returns batches of applications to IHEs, school districts and COEs if they remit the incorrect fees, resulting in delays for all 20 applications contained in the batch. To avoid unnecessary processing delays, the CCTC should continue to process application batches and bill IHEs, school districts and COEs to collect insufficient fees.
- Currently, the CCTC takes about one month to process applications accompanied by fingerprints before submitting fingerprints to law enforcement agencies for background checks. To expedite background checks, the CCTC should send fingerprint cards to law enforcement immediately upon receipt of the application.

3.2 Background

The CAW Division has the primary responsibility for processing all credential applications received by the CCTC. The following is an overview of the application process at the CCTC:

- Step 1: *Cashiering Unit* opens mail, separates and deposits fees, and forwards applications to Certification Support Unit.
- Step 2: *Certification Support Unit* sorts applications based on the level of complexity of the type of credential being requested and forwards the applications to the Certification Unit.
- Step 3: *Certification Unit* evaluates whether the applicant is qualified to receive the credential. If the applicant is not qualified, she or he will receive a letter indicating their application is rejected. If the applicant is qualified,

but a background clearance is required, the application is forwarded to the Fingerprint Unit.

Step 4: *Fingerprint Unit* sends the fingerprints to the Department of Justice for a background clearance. When the background clearance is received, the Fingerprint Unit forwards the application packet to the Quality Control Unit.

Step 5: *Quality Control Unit* mails the credential and forwards the application packet on to the Microfilm Unit.

Step 6: *Microfilm Unit* prepares the documents for capture on permanent storage media.

3.3 Findings, Commendations and Recommendations

Finding 3-1: The teacher credential renewal process adds little value.

The current teacher credential renewal process does not provide any type of qualitative evaluation of the applicants. Under current state law, teachers must renew their credentials every five years. In order to renew an existing credential, an applicant must submit the renewal form, affirm they have not violated specified laws and pay the \$60 fee to the CCTC. A second type of renewal also requires the applicant to affirm that professional growth hours were completed. Applicants are not required to submit any supporting documentation and are not required to resubmit fingerprints for a background check. As a result, most renewal applications require little evaluation by the CCTC staff and can be processed more quickly than other credential types.

In FY 1997-98, there were 34,300 renewals that required nothing more than submission of an application and fee. The second type also requires a sworn affirmation that professional growth courses were taken. The CCTC was unable to identify how

many of these types of renewals are processed annually, but it is less than 59,883.¹ Both of these renewal types can be processed quite quickly since there is little evaluation by the CCTC staff. In fact, the CCTC plans to automate the processing of these applications thereby requiring little or no human intervention.

Until late in 1999, for those renewals that required it, applicants submitted to the CCTC a professional growth form signed by their advisor that listed classes taken. Applicants are no longer required to submit the form. Currently, a professional growth advisor at the local level affirms that the teacher completed the professional growth courses, but the professional growth form is retained by the applicant.

Although not currently done, the CCTC plans to implement an auditing program to ensure compliance with the professional growth requirements in lieu of 100 percent review of the requirements. The CCTC intends to audit 10 percent of the renewal applications in which the applicant self-verified that the professional growth requirements were met. Those found not to have completed the professional growth requirements will be denied a renewal and the individual may be subject to adverse action on other credentials currently held.² Thus, although the CCTC will be ensuring the 150 hours are met, the CCTC is not and has not been evaluating the quality of the courses taken—that is the responsibility of the advisor.

Since the CCTC's current process does not appear to include any type of qualitative evaluation of the applicant, it is unclear what purpose is served by requiring the renewal. The primary benefits appear to be derived from the applicant's self-certification on violations of the law and compliance with the professional growth

¹ The CCTC is unable to provide statistics on these types of renewals. The CCTC aggregates data on renewals that require professional growth hours with credential types that are being upgraded. The total is 59,883 for both of these credential types. Thus, total number of renewals is less than the aggregate.

² Coded Correspondence 99-9924, dated October 14, 1999.

requirements and to generate revenue to support the CCTC's operations. These renewals can generate between \$2 million and \$5.65 million annually.³

Since the professional growth advisor who is responsible for ensuring the courses are appropriate and have been taken resides at the local level, it may make more sense for the professional growth form to be retained locally—perhaps by the employer—rather than the CCTC. The question the Legislature needs to answer is who ought to be ensuring that professional growth requirements are met—the state or the local entity.

Among the many choices the Legislature may consider are the following:

1. **Keep the current process.** The process requires completion of the application and submission of a fee. Some of the renewals require affirmation of completion of professional growth courses. The benefit of continuing the current process is that it allows the CCTC to collect demographic data, update the applicant's address and audit compliance with professional growth requirements—when the audit program is instituted. It is significant to note that these renewals generate between \$2 million and \$5.65 million annually.
2. **Eliminate the renewal process but not professional growth requirements.** The original reason for the renewal—ensuring only quality teachers are in the classrooms—has been subsumed by programs and processes conducted almost entirely at the local level. The evaluation components that a teacher may currently undergo include:
 - increased standards to obtain the initial credential;
 - an induction period that includes support and assessment;
 - peer review; and

³ In FY 1997-98, the CCTC processed 34,300 renewals that did not require professional growth hours. $34,300 \times \$60 = \$2,058,000$. Up to 59,883 additional applications may be renewals. $59,883 \times \$60 = \$3,592,980$.

- professional growth hours as a condition of employment or salary increase.

Together, these programs help ensure that teachers can be successful in the classroom. Since a qualitative evaluation of professional growth courses is the responsibility of the advisor, and the CCTC is simply the repository of that information, the school district or COE may be a more natural repository of this data. If the renewal was eliminated, the school districts or COEs could maintain professional growth records. Eliminating these renewals can save the CCTC between 3,396 and 9,325 hours annually.

The CCTC indicates that during the 1970s and 1980s, when compliance was mandatory but when collection of data was not mandated, teachers had low compliance rates. Accordingly, linking proof of compliance to a credential renewal increased compliance. However, just because the CCTC would not collect the professional growth forms under the second scenario does not mean that the school district or COE would not collect proof of compliance.

Recommendation 3-1:

The Legislature should determine whether it wants to retain the current teacher credential renewal process or eliminate the renewal process altogether and reassign responsibility for collection of professional growth data.⁴

Finding 3-2: The CCTC's staff training program is costly and time consuming.

The CCTC trains its own staff to evaluate applications. Since September 1999, the CAW Division has had one staff position dedicated to providing staff training. In FY

⁴ Education Code Section 44251 may need to be amended if this occurs.

1998-99, Personnel Accounting System (PAS) reports show that 29 staff consumed about 8,872 hours in training. *That means that each person spent about 306 hours—or 7.7 weeks—in training in just one year.* The amount of training provided to the CCTC staff was up dramatically in FY 1998-99 over the previous year. In FY 1997-98, the PAS reports show that 4,534 hours were consumed in training by the 29 total staff. This means that 156 hours—or about 4 weeks—were devoted per person to training in FY 1997-98. Some of the difference may be attributable to the fact that in FY 1998-99 there were eight new staff to train while in FY 1997-98 there were only two new staff to train.

The staff training program includes group training classes in which specific credential types and associated criteria are taught. Once a credential type is mastered, the trainees are then taught another credential type using the same process. This program continues until the trainees are proficient in each of the 144 types of credentials or permits.⁵ Additionally, the classes include training of experienced staff on new processes. After training is conducted, experienced staff review the trainees' work to ensure accuracy. This time is also included in the hours spent training annually.

The current training cycle takes approximately 18 months between the initial hire and training completion. Although the multitude of credential types and differing requirements adds complexity, we could not find a level of complexity commensurate with the duration and number of hours the CCTC currently spends on training.

We could not evaluate the efficiency or effectiveness of the training program because the CCTC does not have a formal program with any sort of training guide or curriculum. Although the CCTC provides trainees with a Credential Handbook, it does

⁵ BCP #4 for FY 2000-01, page 3.

not appear to be user-friendly nor provide much guidance on the evaluation process. Instead the Credential Handbook is a collection of 1,000 pages of technical criteria, leaflets and other related materials. We could not find clear directions that would guide a trainee through the steps to evaluate a particular credential application.

Additionally, the CCTC has not established goals of the training program and does not have a means to evaluate the effectiveness of the training. As a result, neither the CCTC nor MGT could determine whether the amount of time invested in training is appropriate, how the program could be improved, the effectiveness of the trainer, and whether the CCTC could reduce the number of hours invested in training.

Although we could not evaluate the program and exact number of hours that could be saved, we still believe that significant opportunities for improvement exist. In FY 1998-99, the CCTC hired eight new staff. At the very least, we can assume that the CCTC will not need to train one-fourth of its workforce in one year in the near future. Additionally, the CCTC piloted an intensive training program for four new Program Technicians in FY 1998-99. Approximately 520 hours were devoted to 13 days of intensive training to prepare them to answer credential inquiries on the telephones. The CCTC indicates that the training was not effective and will not be conducting such training in the future. If we reduce training hours to reflect fewer staff who will need training in the future, we can assume a reduction of at least 25 percent. This equates to approximately 2,218 hours that could be used to process an additional 22,401 applications annually.

The CCTC indicates that it plans to develop a formal training program and manual. Doing so will enable the CCTC to share training responsibilities among staff. Additionally, formalizing the training program will enable the CCTC to identify improvement opportunities and likely shorten the amount of time spent in training. A

training manual could also serve as a valuable tool to credential counselors at the IHEs who receive little training from the CCTC as well as school districts and COEs who also evaluate applications. Formalizing and shortening the training program will enable the CCTC to continuously measure and improve the training and will result in more staff being capable of fully evaluating all types of applications sooner.

Recommendation 3-2:

The CCTC should improve its staff training program by:

- Developing a formal curriculum to guide the trainer and trainees;
- Developing a training manual to help guide the staff, IHEs, school districts and COEs through the steps in the evaluation process without a trainer present; and
- After formalizing the training program, the CCTC should establish performance goals and evaluate the effectiveness of its training program, manual, teacher, and duration in order to improve the program.

Finding 3-3: The CCTC uses evaluation staff to perform clerical function.

The CCTC reviews application packets for applicants that have already been reviewed by the IHE. Those applications submitted by IHEs that have a track record of correctly completing applications receive only a cursory review.

IHEs review two components of the application packet: the ability of the applicant to be a successful teacher based on his or her experience in the teacher preparation program and completion of CCTC credential requirements. In addition to ensuring the student completed the teacher preparation program, IHEs review the application packet to verify that the student has received a baccalaureate, completed the CCTC-required courses and has provided the required transcripts, application fee and fingerprints (if required). IHEs then forward the applications to the CCTC.

Applications submitted by certain IHEs with a track record of appropriately completing application packets receive less scrutiny than others but are still processed by Program Technicians. According to the CCTC management, the Program Technicians do not evaluate these applications but simply key enter into CAS the degree attained from the application packet. Thus, the CCTC has trained evaluators performing what is primarily a clerical function. Applications in this category account for about 62 percent of the 24,616 applications submitted by IHEs.⁶

Having an evaluator spend time processing these applications reduces the amount of time available to review those applications that require some degree of evaluation. The CCTC should use clerical staff to process the applications submitted by the IHEs with a good track record since CCTC managers indicate no evaluation is performed currently.

Recommendation 3-3:

The CCTC should re-direct applications submitted by IHEs with a good track record to clerical staff rather than evaluation staff for processing.

Finding 3-4: IHEs, school districts and COEs may hold applications up to four months before forwarding them to the CCTC.

The IHEs provide teacher preparation programs, assist their students in completing the application packet and then forward applications to the CCTC on their students' behalf. In addition, school districts often forward employee applications to the COEs, which then forwards them to the CCTC.

⁶ 15,150 applications received in 1997-98 that required only cursory review out of 24,616 submitted by IHEs. Data regarding applications submitted by IHEs and granted contained in "Multiple Subject and Single Subject Teaching Credentials Issued by the Commission upon the Recommendation", dated August 12, 1999.

Most IHEs submit a batch of 20 application packets together with a check from the IHE to pay for the fees. Current regulation has the effect of allowing the IHE, school district and COE to retain an application for up to four months before forwarding it to the CCTC.⁷

IHEs, school districts and COEs responding to a survey conducted by MGT indicated that they hold applications on average for a month before forwarding them to the CCTC. *However, 14 percent indicated that they hold applications for more than 27 weeks—6 months or more—before forwarding them to the CCTC.*

Respondents also indicated that the primary reason (64 percent) they hold applications before forwarding them to the CCTC was to enable applicants to collect required documents such as transcripts and fingerprint cards. The second reason (31 percent) was that the institution was waiting for its own organization to issue a check for the fees it collected from its students. Another reason that applications are held is that since credentialing is just one part of the staff members' assigned tasks, they submit applications to the CCTC infrequently. Of the 28 written responses to the survey, 11 indicated that other workload demands prevented them from forwarding applications more frequently.

Applicants may submit an application to the IHE, school district or COE months before the CCTC receives it. Applicants may not be aware that their applications could be held by the IHE, school district or COE for weeks or even months before it is finally submitted to the CCTC. As a result, when applicants call the CCTC to inquire about their application status, they get frustrated when they find out that it has not been received or processed yet.

One possible solution is to allow applicants to forward their applications directly to the CCTC after working with the IHE, school district or COE to ensure completion.

⁷ California Code of Regulations, Title 5, Section 80440.

This would decrease the time between submission by the applicant and final issuance of the credential. The number of status inquiries to the CCTC may also decrease since applicants will have a better idea when the CCTC received their application packet for processing. The CCTC believes that allowing applicants to submit applications directly to the CCTC will increase the number of erroneously-completed or incomplete applications rejected by the CCTC. However, the CCTC does not collect statistics on the number of applications received directly from applicants currently that are rejected. Therefore, we could not determine whether the CCTC's concerns about direct applications are well founded. Nevertheless, the problem of IHEs, school districts and COEs holding applications for months remain a concern and merits the attention of the CCTC.

Recommendation 3-4:

The CCTC should explore the reasons why the institutions hold onto applications for extended periods of time and develop methods of reducing the time lag. Specifically, the CCTC should consider allowing applicants to submit directly to the CCTC or propose changes in the law or regulation to require the institutions to submit the applications in a timely manner.

Finding 3-5: CAW is doing a good job of prioritizing time-sensitive applications.

The ability of some applicants to obtain or retain a job is dependent upon the timely processing of the application. The CAW Division prioritizes these applications (those that require background clearances, those from out-of-state, renewals, and Directs—those applications submitted directly to the CCTC by the applicant) and processes them more quickly than others. The average time to process these prioritized

applications from June 28, 1999 through February 14, 2000 was 28 days for those requiring a background clearance and 32 days for Directs and renewals.⁸ Most of the other applicants either have a credential they are renewing or have a Temporary County Certificate, which enables them to teach for a year before needing to receive a credential.

Commendation 3-5:

The CAW Division is commended for identifying the applicants who would benefit most from having their applications prioritized and changing its processes to enable these applications to be processed first.

Finding 3-6: The CCTC's external communications efforts appear to occur frequently enough while internal communications may not be as frequent or inclusive as desired by staff.

The CCTC utilizes several methods to communicate policy changes and procedures with IHEs, COEs and school districts including issuing Credential Information Alerts, leaflets, broadcast emails and workshops throughout the year. During interviews, staff commented that credential counselors in the field sometimes receive updated information or notices prior to staff. Additionally, survey responses from the IHEs, COEs and school districts indicate that sometimes staff are not able to answer questions regarding a recent policy or procedural change. It appears as though CAW staff are not being made aware of the policy or process changes before the IHEs, COEs and school districts. When the field receives information prior to staff it makes it difficult for the staff to respond to questions from the field regarding the changes.

⁸ Calculated from CCTC Application Processing Time Forms for these weeks.

Senior CCTC managers indicated that staff always receive any printed documents before the field counselors, but sometimes CCTC staff do not review their in-boxes to see the document announcing the change.

In addition to not knowing about the changes before they occur, some staff voiced concern about not having opportunities to participate in discussions regarding potential changes. Many changes have been implemented over the past year and some staff feel that they have not had the opportunity for input prior to the changes being implemented. While staff admit that communication within the division has improved recently, some staff interviewed felt that policy and process changes should first be discussed with staff who have to implement the change.

Commendation 3-6:

The CCTC is commended for communicating policy changes and procedures to the IHEs, school districts, COEs and staff.

Recommendation 3-6:

The CCTC should involve staff in discussions when changes to policy and procedures are initiated and explore additional means to communicate policy and procedure changes to staff. For example, the CCTC should consider the use of an intranet to disseminate information related to policies and procedures in addition to its current methods of communication.

Finding 3-7: The CCTC mails documents it could send electronically.

County Offices of Education need to know when credentials are granted in order to pay teachers. Therefore, when a credential is granted, two copies of the credential are produced. One is for the applicant and one is for the COE. Once a week, the Quality Control Unit mails the duplicate credentials to the COEs via the U.S. Postal Service. This requires the Quality Control Unit to sort duplicate credentials by county each day so that they are mailed together in a bulk mailing.

In an attempt to reduce the mail volume, the CCTC embarked on a pilot project in which seven counties electronically receive notification of document issuance. These seven counties can electronically access a list of individuals who work in their county and were issued a document from the CCTC. Due to the lack of detail on the PAS reports, we were unable to quantify the staff time devoted to mailing versus emailing these documents and thus could not evaluate the pilot project.

The CCTC should evaluate the pilot project, improve upon it and enable all counties to get electronic access to the list of documents it issues. If fully implemented, providing electronic access to all counties would reduce the documents needing to be mailed by almost half. Additionally, the counties would receive the data sooner than it does currently.

Recommendation 3-7:

The CCTC should provide electronic access to credential and application information to customers and eliminate the mailing of duplicate certificates.

Finding 3-8: Some IHEs need more targeted information to correctly complete applications.

In interviews, certification staff reported that certain IHEs consistently provide the wrong data on credential applications resulting in a high number of applications returned

to these schools and their applicants. Additionally, the criteria for some credential types (e.g. Designated Subjects) are particularly difficult to understand and thus these applications are returned frequently for additional documents. In FY 1998-99, 16,225 applications were returned due to insufficient or incorrect data being provided.⁹ From July 1, 1999 through December 31, 1999, the CCTC rejected 10,299 applications. About 975—or 9.5 percent—were returned to IHEs. Both the applicant and IHE could benefit from learning the correct criteria for the different credentials so that the application is not returned causing further delay.

The CCTC could help these institutions by identifying the types of credentials that result in the most returned applications and providing training focused on the criteria for those credentials. The training could be in the form of a workshop at the CCTC's annual Credential Workshops/Conferences, a step-by-step instruction sheet, or an in-person training if the IHE submits a high volume of applications. The CCTC does not currently track the types of errors by IHEs. In order for the CCTC to provide targeted training, it would need to collect this data.

Recommendation 3-8:

The CCTC should develop a targeted training program based on a particular IHE's types of errors for those IHEs that submit a high volume of applications with errors.

Finding 3-9: Duplicate submission of fingerprints is unnecessary and costly.

Counties are required to obtain a criminal record summary from the Department of Justice (DOJ) before issuing a temporary teaching certificate known as a Temporary County Certificate.¹⁰ The CCTC is required to deny a credential to an applicant who has

⁹ Cashier Report dated June 30, 1999.

¹⁰ Education Code Section 44332.6.

been convicted of specified crimes.¹¹ The counties and the CCTC have chosen to require the applicant to submit fingerprints separately: one set for the county and two sets for the CCTC. The county sends the prints to the DOJ for processing. The CCTC also sends the prints to the DOJ and DOJ forwards one set to the Federal Bureau of Investigation (FBI). The DOJ is thus processing the same prints twice: once for the county and once for the CCTC.

When the background clearance is complete, the DOJ forwards the results separately to the county and the CCTC. Currently, the DOJ sends subsequent arrest information for up to two years after submission to the county (one year for the Temporary County Certificates) and in perpetuity to the CCTC.¹²

As a result of the DOJ's policies, teachers must be fingerprinted on two separate occasions unnecessarily increasing the teacher's time and expense. Requiring applicants to be fingerprinted twice is unnecessary and costly in time and money to the applicant.¹³ In FY 1998-99, approximately 44,110¹⁴ fingerprint cards were processed by the CCTC that were also processed by counties. In the past, the CCTC has discussed eliminating the duplicative submission of prints with the DOJ, but the discussions have not resulted in elimination of the second submission of prints.

Time and expense managing the application packet could be reduced by having the county submit the prints to the DOJ on behalf of both agencies. This would require the DOJ to continue forwarding a set of fingerprints to the FBI but they would be submitted by the county, not the CCTC. The DOJ would then return background

¹¹ Education Code Section 44346.

¹² DOJ Home page information on applicant fingerprint submissions.

¹³ Each set of fingerprints costs the applicant \$56: \$24 for the FBI and \$32 for the DOJ.

¹⁴ Cashier Report dated June 30, 1999.

clearance information to both the county and the CCTC.¹⁵ Such a change would also reduce the workload for the DOJ.

Additionally, the applicants would have to be fingerprinted only one time, thereby reducing their time and expenses.

Recommendation 3-9:

The Legislature should direct the DOJ to work with the CCTC and COEs to develop a process in which the applicant is only fingerprinted once but that both the CCTC and the COE receive the response and subsequent arrest data.

Finding 3-10: Processing of fingerprints occurs late in the process.

When submitting a credential application, first-time applicants are required to submit fingerprints and pay an additional fee so that a criminal history background check can be conducted by DOJ and the FBI. After the CCTC's Certification Unit evaluates the credential application, the application and fingerprints are forwarded to the Fingerprint Unit. Concurrently, the applicant is sent a letter of eligibility indicating that the credential has been provisionally granted pending receipt of the background clearance.

It currently takes the CCTC about a month to process the applications that are accompanied by fingerprints. Thus, a month elapses before the Fingerprint Unit sees the fingerprints for the first time. If the CCTC separated the fingerprint cards in Cashiering and forwarded them to the Fingerprint Unit, fingerprint cards could be processed concurrently with the credential application and a significant amount of time could be saved, possibly even eliminating the need for the letter of eligibility granting the provisional credential.

¹⁵ Penal Code Section 13200 allows access to those with a right to know without limiting access to one agency.

Recommendation 3-10:

The CCTC should separate the fingerprint cards immediately upon receipt and forward them to the Fingerprint Unit for concurrent processing with the credential application.

Finding 3-11: Livescan fingerprints are processed faster and require less work than those on paper.

The process of submitting fingerprints electronically is known as Livescan. Livescan fingerprints are processed faster and require less work than fingerprints submitted on paper for several reasons. First, the fingerprints are submitted electronically to the DOJ before the application is even sent to the CCTC. This means that processing of the fingerprints begins immediately rather than after the Certification Unit finishes its evaluation of the application (currently a one-month lag between receipt at the CCTC and the Fingerprint Unit receiving the fingerprints for processing).

Second, Livescan fingerprints have only a two percent reject rate due to the computer's inability to read the fingerprints. Livescan fingerprints that the computer cannot read are usually rejected when they are taken, allowing the operator to retake them immediately. Conversely, 20 percent of the fingerprints submitted on paper are illegible by the computer. Thus, after waiting over a month, 20 percent of the applicants are told that they must resubmit the fingerprints. This delays the credential even longer and frustrates customers who do not understand why it took over a month just to let them know that their fingerprints must be retaken.

Lastly, fingerprints submitted on paper must be sent by the CCTC to the DOJ. This requires a tracking process to ensure a response to each set of prints submitted. Additionally, the Fingerprint Unit must file these applications while awaiting a response,

whereas many Livescan responses are received before the application even reaches the Fingerprint Unit, thereby eliminating the need for filing the application.

Beginning January 1, 1999, the CCTC accepted Livescan submissions. Livescan electronically transmits fingerprints to DOJ and the FBI. Every county in the State has a Livescan station, although many are available only during limited hours each day. In addition to county sheriffs, many school districts and COEs have Livescan stations.

Recommendation 3-11:

The Legislature should pass legislation to require all applicants to use Livescan for submission of all fingerprints to speed up the response rate from the DOJ and the FBI and to reduce the workload at the CCTC.

Finding 3-12: Cashiering does not use machines to open mail.

In FY 1998-99, the CAW Division received about 240,000 pieces of mail,¹⁶ or about 927 pieces of mail per day.¹⁷ The Cashiering Unit opens all the mail for CAW. During peak periods, there can be up to 2,000 pieces of mail received each day for many consecutive days, all of which the Cashiering Unit opens using a hand held letter opener. The CCTC could purchase a machine that opens the mail thereby reducing the time spent opening mail.

Recommendation 3-12:

The CCTC should provide an automatic letter opener so that staff do not spend time manually opening mail.

¹⁶ Cashier Report dated June 30, 1999 indicated total mail count of 239,445.

¹⁷ 239,445 / 240 working days in a year = 927.

Finding 3-13: Cashiering returns applications with insufficient fees.

IHEs and COEs are required to submit their credential applications in batches of 20 with a check to cover the costs of all applications included in that batch. In some cases, the check from the IHE or COE is for an incorrect amount. In such cases, the CCTC's policy is to return the entire batch of applications. As a result of an error by the IHE or COE, the entire batch of 20 applications is further delayed until resubmitted with the correct amount. In FY 1998-99, the CCTC returned approximately 2,911 applications for insufficient fees.¹⁸ However, since the data is not collected, it is unclear how many of these applications were returned to IHEs versus applicants, school districts or COEs. For those applications submitted with insufficient fees by IHEs, school districts or COEs, the CCTC could establish a billing system that would enable them to recover the insufficient fees at regular intervals. This would enable the CCTC to recover the fees without having to return the entire batch of applications. To better serve its customers and reduce time spent returning applications the CCTC could bill in arrears while continuing to process applications.

Recommendation 3-13:

The CCTC should bill institutions that send incorrect fees while continuing to process the applications contained in the batch.

Finding 3-14: Cashiering and Certification Support Units help each other but are not cross-trained, potentially resulting in poor work quality.

According to interviews with staff in the Cashiering and Certification Support Units, these units frequently help each other complete their duties when backlogs occur. However, staff have not been formally trained to perform each other's duties. As a

¹⁸ Cashier Fiscal Year To Date Report dated July 1, 1999.

result, although the work is finished more quickly, staff report that error rates increase. If the staff help each other often, the management should re-evaluate the distribution of workload and determine whether the units should be merged. If a merger occurs, staff should be fully trained in each other's duties.

Recommendation 3-14:

The CCTC should determine whether the Cashiering and Certification Support Units should be merged into one unit and if so, the staff should be cross-trained to properly perform the work.

4.0 INFORMATION TECHNOLOGY

4.1 Chapter Summary

The purpose of this segment of our review was to determine whether the California Commission on Teacher Credentialing (CCTC) is effectively utilizing information technology to improve program operation and efficiency. Through the course of our review, we found that the CCTC needs to improve its information technology strategic plan by linking the goals and objectives to those of the overall agency. In addition, the goals and objectives included in the information technology strategic plan should be specific and measurable and linked to an action plan. We also found that the CCTC could benefit by including executive management in the information technology planning and decision-making process. We suggest that the CCTC consider creating an information technology governance council to oversee the planning and utilization of information technology from an agency-wide perspective.

The CCTC could improve the efficiency of its credential application process by moving to electronic submission of certain documents. Specifically, we recommend that the CCTC pursue several opportunities such as the electronic submission of applications, expansion of the pilot project to accept credit card and debit card payments, and the electronic submission of fingerprints and the resulting background clearances. The CCTC should also restart their efforts to improve the on-line edit capabilities of its Credential Automated System (CAS) which was suspended due to resource limitations and management's priorities.

Finally, we found that the CCTC needs to develop an information technology equipment replacement plan, develop a staff training plan, and ensure that all of its software applications are properly documented.

4.2 Background

The Information Management System (IMS) Section is organizationally assigned to the Information Technology and Support Management Division within the CCTC. The IMS Section is responsible for supporting all of the information technology (IT) needs of the Commission. The IMS Section provides technology guidance to Commission staff; system planning, development and implementation, primarily for the Certification, Assignment and Waivers (CAW) Division; agency-wide technology maintenance and support; technology training for staff; and recommendations for technology purchases.

The IMS Section also develops and maintains all of the Commission's minicomputer applications and maintains the desktop applications used by staff on the Macintosh desktop computers.

The minicomputer applications include the credential issuance and tracking system, examination monitoring system, disciplinary case tracking system, personnel activity tracking system and label producing system. The computer desktop applications are primarily comprised of Microsoft products including Microsoft Office and Microsoft Outlook.

The IMS Section has 10 staff in addition to a currently vacant Office Technician position. IMS staff serve a variety of roles including application development and support; planning, installing, configuring and maintaining the local area network (LAN) and desktop computers; information technology planning; and staffing a help desk to support desktop computing needs.

The technology available to the staff of the Commission has significantly increased in recent years. Desktop computer systems (Apple Macintosh products) with connectivity to the LAN and Hewlett-Packard minicomputers replaced the use of "dumb" computer terminals to access all servers in the fall of 1999. Staff have been given

access to an internal email system and some staff have received access to the web and external email. The CCTC staff can now use desktop applications such as word processing and spreadsheets instead of using typewriters and calculators or sharing a limited number of minicomputers. Staff can also exchange email with customers, Institutes of Higher Education (IHEs) and COEs, reducing the need for telephonic communication.

In addition to providing new technology to its staff, the CCTC has effectively used technology to better serve its customers. In 1999, the CCTC made several technology-related improvements. The CCTC:

- updated its Interactive Voice Response (IVR) automated telephone system to provide automated credential status information;
- began to accept credit cards;
- began to receive test scores electronically from the test administrators;
- began to accept fingerprints through Livescan;
- produced the Credential Handbook on CD-ROM; and
- provided remote access for seven counties to find out which of its employees received or renewed a credential.

In order to support the progress in technology, the number of staff in the IMS Section has substantially increased. All of the recent staff increases have occurred in the minicomputer area supporting the newly installed hardware and software. In calendar year 1999, two additional positions were added, for a total of 10.

4.3 Findings, Commendations, and Recommendations

Finding 4-1: The CCTC needs to improve its information technology strategic plan before it proceeds with technology projects.

The CCTC's Agency Information Management Strategy (AIMS) dated March 1999 appears to conform to the requirements of the State Administrative Manual. The document states that its general purpose is to serve as a plan for using information technology in cost-effective and appropriate ways to assist the Commission in achieving its business goals. However, the AIMS does not directly link plans for information technology improvements to the CCTC's overall agency strategic plan.

According to the Department of Finance's Strategic Planning Guidelines (guidelines), the AIMS must be consistent with, and subordinate to, the overall agency strategic plan.¹ The guidelines identify four questions essential to strategic planning that include:

- Where are we now? (external/internal assessment, mission and principles);
- Where do we want to be? (vision, goals and objectives);
- How do we get there? (action plan); and
- How do we measure our progress? (performance measures, monitoring and tracking systems and resource allocation).

While the CCTC's AIMS provides a picture of the current technical environment, the AIMS does not clearly answer the other questions. The CCTC's AIMS does not include specific and measurable goals and objectives for information technology. Therefore, the AIMS lacks an action plan to meet those goals and objectives. The AIMS also appears to lack clearly articulated performance measures and does not identify

¹ Strategic Planning Guidelines; Department of Finance; Revised May 1998; Page 8.

systems for monitoring and tracking performance. As a result of these deficiencies, the AIMS does not provide sufficient direction to those who might benefit from its guidance. Moreover, the CCTC may not invest its information technology resources in the areas where they could provide the greatest benefit.

For example one Feasibility Study Report (FSR) under review by the control agencies requests funds to hire a vendor to convert historical Commission agendas to electronic media for posting on the CCTC's web site. This FSR also requests funds to purchase software and hire a web administrator to maintain the CCTC's web site. Lastly, the FSR indicates that the CCTC will provide credential status data electronically to its customers but does not request funds for this purpose or discuss it in enough detail to understand how the idea would be implemented. In fact, the FSR contains little description of what credential status data customers need or would be provided. When queried, the IMS staff could not provide more detail because a complete description of this concept is not in any planning document. We found this FSR unusual in that it focuses on providing Commission agendas electronically and virtually no attention to the opportunity to improve the CCTC's core function by providing automated application and credential status information. Without an information technology strategic plan that clearly identifies goals and objectives that support the agency's strategic plan, it was difficult to evaluate the importance of the technology proposed in the FSR in relationship to the CCTC's strategic business goals. Although our instincts tell us that the focus of the FSR is misplaced, we have no criteria (e.g. goals and objectives) against which to evaluate the decision.

Recommendation 4-1:

The CCTC should revise its AIMS to:

- Link its information technology goals and objectives to the agency's overall strategy;
- Identify specific and measurable goals;
- Contain an action plan directly linked to those goals and objectives; and
- Identify information technology performance measures and mechanisms for monitoring and tracking performance.

Finding 4-2: The CCTC could improve its information technology governance structure.

Equally important to the form and content of the CCTC's AIMS is the method by which it is produced. During our review, we noted indications that led us to believe that the AIMS was developed and owned by the IMS Section with some input by other staff. We are concerned that the CCTC's information technology strategic planning efforts may be viewed as the domain of IMS rather than the CCTC as a whole. As such, the business units within the CCTC that IMS serves may not have sufficient opportunity to participate in planning to influence the strategic deployment of the CCTC's information technology resources. As a result, the AIMS may not fully address the needs of the CCTC's business units.

Research indicates that executive-level sponsorship is one of the most common practices among leading organizations known for their success in implementing information technology projects. Executive-level sponsorship not only includes the chief executive's support and participation but also that of the executives in charge of various divisions within an agency.

One method of gaining executive sponsorship involves an information technology governance council charged with the responsibility of fusing the agency's mission, goals and objectives with those of the agency's information technology organization. The council makes decisions regarding how to apply scarce information technology resources to meet the overall agency needs.

Information technology governance councils come in a variety of sizes and configurations and typically include a top-level executive, key program executives, the Chief Information Officer (CIO), the Chief Financial Officer (CFO) and others as deemed appropriate. Typically, the council is small and made up of those executives with mission critical responsibilities who head major factions of the organization and who have the authority to make decisions and commit resources. The governance council relieves the CIO of the responsibility of solely managing competing and sometimes conflicting demands for services and resources to support individual program agendas. Another advantage is that once executive-level "buy-in" is secured through the council, internal resistance to approved projects tends to fade or disappear altogether. Moreover, external stakeholders such as control agencies should appreciate the fact that the information technology plan is aligned with the agency's overall strategy and that the approach is supported by the organization's top executives.

Currently, the CCTC has an IT Committee consisting of non-managerial staff from each division. Interviews with IT Committee members indicate that its goal and purpose is perceived differently between IMS and other staff. IMS staff indicated that the purpose is to solicit ideas from the CCTC staff. The CCTC staff indicated that they believe the purpose of the IT Committee is to provide IMS staff a forum to tell other staff what the IMS Section is planning to do with technology. Although the IT Committee conveys operational information, the IT Committee is not a good mechanism for

executive staff within the organization to cooperatively develop the IT vision for the organization.

Recommendation 4-2:

The CCTC should consider creating an executive-level information technology governance council to oversee the planning and utilization of information technology from an agency-wide perspective.

Finding 4-3: The CCTC's highly manual, paper intensive credential process increases cost and length of time to process applications.

The CCTC receives most of the required documentation for credential applications on paper. This documentation includes the application, letter of recommendation and transcripts. Additionally, most of the fees are paid by check and most of the fingerprints (70 percent) are submitted on paper. However, 100 percent of exam results are received electronically from the exam administrator.

The CCTC's current paper intensive application process requires manual effort by staff to prepare applications for the evaluation process. Specifically the CCTC's Cashiering Unit must take the following steps with most applications:

- open the mail;
- bundle the applications with the check(s);
- run an adding machine tape to total all of the funds received in the bundles;
- stamp the checks;
- separate the checks from the applications;
- write banking deposit slips for the checks;
- key data from the application into the CCTC's database known as CAS (Credential Automation System);

- print labels and affix them to some of the applications;
- bundle the applications; and
- transfer the applications to the Certification Support Unit where more clerical staff sort applications before they are finally submitted to the Certification Unit for review.

The highly labor intensive nature of the work and the multiple steps in the process increase the length of time and cost to process applications. Moreover, the chances of lost or misplaced documents increase each time an application is physically moved or handled by another person. Finally, keying data from the applications into CAS increases the chances of erroneous key data entry. The CCTC employs six personnel in the Cashiering Unit and another six in the Certification Support Unit to perform these tasks.

A widely accepted philosophy of data management is that data should only be captured one time, as close to the data source as possible. Applying this philosophy to the credential application means that the applicant would complete an electronic form on-line. The applicant would then electronically transmit the data to the CCTC where it would be entered into CAS with little or no human intervention. In the case of the CCTC, a number of information sources could be transmitted and entered into the CCTC's system automatically, thereby reducing the need for the CCTC staff to intervene and process the paper.

Applying the following technological solutions could reduce the number of human errors and decrease application processing time:

- Electronic submission of applications to the CCTC with an automated system to guide workflow could help alleviate the need for sorting, labeling, key data entry and physical movement of a paper application within the CCTC.

- Credit card or debit card payment of application fees, which the CCTC began accepting in December 1999, could reduce banking duties and is a widely accepted use of technology to speed payment and minimize processing costs.
- The electronic submission of fingerprints (Livescan) for background clearances could reduce the time spent collating and sending the paper fingerprint cards to the Department of Justice. Additionally, the electronic submission of prints results in an electronic response that could automatically populate the appropriate fields in the computer system.

While the opportunities for the electronic submission and processing of data hold the promise of savings in time and cost, not all of the CCTC's data needs are readily suited for electronic submission. For example, applicants' transcripts come from hundreds of colleges and universities both inside and outside of California. These IHEs do not have a standard format for their transcripts, making it difficult for the CCTC to receive them electronically. While there is currently an attempt to create a standard for the electronic transfer of student transcripts known as SPEEDE (Standardization of Post-secondary Education Electronic Data Exchange), the standard is not widely accepted or utilized. As a result, the CCTC may not be able to cost-effectively transition all of its application data to an electronic form in the short term.

The CCTC began considering opportunities for the electronic submission of data before we began our review. Specifically, the CCTC's information technology strategic plan mentions several concepts such as automated status inquiry response and electronic application submission. Although these concepts are not well developed in the current plan, it is clear that the CCTC was proactively considering such options.

It is important to note that the CCTC will need to upgrade its database and web site capabilities in order to transition to electronic submission and processing of data. It is also important to note that the CCTC is dependent upon the control agencies and the Legislature for approval and funding of enhancements to its technology.

Recommendation 4-3:

To better manage its workflow, the CCTC should pursue several possible technology solutions:

- The use of a web-based (or other suitable technology) function that would allow applicants to complete and submit their applications electronically;
- Expansion of the electronic payment of credentialing fees via credit card or debit card;
- An electronic interface between CAS and the Department of Justice to facilitate the automatic submission and update of background clearance results; and
- Other electronic data interchange opportunities to improve its processes and reduce the time and cost to process applications.

Finding 4-4: IMS stopped programming CAS to reduce errors.

The Credential Automation System (CAS) currently has limited on-line editing functions built into the application. On-line edits notify staff when an error was made and requires staff to correct the error before proceeding, thereby reducing errors on final documents.

In many cases, as the Quality Control Unit prepares documents for mailing, it identifies the errors before the credential leaves the agency. Until recently, the IMS, Certification and Quality Control Units worked together to identify errors so that IMS staff could program CAS to perform additional on-line edits. As a result, error rates are fairly low for credential documents.² According to the Division Director, programming additional on-line edits was suspended due to resource limitations and program management's priorities.

² Section Error Percentage Report provided to MGT on January 6, 2000 shows approximate error rate of 3.2 percent for July through November 1999.

Recommendation 4-4:

The IMS, Credentialing and Quality Control Units should identify the errors that occur most often. Based upon the information gathered, these units should determine whether an on-line edit would eliminate the error, and, if so, program the edit routine into CAS.

Finding 4-5: The CCTC does not have a replacement plan for its information technology equipment.

Although the CCTC recently obtained a substantial number of new minicomputers, it has not developed an equipment replacement plan. An equipment replacement plan identifies a proportion of the equipment (desktops, network and large centralized systems) to be replaced each year thereby allowing a predictable and sustainable equipment budgeting process without extreme peaks and valleys. Without a replacement plan, the CCTC will experience a large equipment expenditure when equipment becomes outdated and replacement is required.

The equipment replacement plan should identify when the CCTC plans to replace existing equipment and describe the guidelines that replacement equipment must meet. The guidelines should be flexible enough to allow a change in platforms, if necessary, to meet the changing business needs of the major divisions but continue to interface with the remainder of the CCTC's centralized systems.

Recommendation 4-5:

The CCTC should develop equipment replacement guidelines and implement an equipment replacement plan.

Finding 4-6: The CCTC does not have a training plan for agency staff.

The employee survey administered by MGT included a question relating to technology training. Specifically the survey asked, “When new technology is introduced, I receive the necessary training to make use of the technology.” Of those responding, 51 percent stated that they *Strongly Disagreed* or *Disagreed* with the statement.

Staff also provided responses to the open ended question, “In what ways can tools and technology improve the efficiency and timeliness of the teacher credentialing process?” The following are staff comments related to this question:

- (Need) training on the use of current equipment.
- Unfortunately no training was given and especially to staff that have never had a computer or email, the process has been very confusing and frustrating.
- They (IMS) need someone who specializes in Macintosh not someone who may be guessing how to fix something.
- (Needed) training for the computers.
- Training for the new G3's would be a great help. It's been requested repeatedly to no avail.
- More in-house training on equipment we have.
- They (computers) are not effective unless those who use them are given specific, and timely training in their use.
- An improvement in technology infrastructure and in staff training could speed up the (credentialing) process.

From these responses, as well as from the interviews with staff, it appears that staff are not satisfied with the existing level of technology training. In fact, IMS does not

have a training plan for the organization. Therefore, training occurs when IMS staff find a window of opportunity. Unfortunately, this means that the staff in business units receive very little advance notice of training sessions, resulting in lower than optimal attendance. As a result of a lack of adequate training, staff may not have the skills or knowledge to take advantage of the technology available to them.

Since the IMS Section may not have sufficient staff to provide training, the CCTC may choose to seek outside assistance to train its staff. The state's data centers provide basic software training for all state workers. Alternatively, the CCTC could hire a trainer, or the CCTC could contract with a vendor to provide training.

Recommendation 4-6:

The CCTC should take the following steps to address its information technology training needs:

- Survey the staff to determine the areas in which they need technology training to maximize the benefits of the technology currently available to them;
- Develop a training plan;
- Determine whether using external training vendors or in-house staff is most cost effective to provide on-going training;
- Provide timely training for any new technology introduced to the CCTC in the future; and
- Periodically reassess the staff's information technology training needs and methods of delivery and make necessary adjustments to the training plan.

Finding 4-7: The IMS Section needs to document its software applications.

The IMS Section management would like to have a back-up person to handle application maintenance for all major applications in case the primary person is not available to support the application. With increases in the types and amounts of

technology available at the Commission and an increasing complexity in the applications that support the technology, it may not be feasible for the IMS Section to have back-up personnel for each application. For some of the smaller, highly specialized applications, there might be only one person in the agency with the expertise to maintain the application.

By developing, implementing and enforcing documentation standards, the IMS Section can ensure that an individual with expertise in an application (either internal or external to the Commission) could read the documentation and in a reasonable amount of time be able to understand the application, correct software problems and continue to maintain the application. This recommendation will not reduce IMS staffing needs but it will allow the IMS Section to broaden its areas of expertise without jeopardizing its ability to operate and maintain its systems and applications.

Staff within the IMS Section should understand the “system” they are associated with, whether it is the local area network, the CAS, or section developed applications. Staff in the same area but not specifically with maintenance responsibility should be able to understand how the system operates and generally troubleshoot or isolate problems. Clearly, some critical systems such as CAS require dedicated back-up support. However, documentation will be the key for successful and continued maintenance of these critical computer systems.

As the Commission's divisions develop local and internal applications, the CCTC needs to create a system development methodology that provides a standard approach to development of custom applications. A system development methodology allows IMS to maintain control of application development processes but decentralizes the actual development of applications. By establishing standard application development guidelines, IMS staff can ensure that the technology within the agency remains

maintainable, while not necessarily assuming a direct maintenance responsibility. With the changes in technology being offered to the CCTC staff, more custom applications will be developed and implemented by staff other than IMS. Without established guidelines, these locally developed applications might not be maintainable and could cause conflicts with other agency applications.

Recommendation 4-7:

In contrast to attaining a back-up staffing capability for all applications, the IMS Section should establish strict guidelines and documentation standards for all major and minor systems.

5.0 CUSTOMER SERVICE

5.1 Chapter Summary

One of the CCTC's six strategic goals is to improve customer service. In 1999, the Certification, Assignment and Waivers (CAW) Division, which is the division with responsibility to evaluate applications and respond to customers, took numerous steps to improve customer service, especially accessibility. These steps included doubling the time staff is available to answer telephone inquiries, establishing a toll-free telephone number, expanding the number of telephone lines from five to 16, providing expanded application status data via an automated telephone system as well as continuing to respond to inquiries via email and fax.

The Institutes of Higher Education (IHEs), County Offices of Education (COEs) and school districts indicated in response to MGT's survey that they are satisfied with the overall level of service they receive from the CCTC. Customers complained most about the difficulty associated with understanding the appropriate criteria for a particular credential. Some customers said that the documents the CCTC provides to explain credential criteria are very difficult to comprehend. The CCTC should recast its Credential Information Alerts, Leaflets and Coded Correspondence so that customers can understand them better.

The primary type of request from customers via telephone calls, faxes and emails is to check on the status of an application. Over 6,018 hours per year are spent responding to status inquiries. In order to increase accessibility while not redirecting staff away from processing credentials, the CCTC should develop alternative methods to provide credential status information to its customers. By making application status information available electronically and assuming only 50 percent compliance, the CCTC

could free up to about 3,000 hours annually that could then be redirected to processing applications.¹

5.2 Background

The CCTC's customers include individual applicants, 78 IHEs, about 1,100 school districts and 58 COEs. The school districts, IHEs and COEs interact with the CCTC more frequently than individual applicants since these entities submit applications to the CCTC on behalf of their students and employees.

The CAW Division's primary responsibility is to review and either issue or deny applications for public teaching and service credentials. In addition to evaluating applications, CAW staff respond to telephone, fax and email inquiries; develop documents to explain credentialing criteria; and organize workshops to help train credential counselors at school districts, COEs and IHEs how to evaluate candidates for credentials. CAW has 20 Staff Services Analysts (SSAs) and eight Program Technicians (PTs) approved positions to process credentials and respond to customers' questions. Three supervisors oversee these 28 staff. In FY 1998-99, there were at least 3 vacancies at any one time. In FY 1998-99, CAW responded to 19,121 emails², 7,075 visitors³ to its offices, 48,288 phone calls,⁴ 19,200 fax lookups⁵ and 8,140 pieces of correspondence.⁶

Beginning in 1999, CAW initiated major efforts to improve the level of customer service by increasing the use of technology and reassigning CAW staff to respond to

¹ See workload data on page 5-9 for further details.

² Email statistical reports provided by the CCTC dated January 8, 1999 and December 6, 1999.

³ Information Services Certification Walk-in Totals Report provided by the CCTC on February 10, 2000.

⁴ Information Services Phone Tally provided by the CCTC. No date.

⁵ Credential Handbook, page I-A-1, dated July 1999 indicates 80/day. Assume 240 working days in a year.

⁶ Cashier Report dated June 30, 1999, page 2.

customer inquiries. In October 1999, the CCTC upgraded its Interactive Voice Response (IVR) telephone system. The automated system answers basic credential status questions, such as when the CCTC received the application and the approximate time it will take before applicants can expect to receive their credentials, as well as enabling callers to order forms. For more complex questions, callers may access staff. The CCTC doubled the hours staff are available to answer calls in the Call Center with four staff dedicated to answer telephone calls throughout the day. The staff are experienced SSAs with a thorough understanding of credential laws and procedures and can answer most credential-related questions.

In addition to its own internal initiatives, CAW sponsored a meeting of field representatives on April 16, 1999, to solicit input on improving its customer service. Several recommendations such as reducing the need for documentation to be forwarded to the CCTC (professional growth forms) have been implemented while others are being analyzed to determine implementation strategies.

5.3 Findings, Commendations And Recommendations

Finding 5-1: CAW has improved customer satisfaction and continues to work toward implementing customer-driven solutions.

The CCTC has undertaken several efforts to measure customer satisfaction. In June 1996, the CCTC conducted a survey of its 2,300 external customers including IHEs, COEs and school districts (the survey excluded applicants). About 24 percent, or 546, responded. The survey focused on the effectiveness of specific communication methods such as the telephone, documents, correspondence, workshops and the web site. Overall, external customers gave the CCTC a 3.7 rating out of a high of five possible points. However, the respondents overwhelmingly rated the telephone service as poor due to the inconsistent information provided by staff, long wait periods and

frequent busy signals. Although only six percent of respondents indicated that they had used the CCTC's web site, those who had seen it wanted the site to provide more information.

In late 1999, MGT conducted a customer service survey of the CCTC's external customers including IHEs, COEs, school districts and applicants. Approximately 500 surveys were sent to the school districts, COEs and IHEs while another 500 were sent to applicants. Of the IHEs, COEs and school districts, 126, or about 25 percent, returned the surveys. Only 40 of the applicants, or about eight percent, returned the surveys. The respondents generally indicated satisfaction with the CCTC. Particular responses of note include the following:

- 78 percent of the *IHEs, COEs and school districts* are highly satisfied or extremely satisfied when rating overall satisfaction with the CCTC.
- 68 percent of *applicants* are highly satisfied or extremely satisfied overall with the CCTC.
- 52 percent are either highly satisfied or extremely satisfied with the user-friendliness of the CCTC's web site. However, 11 of 16 respondents who provided written comments indicated that they seldom use the site's data.
- Written comments generally conveyed a belief that the CCTC staff is friendly and responsive. If staff could not answer a question, they generally found someone else who could. However, of the 17 respondents who chose to provide comments, 11 complained about getting inconsistent and incorrect information from the CCTC staff over the phone.
- The CAW Division was rated highly for its prompt service. In the responses from applicants, over half of the respondents were satisfied or extremely satisfied with the promptness of responses.

In 1999, CAW met with various stakeholders to discuss its performance and to assess customers' needs. In response to the stakeholders' input, CAW developed Standards of Service⁷ to assist staff in providing better service to customers. The Standards of Service include:

⁷ Report on Standards of Service for the CAW Division, September 1999.

Information Distribution

- Callers will wait “on hold” no more than five minutes.
- Callers will receive accurate information from courteous operators.
- Faxes will be answered within 24 hours.
- Electronic mail will be answered within 48 hours.
- Postal mail will be answered within two weeks.
- Applicants using the public counter will be served promptly, but within 20 minutes.
- Callers will incur no toll charges when calling the CCTC for information.

Credential Processing

- First time applicants who apply directly to the CCTC will have their applications processed within 30 working days.
- Renewals will be processed within 10 working days.
- All other applications will be processed within 60 working days.
- Applicants will have convenient payment options available when submitting their application.

Appeals and Waivers

- Waivers will continue to be processed in a way that separates procedural issues from policy issues.
- Staff will continue to present timely analyses that assist the Commission with preserving high teaching standards while balancing the need for local school districts to cope with the statewide teacher shortage.

The CAW Division intends to conduct a comprehensive customer needs assessment that will identify and prioritize the needs of its customers.⁸ The results of the customer needs assessment will be used to prioritize its resources and institute an Annual Report on customer satisfaction.

⁸ CCTC Newsletter Fall 1999, page 8.

Commendation 5-1:

The CAW Division should be commended for taking the initiative to improve customer service.

Finding 5-2: The CAW Division has made customer service and responsiveness a top priority, contributing to increased application processing time.

Since receiving poor customer ratings in 1996, the CCTC as an organization has taken action to improve customer service beginning with making it one of the six agency business goals. In 1999, CAW made major organizational, technological and procedural changes to improve customer service. These changes included:

- Increased the time that certification staff are available to answer telephone inquiries from four hours to nine hours per day beginning in January 1999;⁹
- Increased the time that the public counter is available by 30 minutes per day in January 1999;¹⁰
- Streamlined the menu choices and narrative for the IVR system in October 1999;
- Implemented a toll-free telephone number beginning October 8, 1999;¹¹
- Expanded the number of incoming telephone lines in the call center from five to 16 in October 1999;
- Provided more detailed application status information via the automated telephone system beginning in December 1999;
- Eliminated the need for submission of the professional growth record beginning in October 1999; and
- Accepted credit card payments beginning in December 1999.

⁹ Memo from Don Currier, CAW Division Director, to Interested Parties, dated October 28, 1999.

¹⁰ Memo from Don Currier, CAW Division Director, to Interested Parties, dated October 28, 1999.

¹¹ BCP #3 of FY 2000-01, page 1.

When implemented for a full fiscal year, these customer service improvements will re-direct an additional 4,920 hours from credential processing to customer service activities.¹²

The CAW Division evaluated the need to improve customer service and the need to process credentials within the regulatory limit of 75 working days¹³ and developed a method to achieve both within the current staffing restraints. The CAW Division improved customer service and met the 75-day processing deadline by prioritizing those applications needed by applicants to retain or obtain a teaching position. As a result, applicants needing a credential for employment purposes should not have been denied employment since the CCTC processed their applications well within the 75-day ceiling. However, in November and December 1999, it took the CCTC around 75 working days to process all other applications. Thus, the CCTC does not have resources to redirect toward additional customer service initiatives without jeopardizing its ability to meet the 75-working-day requirement for the other applications. Additionally, the same regulation requires the CCTC to notify applicants within 45 working days if the application is incomplete. Since the CCTC is taking up to 75 working days to approve or deny some applications, the CCTC has been unable to meet this regulatory requirement. It should be noted that there were no complaints about the length of time it took the CCTC to reject applications.

Changes implemented by CAW better serve customers but result in decreased staff time to evaluate credentials, thereby extending the time it takes to process most credentials. Given the current impact of customer service initiatives and increasing

¹² Derived from increased telephone time of five hours for each of four staff equaling 20 hours/day for 12 months. Additionally 30 extra minutes for one staff person per day availability on the front desk for 12 months.

¹³ California Code of Regulations, Title 5, Section 80443.

application volume on processing time, the CCTC cannot afford to redirect staff to additional customer service initiatives without further violating state regulations.

Recommendation 5-2:

Before implementing additional customer service improvements, the CCTC needs to quantify the amount of time these improvements will detract from credential processing to ensure that it has sufficient resources to meet both priorities before implementing the change.

Finding 5-3: The CCTC should expand the functionality of its web site.

The CCTC currently uses its web site to distribute information such as Commission agendas, coded correspondence, its newsletter, the Credential Handbook and information on exams. However, applicants currently cannot view the status of their credential applications. The CCTC's customers currently use and want to continue using the web site. Between its inception in January 1996 and January 30, 1999, the site received about 316,000 visitors,¹⁴ known as "hits." In January 1999, the site averaged about 410 hits per day. Thus, the CCTC annually receives about 100,000 hits on its web site.

The CCTC plans to use its web site to receive applications for certain credential types. Over half (52 percent) of the applicants responding to MGT's survey indicated that they would prefer to submit their applications via the Internet, and 60 percent have access to the Internet. Submission of applications through the CCTC's web site would enable the CCTC to provide another convenience to customers.

¹⁴ Data provided by the CCTC to MGT on January 30, 1999.

If the CCTC is going to expand the functionality of its web site, it should provide credential status data for its customers so that staff who currently spend time responding to credential status inquiries could process applications. During FY 1998-99, the Certification Unit, which is responsible for issuing credentials, spent 20 percent of its time, or 12,872 hours, responding to customer inquiries regarding credentialing requirements and status data.¹⁵ Customers made these inquiries via telephone, email, written correspondence or fax look-up requests.

Since the increase in staff time available on the telephones did not occur until mid-way through the fiscal year (in January 1999), FY 1998-99 data only represented the impact on six months of the year. Additionally, not all of the inquiries are of the nature that they can be responded to electronically. Therefore, to calculate how much staff resources telephone, fax and email services consume in one fiscal year, we made projections based on FY 1998-99 data and extrapolated for a full fiscal year. Responding to these inquiries will probably require about 6,018 hours annually.

- About 37 percent of the telephone calls received in the Call Center were status inquiries. These calls will consume 3,197 hours.¹⁶
- An additional 432 hours will be needed to respond to the fingerprint background check status inquiries.¹⁷
- Over 797 hours will probably be required to respond to the 19,121 emails.¹⁸

¹⁵ Derived from Personnel Accounting System (PAS) Report for FY 1998-99.

¹⁶ Information Services Phone Tally for August 1998 through September 1999. Thirty-seven percent of a 9-hour day multiplied by the 4 staff answering the phone results in 13.32 hours per day, or about 3,197 hours per year, assuming 20 working days in each month.

¹⁷ Information Services Phone Tally for August 1998 through September 1999 indicates that on average, 5 percent of the time is spent answering fingerprint status inquiries. Assuming 4 people working a total of 9 hours per day and 20 days per month results in 432 hours annually being spent on this task.

¹⁸ Internet Email Statistics Reports dated January 8, 1999 and December 6, 1999. Although statistics are not kept on what customers requested via email, Office Technicians responded to about half of the emails with the balance being forwarded to SSAs for response. Since an Office Technician responded to one-half the emails, one might conclude that that these inquiries are status checks or form requests since more complicated questions require a more thorough knowledge of the credentialing process, which generally only SSAs possess. Estimating that it takes approximately 5 minutes to respond to each email, it would take 1,593 hours. $1593/2 = 797$.

- It will probably take 1,592 hours to respond to the 19,200 fax look-ups.¹⁹

In total, about 6,018 hours are consumed annually providing status checks via email, fax and the telephone. If the web site enabled customers to find out the status of their applications and to the degree that customers used it in this way, a large proportion of these hours could be redirected toward application processing. Clearly, the CCTC will need approval from the control agencies and the Legislature to enhance its web site to provide this information.

Recommendation 5-3:

The CCTC should provide application status information via its web site to reduce staff time spent answering inquiries and to enhance customer service.

Finding 5-4: Information distributed by the CCTC is difficult to understand and may lead to incorrectly completed applications.

Both in the 1996 and 1999 survey responses, IHEs, COEs and school districts indicated that the information distributed by the CCTC is sometimes confusing and often voluminous. One respondent said the application was written for a lawyer, not a teacher. Leaflets are written in regulatory language and presented in a way that makes them difficult to understand. Appendix H provides an example of the complexity of a leaflet. Several respondents to MGT's survey said that the documents were written using too much legal language. Additionally, although the web site has a great deal of information, it is not clear where to find relevant credential information, especially if the visitor is not conversant in the CCTC's terminology. The CCTC staff indicated that applicants often identify the wrong type of credential being sought and consequently submit applications with insufficient or incorrect data. As a result, staff must spend time

¹⁹ Credential Handbook, page I-A-1, July 1999 indicates 80 received per day.

explaining criteria over the telephone and return about 16,200 applications²⁰ annually that contain incomplete or incorrect data.

Recommendation 5-4:

The CCTC should redesign its forms and leaflets to increase customer comprehension and use common terminology, which should reduce the number of inquiries to the CCTC as well as the number of errors on applications.

²⁰ Cashier Report for FY 1998-99 dated July 1, 1999.

6.0 STAFFING

6.1 Chapter Summary

The California Commission on Teacher Credentialing (CCTC) has 28 approved positions that evaluate and process credential applications. In fiscal year (FY) 1998-99, there were at least three vacancies at any one time. Only 31 percent of their time is dedicated to processing credentials. The remainder of their time is spent on other activities such as customer service (20 percent), training (14 percent), vacation and sick leave (12 percent), as well as other miscellaneous activities. Therefore, the CCTC will need 4 additional staff to process the current volume of credential applications assuming the CCTC continues to utilize its staff as it did in FY 1998-99. Also, the CCTC's timeliness and success in implementing some of our recommendations that would recover staff hours and make them available for other activities, such as processing credentials, will affect the staffing requirements.

Within this chapter we review the major findings that potentially impact staff levels. For example, we identified a number of processing efficiencies that could result in 8,614 to 14,543 more available hours from existing staff. Assuming that staff members work 2,080 hours per year (40 hours per week x 52 weeks per year), approximately 4 to 7 personnel years could be generated through these modified processes. The reader should note that this calculation is based on full, successful implementation of a number of recommendations, and that these hours represent potential benefits of future business practice changes that will take time to implement before realizing any savings.

Finally, we discovered that not all staff record time in the Personnel Accounting System (PAS), resulting in the CCTC's inability to calculate time spent on different

processes. By increasing the use of PAS, the CCTC management would have more accurate data upon which to make personnel decisions and to gauge the impact of policy changes.

6.2 Background

The CCTC had 190 authorized positions as of October 1, 1999.¹ The Certification, Assignment and Waivers (CAW) Division has 77.5 positions that staff numerous units: Cashiering, Certification Support, Certification, Microfilm/Fingerprinting and Quality Control. The Certification Unit has 28 staff who actually evaluate applications and three supervisors who review their work.

In FY 1998-99, 19,583 hours were devoted to credential processing. An additional 12,872 hours were spent responding to customer inquiries.² In FY 1997-98, staff spent 21,802 hours processing credentials and 11,011 hours responding to customer inquiries.³

6.3 Findings, Commendations and Recommendations

Finding 6-1: CAW staff levels did not meet the workload demands for FY 1998-99.

The current configuration and utilization of CAW staff does not provide enough hours processing applications to keep pace with the volume of incoming applications. As shown in Exhibit 6-1, the backlog of applications awaiting processing has more than doubled over the last 18 months.

¹ CCTC Organization Chart dated October 1, 1999.

² Personnel Accounting System (PAS) Report for FY 1998-99.

³ Personnel Accounting System (PAS) Report for FY 1997-98.

EXHIBIT 6-1

BACKLOG OF CREDENTIAL APPLICATIONS

	June 30, 1998	June 30, 1999	December 31, 1999
Backlog of Credential Applications ⁴	26,043	37,518	59,579

Although CAW has 77.5 approved positions, only 28 of these positions, known as Staff Services Analysts (SSAs) and Program Technicians (PTs), actually evaluate applications. The remaining positions evaluate waivers, produce reports and perform cashing, certification support, quality control, fingerprint, microfilm and supervisory functions.

In order to assess the staffing needs for evaluating credential applications, we analyzed the work of the Certification Unit, the primary CAW unit responsible for issuing teacher credentials. Using data from the CCTC's timekeeping system, we found that in FY 1998-99 only 31 percent of the Certification Unit staff time was dedicated to processing credentials. As shown in Exhibit 6-2, customer service consumes 20 percent of Certification Unit staff time and training takes up another 14 percent. As noted in Chapter 5.0 on customer service, the CCTC made a policy decision in 1999 to redirect staff from processing applications to provide increased customer service in other areas. Moreover, as noted in Chapter 3.0, the CCTC utilizes a very time consuming and costly training program for its Certification Unit staff. The net effect of these two factors is reduced time available to process credentials. In FY 1997-98, approximately 38 percent of Certification Unit staff time was devoted to processing credentials compared to only 31 percent in FY 1998-99.

⁴ CAS Licensing Workload Status Reports.

EXHIBIT 6-2

ALLOCATION OF CERTIFICATION UNIT STAFF TIME
DURING FY 1998-99

TASK	PERCENT OF TIME
▪ Credential issuance	31
▪ Customer service	20
▪ Training	14
▪ Vacation	8
▪ Other	6
▪ Supervision	5
▪ Sick leave	4
▪ References (Procedures writing)	3
▪ Workshops	3
▪ Waivers	2
▪ Assigned tasks	2
▪ Staff development	2
Total	100

Using the current allocation of staff time derived from the CCTC's timekeeping system, we estimated that each of the 28 SSAs and PTs can devote approximately 645 hours per year to processing credentials.⁵ Next, we analyzed the number of credentials actually processed during FY 1998-99. We found that the CCTC actually processed an average of 10.1 credentials⁶ for each hour devoted to the activity. Therefore, we can calculate the CCTC's capacity to process credentials as follows:

⁵ 31 percent of 2,080 hours.

⁶ 198,397 applications processed divided by 19,583 hours charged to credential processing equals 10.1 credentials per hour per staff person.

Number of hours annually devoted to credential processing per staff:	645
<i>Multiplied by-</i> Average number of credentials processed per hour:	<u>10.1</u>
<i>Equals-</i> Number of credentials processed by each staff:	6,515
<i>Multiplied by-</i> Number of SSAs and PTs processing credentials:	<u>28</u>
<i>Equals-</i> Estimated annual capacity to process credentials:	<u>182,420</u>

As shown in the preceding calculation we estimate that the CCTC can process approximately 182,000 credential applications with its current staff. It is important to note that the estimated capacity is based upon the CCTC's current allocation of resources and method of processing credentials, including redirection of staff to perform additional customer service responsibilities. Changing the way staff are used would impact this calculation. It is also important to note that the CCTC actually processed 198,397 credential applications⁷ during FY 1998-99, exceeding our estimated capacity. We believe that the increased production is attributable to the use of overtime, staff from at least one other division and supervisors assisting in credential processing. Nevertheless, the CCTC received 209,000 applications during FY 1998-99 thereby adding approximately 11,000 applications to the growing backlog. If the CCTC continues to allocate its staff resources as it did in FY 1998-99, with 31 percent of staff time spent processing credentials, then it will need an additional one staff person for every 6,515 applications above 182,420. Using that formula, in FY 1998-99, the CCTC

⁷ CAWD Production Report dated November 18, 1999 reflects 221,117 credentials processed. However, waivers and Certificates of Clearance are not processed by these staff so they must be subtracted. Waivers totaled 6,599 and Certificates of Clearance totaled 16,121 (per report produced by the CCTC on February 10, 1999). Therefore the total is 221,117 – 6,599 – 16,121 = 198,397.

had enough applications to warrant four additional staff. Application volume for the first seven months of FY 1999-2000 is 21 percent greater than the same months in the preceding fiscal year, leading one to conclude that the CCTC will continue to need additional staff.⁸ However, since the CCTC will not be training 10 new staff in FY 1999-2000, one could assume that less time will be spent in training and thus more than 31 percent of staff time could be devoted to processing credentials. If that materializes and processing credentials increases to the rate of 38 percent realized in FY 1997-98, the CCTC could process an additional 41,289 credentials above 182,420 per year without additional staff.⁹

Recommendation 6-1:

The CCTC should monitor its staff utilization, production capacity, and credential application volume to determine whether it has sufficient resources to fulfill its responsibilities. Assuming the CCTC continues to allocate staff time as it did in FY 1998-99, the CCTC should request an additional staff position for every 6,515 applications above 182,420. However, this number will need to be modified as training time is reduced and a greater percentage of time is devoted to credential processing.

Finding 6-2: CCTC may recover between 8,614 and 14,543 hours through changes designed to improve the efficiency of processing credentials once all of the recommendations have been fully implemented.

MGT has made numerous recommendations throughout this report regarding improvements or changes to processes that could impact staffing. Unfortunately, we

⁸ CAWD Production Report dated February 11, 2000.

⁹ An additional seven percent of a 2,080 hour work year = 146 hours per staff multiplied by 28 staff = 4,088 hours, or 41,289 applications processed at 10.1 per hour.

could not calculate the precise number of hours these changes may generate because detailed work measurement data was not always available. In many cases, the proposed changes could free-up hours that could then be devoted to other high priority activities. The recommendations included in this report that could impact staffing are summarized below, including projected potential impact to personnel hours.

- In Chapter 3.0, we discussed eliminating the renewal requirement and in Chapter 4.0 we discussed developing on-line renewal capabilities. Both recommendations would have the effect of reducing the PT staff time required to handle renewal applications. Given that the CCTC processed between 34,300 and 94,183 renewal applications during 1997-98,¹⁰ eliminating or automating renewals would enable the CCTC to recover between 3,396 and 9,325 hours annually.¹¹
- In Chapter 5.0, we recommended that the CCTC consider expanding the functionality of its web site to respond to inquiries regarding the status of an application. The CCTC used approximately 6,000 hours in FY 1998-99 responding to routine questions via email, fax lookup and telephone. Assuming a web site or other automated means could address just 50 percent of those inquiries, we estimate that the CCTC could recover up to 3,000 hours of staff time.
- As we discuss in Chapter 3.0, the CCTC has a very costly and time consuming training program for its Certification Unit staff. These 29 staff spent approximately 8,872 hours training during FY 1998-99. We recommended a variety of approaches to improving the training program and potentially reducing the time devoted to training. Assuming these efforts reduce the number of hours devoted to training by just 25 percent, we estimate that the CCTC could recover up to 2,218 hours per year.

It is important to note that staff savings are realized only after each recommendation is fully implemented. Moreover, the savings are based upon several assumptions and estimates. Therefore, the actual savings realized from our recommendations could vary

¹⁰ CCTC Credential Profile for Fiscal Year 1997/98 dated September 30, 1998.

¹¹ 34,300 renewal applications/10.1 applications processed hourly per staff = 3,396 hours.
94,183 renewal applications/10.1 applications processed hourly per staff = 9,325 hours.

from our estimate. It is important to note that most of these recommendations, such as deploying a web site that enables applicants to automatically obtain application status data, may take a year or more to implement. Moreover, the CCTC may need to invest additional staff time and money to implement some of our recommendations.

Recommendation 6-2:

The CCTC should consider the potential impact on staffing when deciding whether to implement the recommendations included in this report. In particular, the CCTC should focus on those recommendations that could recover hours that could be redirected to other high priority activities such as processing credential applications.

Finding 6-3: The CCTC does not require all staff to record how they spend their time.

In June 1998, the CCTC fully deployed the Personnel Accounting System (PAS) which provides a means for staff to record their time against various activities and functions. All staff in the CAW Division are required to record their time in PAS. As a result, we were able to use this information to understand how staff within CAW use their time and perform critical analyses regarding CAW's workload and its capacity to meet that workload. CAW should be commended for taking the initiative to gather important information about how it is employing its staff resources. Unfortunately, CAW is one of the few divisions that require staff to record their time in PAS. Because use of the system is not mandatory, many units and divisions have opted out of the system. Consequently, we were unable to perform any meaningful analyses of staffing levels for any of the divisions outside CAW. Moreover, CCTC management does not have the

information it needs to assess workloads and staffing levels of the various divisions within the CCTC.

While we believe accounting for staff time is an important management tool, PAS is just one option that the CCTC may wish to consider. Specifically, staff who perform a wide variety of functions on a daily basis should utilize a system like PAS. However, staff who perform the same functions routinely may utilize a less detailed system. For example, such staff could periodically (e.g. quarterly) record time spent on various activities and functions and use that sample as a means of projecting their time spent on various activities over a period of time. Other staff who are dedicated to one activity only may not have a need to keep detailed records of how they spend their time if they are always performing the same function.

Recommendation 6-3:

The CCTC should require all divisions to maintain records on how staff spend their time to assist in assessing workload and staff utilization and to facilitate budgetary and strategic planning.

7.0 FEE STRUCTURE

7.1 Chapter Summary

Individuals applying for teaching credentials currently pay a \$60 fee for most credential types. As part of this review, the Legislature requested an analysis of whether the \$60 fee is appropriate and what options exist to change the fee's structure. During our analysis, MGT examined the fee from three different perspectives and concluded that the \$60 fee appears to be appropriate.

However, during the course of this analysis, we discovered that the CCTC does not capture detailed expenditure data that would allow the CCTC to identify how much it spends on fixed and variable costs. Having such data would enable the CCTC to develop tools to forecast future costs. Since the credential fee is designed to cover the CCTC's operating expenses, the ability to predict future operating expenses would enable the CCTC to set credential fees more accurately in relation to projected application volumes.

In addition to analyzing the appropriateness of the current fee, we also identified alternatives to the current fee structure. One alternative is to remove the costs associated with accrediting teacher preparation programs at Institutes of Higher Education because this function, one could argue, has the least direct link to the applicant. The other alternative eliminates the revenue from certain types of credential renewals. This alternative builds upon the recommendation made in Chapter 3.0 in which we recommend that the Legislature should determine whether the current renewal provides value to the public, and if not, eliminate it.

During the course of this fee structure analysis, we found two issues that should be addressed. First, the statutory language describing the CCTC's acceptable reserve

level is vague and therefore subject to interpretation. As a result, some stakeholders have interpreted the language differently and believe that the CCTC's current fund balance is inconsistent with statutory provisions. To resolve this issue, the Legislature should clarify the intent behind Education Code Section 44234(b). Second, we found that the Department of Finance has not performed its annual review of the CCTC's rates since 1994 and should resume this practice of recommending an appropriate fee level to the Legislature.

7.2 Background

Individuals seeking a teaching credential pay several associated costs. Currently, credential fees are \$60 for most credential types. Applications for Day-to-Day Substitutes cost \$55. In addition, applicants pay a \$56 fee to have fingerprints processed by both the Department of Justice and the Federal Bureau of Investigations. Finally, applicants must take certain examinations to qualify for teaching credentials. Applicants pay examination fees directly to exam administrators.

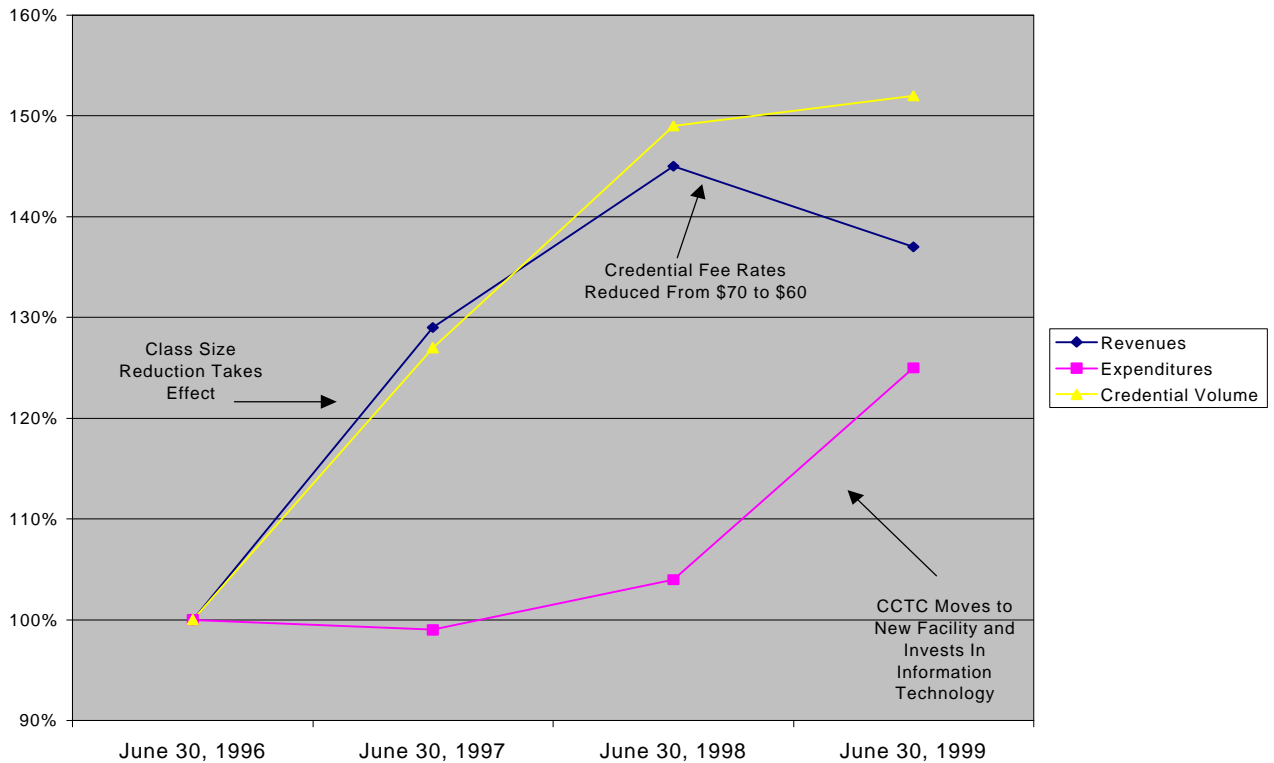
The credential fee not only covers the actual costs of processing a credential but also supports all of the other state operations at the CCTC. The Legislature established the current credential fee in October 1998. Prior to that the fee was \$70, established in 1994. The *1999-00 Budget Act* provides \$1.5 million from the General Fund to pay for the credential fees for first-time applicants.

The *1999-00 Budget Act* also specifies that this study shall include recommendations for an appropriate credential fee structure. Our analysis is intended to answer the question of what amount the CCTC should charge for its credential to cover its state administration costs. To understand our analysis, it is informative to examine the recent trends in the CCTC's revenues, expenditures and fund balances.

As shown in Exhibit 7-1, revenues grew dramatically as a result of the 1996 Class Size Reduction initiative, which increased credential volume substantially in the fall of 1996. While the volume of applications and the corresponding revenue grew rapidly, expenditures did not increase significantly until early 1999 when the CCTC moved to a new facility and began substantial information technology investments.

EXHIBIT 7-1

FIVE-YEAR REVENUE, EXPENDITURE, CREDENTIAL VOLUME, AND FUND BALANCE TRENDS



Fund Balances: \$971,000 \$2,848,000 \$5,867,000 \$5,654,000

Another significant factor that affected the revenue trends shown in Exhibit 7-1 was the reduction of the credential fee rates from \$70 to \$60 in October 1998. As a

result, the CCTC's total revenues actually decreased from FY 1997-98 to FY 1998-99 while the credential volume continued to increase. The CCTC's fund balance grew dramatically in FYs 1996-97 and 1997-98 when the number of credential applications increased. During the same period, the CCTC's expenses remained relatively unchanged. It was not until FY 1998-99 when a decrease in the credential fee combined with increased expenditures resulted in a slight decline in the CCTC's fund balance.

7.3 Findings, Commendations and Recommendations

Finding 7-1: The current credential fee level of \$60 appears reasonable and appropriate based upon historical information.

MGT used three different methods to examine the reasonableness of the credential fee. The first means to determine whether the credential fee level is "appropriate" is to monitor the change in the CCTC's fund balance, which reflects revenues in excess of expenditures. If the fund balance increases over several years, the fees are probably too high. If the fund balance decreases over several years, the fees are probably too low. In FY 1996-97 the fund balance increased to \$2,848,000. In FY 1997-98, the fund balance increased to \$5,867,000.

In October 1998, the fee was reduced by \$10 and the fund balance only decreased slightly. This demonstrates that the fee was probably too high in FYs 1996-97 and 1997-98 when the fund balance increased dramatically. Since the fund balance only dropped slightly (\$213,000) in FY 1998-99, the \$10 fee reduction appears to be appropriate.

A second simple method to determine the appropriate credential fee level is by setting the fee at a level where the total revenues of the CCTC equal total expenditures. In other words, the fee should be just enough to cover the CCTC's costs. Following this

simple logic, one can calculate the appropriate fee level by dividing total expenditures by the number of credential applications received to calculate the cost per credential. Exhibit 7-2 displays these calculations. The result for FY 1998-99 demonstrates that \$60 is an appropriate fee level.

EXHIBIT 7-2

EXPENDITURES, CREDENTIAL VOLUME, AND COST PER CREDENTIAL LEVELS

	FY 1996-97	FY 1997-98	FY 1998-99
Expenditures ¹	\$9,727,044	\$10,250,386	\$12,755,892
Credential Volume ²	168,030	197,269	200,825
Cost Per Credential	\$58	\$52	\$63.50

The third method to determine whether the \$60 fee is appropriate is to divide the change in fund balance by the credential volume to see how much “excess” the CCTC carried on a per-credential basis. This represents the amount that the fee should be changed for that fiscal year. Exhibit 7-3 shows these calculations.

¹ Expenditures are reduced by an amount equal to revenues that are passed through the CCTC to another agency such as the Department of Justice for fingerprinting fees. Source of data was Calstars Reports and Cashier Reports.

² Cashier Reports for FY 1996-97, 1997-98, and 1998-99.

EXHIBIT 7-3

**COMPARISON OF ACTUAL CREDENTIAL FEE LEVELS WITH THOSE
ADJUSTED FOR CHANGES IN THE FUND BALANCE AND CREDENTIAL
VOLUME**

	FY 1996-97	FY 1997-98	FY 1998-99
Increase (Decrease) in Fund Balance over Prior Year	\$1,877,000	\$3,019,000	(\$213,000)
Credential Volume	168,030	197,269	200,825
Actual Credential Fees	\$70	\$70	\$60 ³
Less The Increase (Decrease) In Fund Balance Divided By Credential Volume	\$11	\$15	(\$1)
Amount Fees "Could Have Been"	\$59	\$55	\$61

The three different methods used to calculate the appropriate fee level produced similar results. Each method confirms that the reduction in fees from \$70 to \$60 was appropriate. Moreover, each of the last two methods produced fee levels near the current fee level of \$60. Therefore, we can conclude that the \$60 credentialing fee appears reasonable and appropriate based upon historical information.

Recommendation 7-1:

The Legislature should maintain the credential fee at \$60 until the CCTC's fund balance changes sufficiently to warrant an increase or decrease in the fee.

³ Fee changed to \$60 in October 1998.

Finding 7-2: The CCTC does not capture detailed expenditure data to develop cost forecasting models.

In the previous section, we used historical data to determine the appropriate credential fee level. Ideally, one would use a combination of historical and forecasted data such as projected expenditures and application volume to estimate appropriate future fee levels. Using forecasted data is particularly important in view of the dramatic changes in application volume that the CCTC has experienced since FY 1995-96. To develop forecasting models, one relies on historical data about costs such as personnel, facilities and overhead. Unfortunately, the CCTC does not have detailed historical information regarding its expenditures for fixed and variable costs to develop forecasting models because they did not collect data in sufficient detail in the past.

Specifically, the CCTC has not determined which costs vary and by how much when application volume changes. In addition, the CCTC has not determined when fixed costs change as a result of fluctuations in volume. For example, the CCTC's facilities costs are fixed regardless of whether the CCTC receives 200,000 or 220,000 applications. However, if application volume increases to 300,000, the CCTC may need to rent additional facilities, thereby changing what was once a fixed cost to a variable cost.

The calculation of an appropriate fee level in the future can be complex because a number of variables could impact the calculation. The variables that must be taken into consideration in an analysis of fee levels include but are not limited to:

- Volume of credential applications;
- Credential fee levels;
- Fixed costs (e.g. facilities costs);
- Semi-fixed costs (e.g. staff costs);
- Variable costs (e.g. postage, printing, etc);
- One-time costs (e.g. equipment purchases, moving costs);
- Pass-through revenues (e.g. fingerprinting fees); and
- Miscellaneous revenues (e.g. overpayments, interest earnings, etc.).

Because the CCTC does not have detailed historical expenditure information and lacks an understanding of its fixed and variable costs, neither MGT nor the CCTC can accurately assess these variables and determine how changes in credential volume will affect costs in the future. Moreover, we cannot accurately predict an appropriate fee level for the future based upon projected revenues and expenditures. The lack of expenditure data also inhibits the CCTC's ability to predict estimated savings or document actual savings generated by changes in process or technology. This information would be most helpful to the CCTC when debating changes in the credential fees or advocating for budget change proposals with its control agencies.

Although the CCTC does not have the type of detailed historical expenditure information we believe would be helpful, the CCTC is typical of most state agencies. Specifically, the CCTC uses the state's CALSTARS financial reporting system which has somewhat limited cost accounting capabilities.

Recommendation 7-2:

The CCTC should begin collecting more detailed data on its costs to process applications to aid decisions related to organization finances and application fees.

Specifically, the CCTC should consider:

- Utilizing activity-based cost accounting or some other suitable methodology to account for and monitor the CCTC's costs;
- Establishing cost centers within the CCTC to account for the costs of specific activities or functions;
- Determining which costs are fixed and variable and how changes in credential volume affect those costs;
- Determining which activities drive or generate which costs;
- Allocating costs to the various cost centers based upon the activities that drive those costs;

- Utilizing the Personnel Accounting System or other suitable means of charging staff time to the various activities and cost centers within the CCTC;
- Designating cost center managers who are responsible for monitoring and controlling the costs within their cost centers;
- Using cost accounting data along with projections of credential application volume to estimate the fee level requirements for the future; and
- Using cost accounting data to quantify the CCTC's needs for the budget change proposal process.

Finding 7-3: Alternative fee structures could affect credential fee rates.

During the course of our review, we identified three different models for the CCTC's fee structure. The first model is maintaining the status quo. Under this model, the credential fees continue to support all of the CCTC's state administration activities.

The second model excludes the costs of accrediting IHEs' teacher preparation programs. During FY 1998-99, the CCTC spent \$950,000 supporting the accreditation program. The rationale behind this model is that institutional accreditation is one of the functions of the CCTC that one could argue has the least direct link to the applicant. About 12 years ago, the Legislature debated whether accreditation of IHEs should be paid for by applicants or the IHEs. The Legislature decided that applicants should bear the cost because it might appear as though the CCTC is not independent in its assessment of the IHEs if the IHEs are paying the cost of accreditation.

The third model is based upon an issue raised in Chapter 3.0. We recommended that the Legislature review the intent of the renewal process and decide whether to retain the current renewal process or eliminate certain types of renewals. Specifically, we noted that certain types of credentials do not even have professional growth requirements. Therefore, we questioned the value of requiring renewal of these credential types. Our third model is predicated upon no revenues received from

renewals that do not have professional growth requirements. During FY 1997-98, the CCTC received approximately 34,300 such credential renewal applications accounting for approximately \$2 million of revenue.

As shown in Exhibit 7-4, the cost associated with these three models varies from \$58 for the model eliminating the support for institutional accreditation to \$75 for the model eliminating the revenue from renewals. It is important to note a few caveats regarding this analysis. First, the models are based upon historical data only and have limited predictive capabilities. Changes in one or more variables associated with application processing could have an unknown impact on the calculation and ultimately the appropriate fee under that model. Second, the option of eliminating the support for institutional accreditation requires other revenue sources to support that activity. Presumably institutions receiving accreditation would pay accreditation fees or the state General Fund would provide support. Finally, the option of eliminating revenue from renewals could occur either through the elimination of the renewal requirement altogether or simple eliminating the fee associated with the renewal.

EXHIBIT 7-4

ALTERNATIVE FEE STRUCTURE MODELS

<i>Model</i>	<i>Formula</i>	<i>Cost per Credential for FY 1998-99</i>
Status Quo	All CTC expenses ⁴ divided by credential volume	\$63.50
Remove Institutional Accreditation Costs	All CTC expenses except those related to institutional accreditation divided by credential volume	\$58.74
Eliminating Certain Renewals	All CTC expenses less revenues from renewal applications that have no professional growth requirements divided by credential volume	\$75

Finding 7-4: The statutory language that describes the CCTC’s acceptable reserve level is subject to interpretation.

Education Code section 44234(b), which defines the CCTC’s reserve limit, may be interpreted differently depending upon who reads the statute. The CCTC interprets the language to allow its reserve to be up to 10 percent of the CCTC’s operating budget plus amounts for statutory mandates plus amounts for other changes to teacher credentials the CCTC believes are necessary. Others interpret the statute more narrowly to mean that the total reserve, including statutory mandates and other changes, cannot exceed 10 percent of the CCTC’s operating budget and therefore believe that the CCTC’s current fund balance is inconsistent with the statutory provisions.

⁴ Expenditures for each of the models are reduced by an amount equal to revenues that are passed through the CCTC to another agency such as the Department of Justice for fingerprint processing.

Education Code section 44234(b) states, "if at the beginning of any fiscal year the commission has unencumbered funds in an amount which is in excess of its operating budget, plus funds required to implement statutory mandates and other changes to teacher credentials, plus a prudent reserve, which reserve shall not exceed 10 percent of the total amount that the commission is authorized to spend in that fiscal year, as determined by the Department of Finance, the department shall recommend a reduction in credential or other fees whether fixed by statute or determined by this commission within limits fixed by statute, in an amount which will reduce any surplus funds of the commission." As shown in Exhibit 7-5, the CCTC's fund balance of \$5.6 million at the end of FY 1998-99 was approximately 36 percent of the CCTC's operating budget for that year.

EXHIBIT 7-5

COMPARISON OF FUND BALANCE TO OPERATING BUDGET

	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Operating Budget	\$12,897,000	\$12,722,000	\$13,378,000	\$15,637,000
10 Percent Of Operating Budget	\$1,289,700	\$1,272,200	\$1,337,800	\$1,563,700
Ending Fund Balance	\$971,000	\$2,848,000	\$5,867,000	\$5,654,000
Actual Percentage Of Operating Budget	8%	22%	44%	36%

Without clarification from the Legislature, varying interpretations of the statute will continue to contribute to misunderstandings regarding the reasonableness of the CCTC's fund balance and whether the fund balance is in accordance with state law.

Recommendation 7-4:

The Legislature should clarify the intent of Education Code Section 44234(b) with regard to an appropriate reserve amount for the CCTC or determine whether such a provision is needed.

Finding 7-5: The Department of Finance has not performed its annual review of the CCTC's rates since 1994.

As noted earlier in this chapter, one of the Legislature's requirements for this review of the CCTC was to determine an appropriate fee level due to concern with the continuously increasing fund balance. The Education Code already provides for a mechanism that could be very effective in determining the appropriate fee level on an annual basis. Specifically, Section 44235 of the Education Code requires the Department of Finance to annually review the CCTC's budget and recommend an appropriate fee level to the Legislature. However, the Department of Finance has not conducted such a review since 1994. The review process could become more important now that the CCTC has accumulated a relatively high fund balance.

Recommendation 7-5:

The Department of Finance should annually review the CCTC's budget and make a recommendation to the Legislature for an appropriate fee level as required by Section 44235 of the Education Code.

As the Department of Finance conducts its annual review to make its recommendation to change fees, it should consider the impact of frequent fee rate changes on the CCTC and its customers. Frequent fee rate changes could increase workload on the CCTC since forms will need to be changed and customers will need to be notified. Additionally, frequent fee rate changes may confuse customers.

8.0 CROSS-CUTTING ISSUES

8.1 Chapter Summary

During this study, MGT found a number of issues that impact the entire CCTC organization and will impact the successful implementation of the recommendations presented in this report if left unresolved.

One of these cross-cutting issues is the CCTC's strategic plan, which was initially developed in 1997. We found that the CCTC's strategic plan does not contain specific, measurable, action-oriented, realistic, and timely (SMART) objectives to meet the six goals outlined in the plan. Without a strategic plan that sets targets and provides clear implementation steps, the CCTC has no way to measure its progress toward its goals and does not have clear guidelines upon which to make decisions. We recommend that the CCTC revise its strategic plan to include SMART objectives to achieve the goals contained within the strategic plan.

In addition, we found that the CCTC managers do not always have information available to make decisions. While in some cases the CCTC collects data that assists managers, MGT noted a number of instances in which management data was unavailable. The CCTC also lacks an organization-wide performance measurement system, which would provide a means for the CCTC to determine how much progress it has made toward its goals. To address its information needs, we recommend that the CCTC expand and enhance its system of collecting data to assist management with decision-making.

Finally, we noted that staff rated communication between divisions and units as poor. In some cases, staff do not understand the roles and responsibilities of other divisions or units, hindering their ability to identify potential improvements and to

understand why the CCTC's business processes work in a certain way. The CCTC should encourage division directors and unit supervisors to provide information to staff about the CCTC as a whole to promote understanding of the entire organization.

8.2 Background

During the course of our review, MGT identified a number of issues that influence all aspects of the CCTC, including credential issuance and information technology and human resources. The findings described in the previous chapters occur in conjunction with the findings presented in this chapter. In order to maximize the effectiveness of the other recommendations, the CCTC will need to address these cross-cutting issues.

8.3 Findings, Commendations and Recommendations

Finding 8-1: The CCTC's strategic plan does not quantify its objectives or establish specific performance measures.

Strategic planning sets the direction for an organization or program. Strategic plans should produce a list of decisions required and action steps that guide an organization in what it does and why it does it. Managers should be able to refer to their organizations' strategic plans to guide decision-making.

In May 1997, the CCTC developed a strategic plan with six specific goals and 22 objectives to meet those goals. Staff then developed a high-level implementation plan for the strategic plan, including estimated completion dates. The implementation plan did not identify implementation steps or time frames for all objectives contained in the strategic plan.

The six goals that the CCTC adopted include the following:

- Promote Educational Excellence in California Schools

- Improve the Coordination Between Commissioners and Staff in Carrying Out the CCTC's Duties, Roles, and Responsibilities
- Improve Customer Service Provided by the Commission
- Increase Legislative Involvement of the Commission on Key Issues Relating to Educators in California
- Improve the Commission's Communication with its Stakeholders
- Work With Schools of Education, the Department of Education and School Districts to Assure Quality Teachers

In 1998, the Department of Finance (DOF) issued a Budget Letter requiring state departments to develop strategic plans¹ to demonstrate how agency goals linked to budgetary needs. The DOF's Strategic Planning Guidelines defined goals, objectives and performance measures as follows:

- *Agency Goals* – the desired end result. Agency goals should reflect the most important strategic issues for the organization as a whole;
- *Agency Objectives* – clear targets for specific action to fulfill the agency's strategic goals; and
- *Agency Performance Measures* – the quantified results to be achieved.

In September 1999, the CCTC published its *Strategic Plan Update For 1999* with the same goals and objectives identified as well as status reports for each of the specific implementation steps. Although the CCTC should be recognized for developing a strategic plan in 1997 before the Department of Finance required strategic plans, the 1999 version did not conform to the guidelines subsequently set forth by DOF.

Specifically, the objectives in the Strategic Plan neither clearly identify targets for action nor identify agency performance measures. For instance, Goal 2 is to "Improve the Coordination Between Commissioners and Staff in Carrying Out the CCTC's Duties, Roles and Responsibilities." An objective identified to accomplish this was to "Develop a

¹ Budget Letter 98-07 dated May 6, 1998.

plan of financial accountability so the Commission can exercise its fiduciary responsibility for the CCTC.” This objective does not provide clear targets for specific action nor identify quantifiable results to be achieved. The 1999 strategic plan reports that this objective’s status is “Ongoing; quarterly financial and periodic budget reports provided to Commissioners.” Because the strategic plan does not contain specific, measurable objectives, the CCTC cannot assess whether quarterly financial reports to Commissioners meets the goal.

The updated plan identifies tasks that the CCTC implemented for objectives that did not previously identify implementation steps. Although the CCTC may have taken steps, it is not clear that the objective was met. For instance, Objective 3.A. is to “Utilize technology more effectively.” The 1999 updated plan indicates that the CCTC has “implemented new network infrastructure, firewall (security) solution, file server, web server, upgraded desktop hardware and software, and expanded email in 1999.”² In this case, it is not clear whether these accomplishments met established objectives.

Recommendation 8-1:

The CCTC should develop SMART (specific, measurable, action oriented, realistic, and timely) objectives to achieve the goals contained within the Strategic Plan.

Finding 8-2: The CCTC managers do not always have information available to make informed decisions.

A data driven organization establishes a system or series of systems to gather and analyze a variety of data to assist staff and management to make decisions.

² Strategic Plan Update for 1999, dated September 1999, no page number available.

Relying on data enables managers to make decisions based upon quantitative and qualitative data rather than instincts or anecdotes. Managerial data could include performance measures (input, output, and outcomes), financial data or customer satisfaction surveys.

In some cases, the CCTC has gathered sufficient data to assist in the management of the organization. For example, the Certification, Assignment and Waivers (CAW) Division was able to provide the MGT evaluation team with a wide variety of data to assist in our analysis. In other cases, the CCTC was unable to provide such data or it was apparent that the CCTC had not used the data to assess its own performance. For instance, the CCTC:

- had not previously calculated total processing capacity to determine appropriate staffing levels within CAW;
- does not collect statistics on renewals that require professional growth hours;
- has not evaluated the effectiveness of its 18 month long staff training program;
- does not collect all workload data including statistics on the time spent completing fax look-up requests from customers;
- does not collect enough data on the nature of customers' telephone or email inquiries;
- does not collect statistics on where visitors are going on its web site;
- does not have sufficiently detailed expenditure data;
- does not know the primary or secondary reason that applications are returned, which could help target the training of field staff; and
- does not know its historical level of staff turnover.

These are just a few examples of the lack of data that we encountered through the course of our review. More importantly, however, is the lack of an organization-wide performance measurement system. Performance measurement systems typically begin with a strategic planning effort that defines the organization's goals and objectives and

the action plan to achieve the goals. The Department of Finance's Strategic Planning Guidelines recommend that the process include the development of a system of performance measures to assist agencies to measure their progress toward goals.

The book *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*³ further describes the power of performance measurement:

What gets measured gets done.

If you don't measure results, you can't tell success from failure.

If you can't see success, you can't reward it.

If you can't reward success, you're probably rewarding failure.

If you can't see success, you can't learn from it.

If you can't recognize failure, you can't correct it.

If you can demonstrate results, you can win public support.

Recommendation 8-2:

The CCTC should expand and enhance its system of collecting data to assist management and decision making related to the organization and its performance.

Finding 8-3: Communication between and among divisions is rated low by staff.

The division directors meet on a weekly basis to exchange information and discuss issues and policies related to the CCTC's operations. As a result, during interviews most division directors expressed that communication between the divisions was adequate and met their needs. However, interviews revealed that below the division director level, the staff do not think that communication between the divisions,

³ Osborne, David and Ted Gaebler. *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*. Plume/Penguin. New York. 1993. Pages 146-154.

and sometimes between units within a division, is adequate. During interviews, many staff could not identify the roles and responsibilities of the other units or divisions within the CCTC. Lack of “the big picture” hinders staff from identifying potential improvements and understanding why they need to do something a particular way. Some staff expressed frustration that they were required to perform a task that benefited another unit but did not benefit their unit. If staff understood why they had to perform a particular task and what the desired outcome was, they may be able to help improve the CCTC’s operations. Additionally, the lack of common vision and understanding of why certain tasks have to be performed may contribute to low staff morale.

Recommendation 8-3:

The division directors and unit supervisors should provide information to staff regarding the CCTC as a whole, as well as the roles and responsibilities of other divisions and units. This will encourage more interaction between the various divisions and units and promote understanding that could lead to improvements developed by staff.

APPENDIX A: PROFILE OF THE CALIFORNIA COMMISSION ON TEACHER CREDENTIALING (CCTC)

A.1 Background

The purpose of the profile section is to provide readers with a contextual framework in which to evaluate the findings, commendations and recommendations contained within this report. The profile is organized into five major sections:

- Description of the CCTC
- Internal Organization and Staffing
- Overview of the Credential Application Process
- External Factors that Impact the CCTC
- Requirements to Become a California Teacher

A.2 Description of the CCTC

A.2.1 Definition and Composition of the Commission

In 1970, the California Legislature and Governor created a permanent, independent commission to strengthen the effectiveness of teachers and teacher education in the state. Originally named the Commission for Teacher Preparation and Licensing, the agency was renamed the Commission on Teacher Credentialing in 1983. In 1988, the Legislature enacted new legislation that strengthened the Commission's autonomy as the state's primary policymaking body for the education profession, and expanded its legal and regulatory authority. Prior to the CCTC's creation, the Department of Education issued teacher credentials.

Specifically, the CCTC performs the following functions:

- Establishes requirements for credentials;
- Establishes the standards for teaching programs;
- Establishes standards for subject matter programs;
- Develops tests, adopts test standards, and administers tests;
- Issues credentials, certificates and permits;
- Establishes standards for beginning teachers; and

- Enforces standards of professional conduct.

The commission consists of 15 voting members and four non-voting members. The voting members include a representative of the Superintendent of Public Instruction and fourteen members appointed by the Governor. The voting members include:

- Six public school teachers;
- One school board member;
- One school administrator;
- One member holding a services credential other than a school administrator;
- One higher education faculty member; and
- Four members of the public.

Non-voting members include representatives of the following institutions:

- The University of California;
- The California State University;
- The Association of Independent California Colleges and Universities; and
- The California Postsecondary Education Commission.

A.2.2 Mission and Goals

According to the CCTC's own policy, "the mission of the CCTC is to maintain and enhance quality while encouraging innovation and creativity in the preparation, assessment, selection, development, and utilization of professional educators for California's schools. The Commission provides leadership in the education profession by creating and pursuing a vision of the profession's future, by recognizing the essential contributions of professional educators, and by enhancing the profession's growing stature. The Commission establishes and maintains standards for entry, advancement, and conduct in the profession, screens credential applications carefully and efficiently, and investigates critical issues regarding the performance and status of the education profession. The Commission contributes to the effectiveness of public education, and is accountable for its actions to the public and the profession."

To achieve its mission, the CCTC sought input from various stakeholder groups and established the following six goals, which the Commission approved in 1997:

1. Promote educational excellence in California schools;
2. Improve the coordination between Commissioners and staff in carrying out the Commission's duties, roles, and responsibilities;
3. Improve customer service provided by the Commission;
4. Increase legislative involvement of the Commission on key issues relating to educators in California;
5. Improve the Commission's communication with its stakeholders; and
6. Work with schools of education, the Department of Education, and school districts to assure quality teachers.

A.3 Internal Organization and Staffing

The CCTC is organized around the following five functions:

- Executive and Administration;
- Certification;
- Professional Services;
- Professional Practices; and
- Policy and Programs.

Each area is described in the following section. The staffing data noted below is derived from the CCTC's organization chart dated October 1, 1999.

A.3.1 Executive and Administration Function

Several offices within the CCTC perform the organization's executive and administrative functions.

Executive Office

The Executive Office has six approved positions (two are limited term positions expiring 6/30/00), including the Executive Director. The Executive Director supports and advises the Commissioners and oversees the day-to-day operations of the CCTC.

Office of Governmental Relations

The Office of Governmental Relations has five positions and is primarily responsible for:

- Promoting the CCTC's policy agenda;
- Recommending positions to the Commissioners on legislation related to teacher preparation and certification;
- Responding to legislative inquiries;
- Developing the quarterly newsletter;
- Testifying before legislative budget committees;
- Responding to the media inquiries; and
- Analyzing bills pertaining to teacher education.

Information Technology and Support Management Division

This division consists of 22 positions and supports the hardware and software used by the CCTC's staff and provides fiscal and business services. The information technology (IT) functions provided by this division include the following:

- Support hardware;
- Plan, design and implement hardware and software solutions;
- Train the CCTC staff in use of technology;
- Support a help desk function;
- Develop IT policies;
- Write IT budget documents;
- Manage IT contracts; and
- Back-up data for the CCTC.

The fiscal and business services functions provided by this division include:

- Prepare the CCTC's annual budget;
- Process invoices payments;
- Manage contracts;
- Maintain equipment and property throughout the CCTC;
- Manage forms;
- Handle purchasing activities;
- Facility maintenance and management; and
- Mailroom and courier services.

Office of Human Resources and Internal Audits

This eight-person office performs personnel and auditing functions for the CCTC. The human resources functions provided by this office include:

- Benefits administration;
- Personnel time-keeping;
- Employee exams administration;
- Scheduling of employee training;
- Payroll administration;
- Labor relations;
- Classification and pay;
- Health and safety;
- Recruitment;
- Adverse actions/employee discipline; and
- Scheduling of, and providing, employee training and workshops.

The internal audits functions provided by this office include:

- Ensuring that adherence to relevant protocols such as State Administration Manual procedures and documentation standards;
- Overseeing operational studies involving staffing standards, work flow analysis, and organizational issues;
- Developing and performing the CCTC's audit program; and
- Developing policy and procedures manual relating to audits.

A.3.2 Certification Function

The CCTC's certification function is performed by the Certification, Assignment and Waivers (CAW) Division. CAW has 77.5 positions in several units which serve distinctly different functions.

- The *Cashiering Unit* sorts and distributes the CAW Division's mail, including applications and correspondence, and performs banking duties for the CCTC. The Cashiering Unit opens and processes 240,000 pieces of mail annually.
- The *Certification Unit* reviews credential, permit and waiver applications and either issues or denies public school teaching and services credentials, or forwards the applications to the Commissioners for a decision to grant or deny.
- The *Certification Support Unit* provides support to certification officers by sorting and storing applications in date order until they can be evaluated.
- The *Assignment and Waivers Unit* performs the following activities:
 - Revises the CCTC's procedures as a result of education code changes;
 - Develops policy and coordinates the implementation of procedures related to the review of waiver requests;
 - Revises Cross-cultural Language and Academic Development (CLAD) and Bilingual Cross-cultural Language and Academic Development (BCLAD) requirements;

- Produces credential profile reports;
 - Publishes the *Administrator's Assignment Manual* and the county assignment report annually;
 - Prepares the waiver agenda for Commissioners; and
 - Prepares leaflets that explain credential, permit and certificate requirements.
- The *Quality Control Unit* performs the final check of accuracy on every document, letter of eligibility, and rejection letter that the Certification and Micro/Fingerprint units issue. The Quality Control Unit also assembles and prepares documents for mailing.
 - The *Micro/Fingerprint Unit* performs several distinctly different tasks:
 - The microfilm staff prepares documents for permanent storage and retrieves documents as requested.
 - The fingerprint staff prepares fingerprint cards for submission to the California Department of Justice (DOJ) and the Federal Bureau of Investigations (FBI), matches clearances to the applications when returned by the DOJ and FBI, and enters clearance data into computer. 41,223 fingerprint cards and 17,302 Livescan records were processed in 1999.¹

A.3.3 Professional Services Function

The Professional Services Division has 41.5 positions performing the following functions:

- Establishes standards for teacher education and the preparation of non-instructional educators;
- Reviews and accredits teacher preparation programs;
- Supports specially-funded projects related to alternative certification, pre-intern programs, paraprofessional educator programs, and beginning teacher support;
- Develops, administers and monitors examinations and assessments;
- Researches the validity of the testing instruments; and
- Conducts research studies related to educator preparation.

The Professional Services Division also accredits colleges and universities that want to provide teacher preparation programs. The Committee on Accreditation, a 12-member body made up of educators and appointed by the Commission, decides whether to provide accreditation to institutions of higher education, determines whether to continue accreditation of educator preparation institutions, and compare national or alternative

¹ BCP #4 of FY 2000-01.

program standards with California standards of educator preparation. The procedures developed by the Committee can be found in the *Accreditation Handbook*. As of December 1998, 78 four-year colleges and universities offered teacher education programs that were accredited by the CCTC.

A.3.4 Professional Practices

The 28 staff in the Division of Professional Practices (DPP), in coordination with the Committee of Credentials and the Commission, investigates allegations of misconduct against credential applicants and holders relating to immoral or unprofessional conduct. The Committee of Credentials, established by statute, reviews and investigates all allegations and then determines whether to recommend to the Commission that an application should be granted or denied or adverse action taken against a credential holder. The DPP staff supports the Committee in carrying out this function.

When a credential applicant is under review for alleged misconduct, the Committee determines whether or not to grant or deny the application. If a credential holder is under review for alleged misconduct, the Committee decides whether to impose a private admonition, public reproof, suspension of credential(s) and recommends such action to the Commission. If adverse action is taken, staff prepares a notice to the employing school district, the COE, as well as any complainant(s). Following receipt of notice of the COC's recommendation, the applicant or holder can request an administrative hearing, at which the CCTC is represented by the Office of the Attorney General. The COC has a statutory deadline to commence an investigation within 21 days after all allegations of misconduct have been filed with the committee and schedule a meeting no later than six months thereafter. The six month time period may be extended by the Commission Chair for up to six months if more time is needed to complete an investigation.

In FY 1994-95, the staff in this division nearly doubled as a result of SB 1843 (Chapter 681, Statutes of 1994) which increased the CCTC's authority to investigate allegations of misconduct.

A.3.5 Policy and Programs Function

The two-person Office of Policy and Programs does the following:

- Provides information and advice to the Executive Director and the Commission regarding emerging initiatives that will impact the CCTC;
- Conducts studies, analyses and consultations to resolve issues pertaining to the preparation, induction, recruitment, assessment, supply, demand and development of teachers; and
- Researches the development of new standards and analyzes existing credential requirements, exams and programs.

A.3.6 Staffing at the CCTC

As of October 1999, the CCTC has 190 staff to support the previously described functions. Exhibit A-1 shows the number of full-time-equivalent (FTE) staff that the CCTC had from January 1996 through October 1999. Exhibit A-1 does not include retired annuitants.

EXHIBIT A-1
STAFF POSITIONS AT THE CCTC

Unit	Feb-96	Feb-97	Apr-98	Jan-99	Jul-99	Oct-99
Executive Office	4	6	4	6	6	6
Certification	63.5	71	65.5	75	73.5	73.5
Assignments & Waivers	6.5	6	5	4	4	4
Professional Services	31.5	31.5	33	40	38.5	41.5
Professional Practices	24	24.5	25	27	28	28
Governmental Relations	0	0	4	5	5	5
Human Resources (Before 7/99 called Personnel & Labor Relations)	5	5	5	6	6	6
Internal Audits	0	0	0	0	1*	2
Information Technology (Before 1/99 called Information Management Systems)	6	6	7	8	11	11
Support Management (Before 1/99 called Fiscal & Business Services. Before 1/97 called Support Services and included cashiering unit)	12	8	9	11	11	11
Policy and Programs	0	0	2	2	2	2
Total	152.5	158	159.5	183	186	190

* The pending DOF positions were not approved.

A.4 Overview of the Credential Application Process

The CCTC's main business is processing applications for credentials and permits. The Certification, Assignment and Waivers (CAW) Division is the division that is primarily responsible for this function. The Division has numerous units that perform distinctly different tasks.

The Cashiering Unit opens the incoming mail, separates correspondence from applications, and checks applications for correct fees. Applications with insufficient fees are returned without an evaluation whereas applications with correct fees are processed. Data from the application is entered into the computer system, which establishes or updates a file for each applicant, assigns a fee number, and prints a label. From this point, an application can be tracked. Cashiers then balance the account as recorded in the computer and

deposit the fees. Finally, cashiers batch the applications and deliver them to the Certification Support Unit.

The Certification Support Unit sorts and files the applications by type. If the application is for someone who received a document from the CCTC before April 1989, the Certification Support Unit retrieves microfilm files for conversion. Support staff also maintain all microfilmed files established prior to April 1989. The unit also supplies counties, districts, colleges, and universities with credential materials. In addition, the Certification Support Unit assists the Information Services Unit responding to voice mail and correspondence. After the Certification Support Unit sorts applications by type, the applications are taken to the Certification Unit for evaluation.

The Certification Unit evaluates the information on the application form and in the computer data base file, and analyzes supporting documentation. In addition to evaluating applications, Staff Service Analysts (SSAs) also answer correspondence, email, and telephone inquiries. The unit also prepares the *Credential Handbook* and information leaflets, presents workshops on evaluating applications, and assists in the maintenance of the Credential Automation System (CAS). Once an application has been evaluated by the Certification Unit, it forwards application packets to other units for further processing. If the application includes fingerprints for processing, the application is sent to the Fingerprint unit. If there are no fingerprints, the application is forwarded to the Quality Control Unit. Those applications with fingerprints are forwarded to the Micro/Fingerprint Unit for processing. The Micro/Fingerprint Unit catalogues and records fingerprint clearances from first-time applicants for credentials, permits, and Certificates of Clearance. After receiving the fingerprint cards, the Micro/Fingerprint Unit checks the fingerprint cards for legibility and completion. This unit submits completed fingerprint cards to the DOJ and FBI for classification. The Micro/Fingerprint Unit follows up on prints or Livescans (electronic

fingerprint records) that have been delayed or rejected by either of the agencies. As soon as both agencies respond with a clearance, the Fingerprint Unit grants or denies the application, which is then forwarded for document preparation. However, if a notice of violation (“rap sheet”) arrives from either the DOJ or FBI, this unit routes the application to the Division of Professional Practices (DPP) for review. The Micro/Fingerprint Unit also microfilms the credential document and the applicant’s oath, affidavit and signature for the permanent legal record.

After the Fingerprint Unit grants or denies the credential, it forwards the application packet to the Quality Control Unit. The Quality Control Unit is responsible for ensuring that documents that leave the CCTC do not have errors. The Quality Control Unit gets credentials and information request letters generated by the Certification Unit from Information Management Services (IMS), who prints them each evening. In addition to reviewing documents, the Quality Control Unit sends a monthly status report to counties, colleges and universities to inform them of the status of the applications submitted through their offices.

Lastly, the Quality Control Unit purges and destroys all other supporting materials from the application packet, keeping only the official copy of the document and the oath and affidavit, which are sent to the Microfilm/Fingerprint Unit for microfilming.

A.5 External Factors That Impact The CCTC

External factors influence the manner in which organizations manage themselves. The CCTC has several external stakeholders including Institutions of Higher Education (IHE), County Offices of Education (COE), school districts, applicants, the Department of Justice, the Credential Counselors and Analysts of California (CCAC), testing vendors, and the Legislature.

A.5.1 Stakeholders

The following is a list of external state and local agencies with which the CCTC must interact:

- **Institutions of Higher Education (IHE), Local Education Agencies (LEA), school districts and County Offices of Education (COE)** constitute the majority of external stakeholders for the CCTC. They administer the teacher preparation programs, Beginning Teacher Support and Assessment (BTSA) programs, pre-intern programs, and submit applications on behalf of applicants for credentialing. The CCTC receives teacher credentialing applications from institutions of higher education such as colleges and universities rather than directly from first-time applicants. Renewals are submitted by the applicant, not the IHE. School districts and COEs are the major employers of teachers and administrators and are responsible for requesting waivers and emergency permits from the CCTC when they need to hire under-prepared teachers. The CCTC performs accreditation of universities and colleges to qualify them to conduct teacher preparation programs.
- **The California Department of Justice (DOJ) and Federal Bureau of Investigations (FBI)** process fingerprints and complete background clearances for the CCTC. Results are transmitted to the CCTC.
- **Testing contractors** administer exams that evaluate an individual's professional or subject matter competency. Some of these exams such as the CBEST and the RICA must be taken in order to receive a teaching credential. Testing vendors electronically transmit exam scores to the CCTC.
- The **Credential Counselors and Analysts of California (CCAC)** is the organization whose members help applicants prepare to receive their credential. The CCAC presents conferences to its members at which the CCTC presents workshops on a variety of topics.

A.5.2 Laws

Several Education Code sections define the activities of the CCTC. Education Code

Section 44225 establishes the powers and duties of the Commission as follows:

- 1) Establish professional standards, assessments and exams;
- 2) Ensure teacher competence in the subject field;
- 3) Review and revise the code of ethics for the teaching profession;
- 4) Establish standards for the issuance and renewal of credentials;
- 5) Ensure competence in teaching and other educational services and sanctions for the misuse of credentials;
- 6) Support beginning teachers;
- 7) Establish alternative methods for entry into the teaching profession;
- 8) Adopt a framework for the accreditation of preparation programs;
- 9) Establish standing committees to help the CCTC develop standards;

- 10) Establishes panels of experts for help in the development of exams;
- 11) Adopt standards for all exams and assessments;
- 12) Determine the term of the credential but limit it to five years;
- 13) Establish process for credential waivers;
- 14) Develop models for voluntary use by applications for admission to teacher education programs;
- 15) Encourage colleges to develop internship programs for subject area shortages;
- 16) Grant a field placement certificate to any candidate who has been admitted to an accredited program of professional preparation; and
- 17) Adopt subject matter assessments for teaching credentials.

Further, the Education Code defines requirements for a teaching credential to include the following:

- Baccalaureate degree from a regionally accredited institution;
- Passage of the basic skills examination (CBEST);
- Completion of the subject matter requirement;
- Completion of an accreted program of professional preparation; and
- Completion of an approved program of beginning teacher induction.

The Education Code also establishes that a waiver is acceptable under certain conditions. Thirteen other applicable code sections are described in Exhibit A-2. Overall the CCTC is requested to administer several hundred code sections.

EXHIBIT A-2

CALIFORNIA CODE SECTIONS THAT IMPACT THE CCTC

Code Section	Description
Education Code Section 44235.1	Allows the CCTC to collect fees for administering the exams. The CCTC can use the money for development, agency support, maintenance or administration of tests or other assessments established, required, or administered by the Commission.
Education Code Section 44235.3	Allows the CCTC to establish fees to "...recover its costs for the development and administration of any subject matter examination adopted by the Commission...."
Education Code Section 44250	Lists categories of credentials the CCTC can issue.
Education Code Section 44252, 44253.5, and 44281	Requires the Commission to administer exams that assess teacher candidates' knowledge of subject matter and teaching skills.
Education Code Sections 44252 and	Requires the Commission to monitor pass rates and validate scores for these exams.

Code Section	Description
44296	
Education Code Section 44283	Requires the CCTC to develop, adopt, and administer a reading instruction competence assessment (RICA).
Education Code Section 44296	Allows the Commission to collect data, including ethnic background of examinees, age, gender, educational background, degrees held, teaching experience, and other factors that may pertain to exam performance.
Education Code Section 44298	States that fees charged for the exams shall be sufficient to furnish the full cost of the exam system.
Education Code Section 44340	Requires CCTC to collect fingerprints and requests the Department of Justice to complete a background check on new applicants.
Education Code Section 44830	Requires CBEST even if the applicant has a life credential, when the applicant has not taught in the last 39 years.
The California Code of Regulations, Title 5, Section 80487	Established the fees for credentials, background checks, examinations, and certificates.
The California Code of Regulations, Section 80303	Requires superintendents to report to DPP the misconduct of credential holders that results in a change of employment status.
The California Code of Regulations, Section 80443	Establishes that the Commission must notify applicants of the final decision concerning their application within 75 working days and notify them within 45 days if the application is incomplete.

A.5.3 Class Size Reduction

The Class Size Reduction Program (CSR) was established by the *1996-97 Budget Act* and seeks to increase educational achievement by reducing class size. The goal was to reduce average class size from 28.6 to no more than 20 students in kindergarten through the third grade. Implementation began six weeks after the legislation was passed in the summer of 1996. Almost all school districts elected to participate in the program due to the huge financial incentive (\$650/\$325 per student per full/half day in a class size of 20 or less). Of the 895 school districts eligible for the CSR program, 95 percent, or 853 districts, elected to participate. Of the participating districts, about 85 percent began reducing class sizes at the beginning of the 1996-97 school year just two months after the Act became law.

By the fourth year of the program, virtually all first and second graders were part of the program, plus an estimated 95 percent of kindergartners and 90 percent of third graders.

CSR affected the number of teachers needed, the areas where teachers were needed most and the overall qualification level of teaching staff. The result of the program was an increased demand for qualified teachers. Between 1996 and 1998, school districts hired 23,500 additional teachers for kindergarten through third grades.

Certain schools had difficulty attracting teachers due to their geographic locations or local requirements. For example, many low-income schools are in high crime areas and experience higher than average teacher turnover. Similarly, some schools with large ethnic populations need more teachers with English Language Learner (ELL) training. The Legislative Analyst's Office (LAO) noted that schools with the highest percentage of low-income, minority, or ELL students were unable to attract teachers that were as highly qualified as other schools.

The LAO estimates the one-year increase in emergency permits and waivers due to CSR represented an increase of at least 60 percent in the use of these teaching authorizations in elementary schools. An emergency permit allows a non-credentialed individual to teach provided they hold a bachelor's degree, pass the CBEST, meet a reduced subject matter requirement and demonstrate intent to pursue a teaching credential. Emergency permit holders may have no formal training or experience in teaching, although some may have experience as substitute teachers. Waivers are issued to individuals who have not passed the CBEST or one of the other requirements for an emergency permit. Persons issued a waiver are generally less qualified than holders of emergency permits. Larger districts are much more likely to hire non-credentialed teachers than are smaller districts. According to data from the CCTC, in 1995-96, 6,000 elementary classroom teachers (out of about 100,000) were working under emergency permits. The LAO

estimates that teachers hired for CSR added between 3,500 and 4,000 additional emergency permits statewide in 1997-98. Additionally, the average experience in teaching years decreased from 14.4 to 13.3² among all teachers state wide.

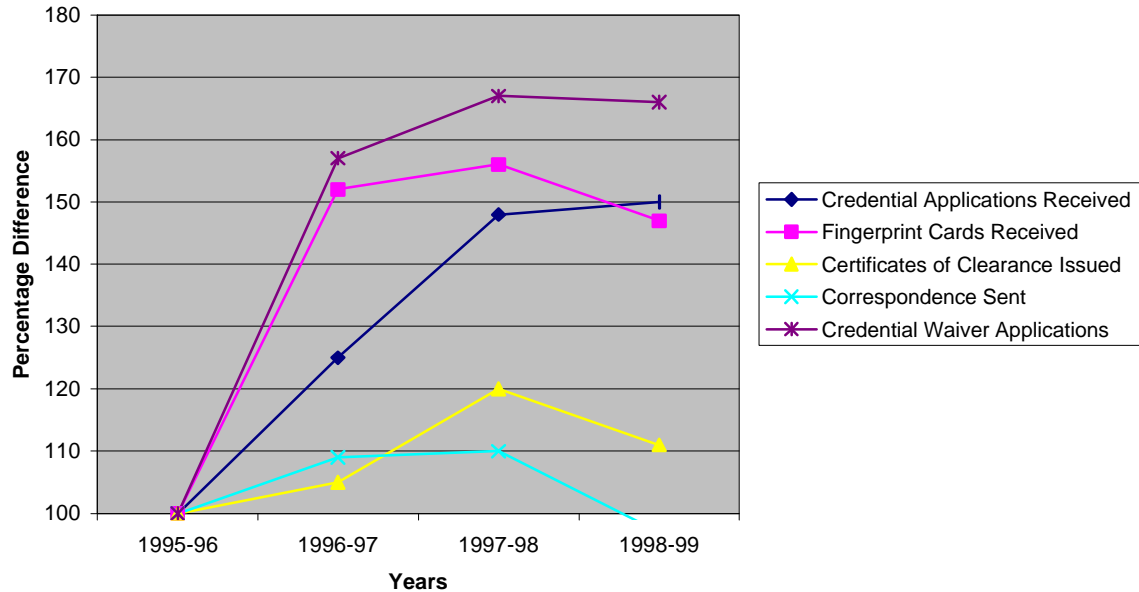
Ramifications of decreased class size include more credentials to process; a different mix of credentials with a higher percentage of emergency permits; more pressure on the CCTC to meet processing deadlines; and more pressure on the CCTC to provide additional waivers.

The increase in number of teachers needed has resulted in a direct increase in the number of applications that must be processed. The time period between the passing of the budget act that contained CSR and implementation of the decreased class size was less than two months. Thus, the CCTC had virtually no time to ramp up for increased processing and related workload. Furthermore, the mix of credential types to be processed changed. A higher percentage of emergency permits and waivers were being requested than ever before. This results in some areas of the CCTC receiving a disproportionate share of the work increase. Moreover, with the legal mandate to have the teachers in place as soon as possible, the CCTC was under enormous pressure to process the credentials expeditiously. Thus, CSR had a dramatic impact on the operations of the CCTC. Finally, the CCTC had more incentive to grant waivers to teachers so schools could meet their teacher-to-student ratios.

² Legislative Analysts Office, Policy Brief on Class Size Reduction, February 12, 1997.

Exhibit A-3 shows the impact that CSR has had on the CCTC's workload.

EXHIBIT A-3
IMPACT OF CSR ON CCTC WORKLOAD



Source: BCP #4 of FY 2000-01.

A.6 Requirements to Become a California Teacher

To teach in California, a person must possess a credential, certificate or permit from the CCTC. Although the CCTC issues over 140 different types of permits, certificates and credentials, most licenses are either Single Subject or Multiple Subject Credentials. Single Subject permits or credentials allow a teacher to teach a specific subject such as science, history or math. Multiple subject credentials allow teachers to teach several subjects to a single group of students.

To obtain a teaching credential in California, an individual must complete the following for a preliminary credential:

- A baccalaureate of higher degree from an accredited college or university;

- A course on the provisions and principles of the U.S. constitution (An exam may be substituted);
- A comprehensive reading instruction course on developing English language skill, including reading;
- Subject matter competency verified by an examination or a Commission-approved subject-matter program;
- A teacher preparation program at a Commission-accredited institution; and for the multiple subject credential, Reading Instruction Competency Assessment (RICA); and
- Passage of the California Basic Education Skills Test (CBEST).

Teachers earn a “Professional Clear” credential after they complete the following:

- A fifth year of study which consists of approximately 30 semester units beyond the bachelor’s degree;
- A course in health education;
- A course in special education;
- A course in computer education; and
- A recommendation from a California college or university with a Commission-accredited program.

Other credential or permit types and their requirements include:

Internship Credential – To participate in the internship program an individual must possess a bachelor’s degree and meet subject matter competency. The candidate participates in a two-year paid internship coordinated by an institution of higher education or school district. This type of program attracts persons considering teaching as a second career.

Emergency Permit – A bachelor’s degree, intent to complete a teaching credential, CBEST and reduced subject matter competency are required for an emergency permit. The permit is issued for one year and may be renewed up to four times for a total period of five years. To renew the permit, the individual must take six semester units of college course work during the year. This type of permit can allow someone with no teaching experience to teach.

Credential or Permit Waiver – School districts and COEs can request waivers of specific requirements for any of the above credentials or permits under certain circumstances.

30-day Substitute Permit -- requires only a bachelor's degree and passage of CBEST.

There are a variety of options available to out-of-state teachers, however all options require a bachelor’s degree and a teacher preparation program.

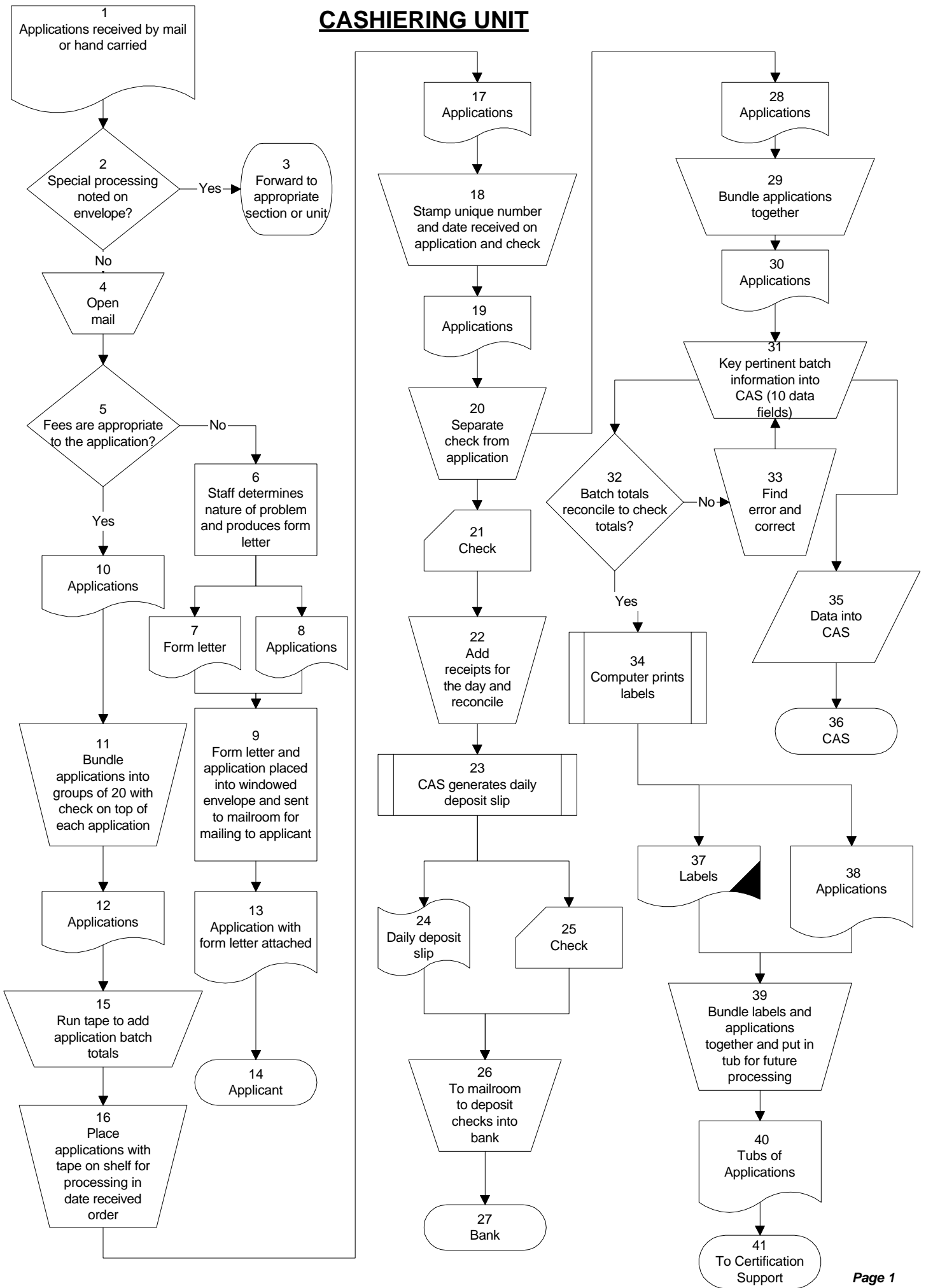
The other requirements to become a credentialed teacher are administrative. The applicant must:

- *Complete an application and file it with the CCTC* – This application requests information on education, personal and professional fitness, credential type, and the individual’s personal information such as address, and social security

number. Additionally, the applicant must take an oath to support the Constitution of the United States.

- *Pay the required fees* – Fees vary according to type of certification requested but are required to be submitted with the application.
- *Pass a security clearance* – Applicants must submit fingerprint cards so that both the DOJ and the FBI can conduct a background clearance to ensure that applicants have not been convicted of certain crimes.

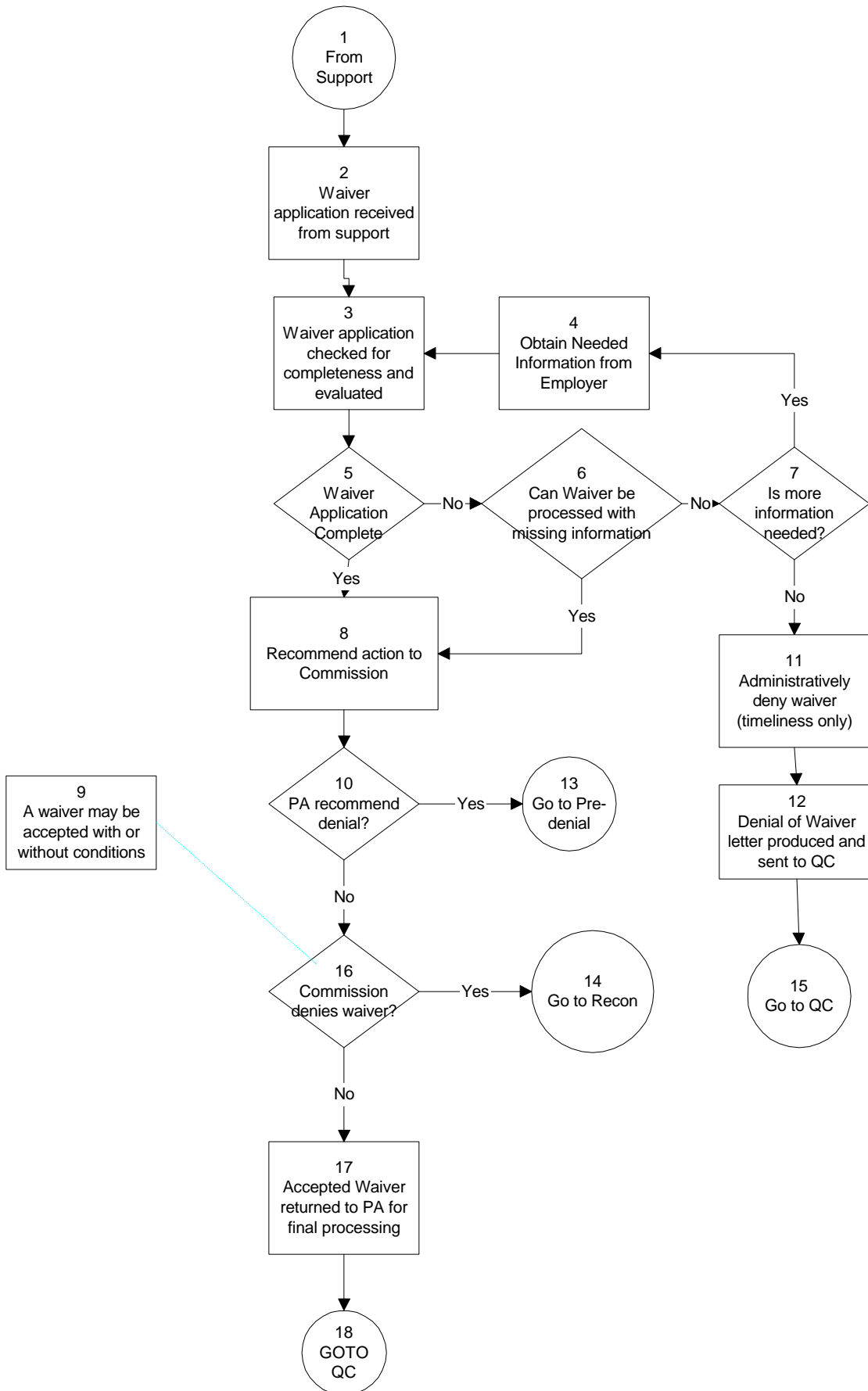
CASHIERING UNIT



CERTIFICATION SUPPORT UNIT

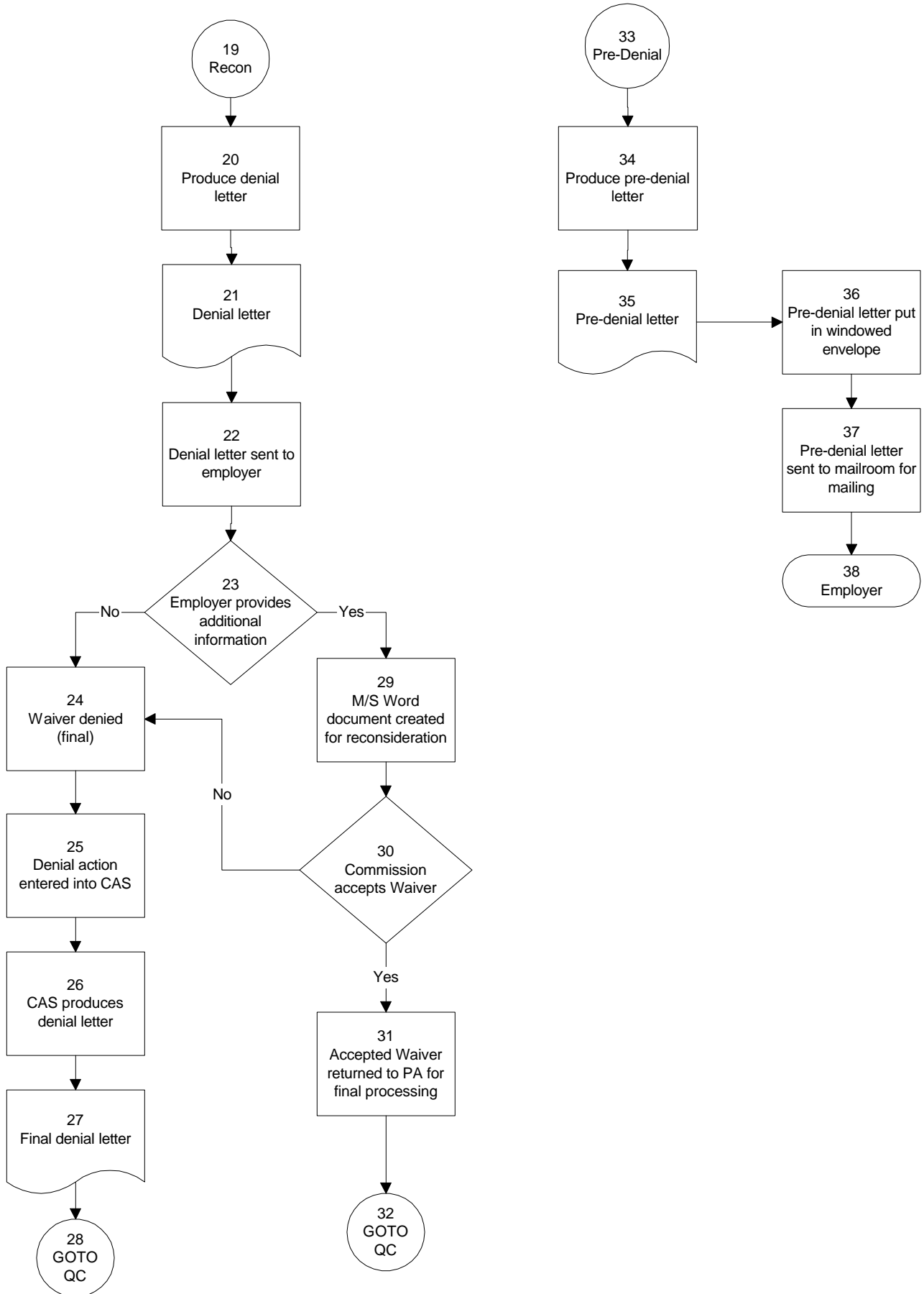


WAIVERS



WAIVERS

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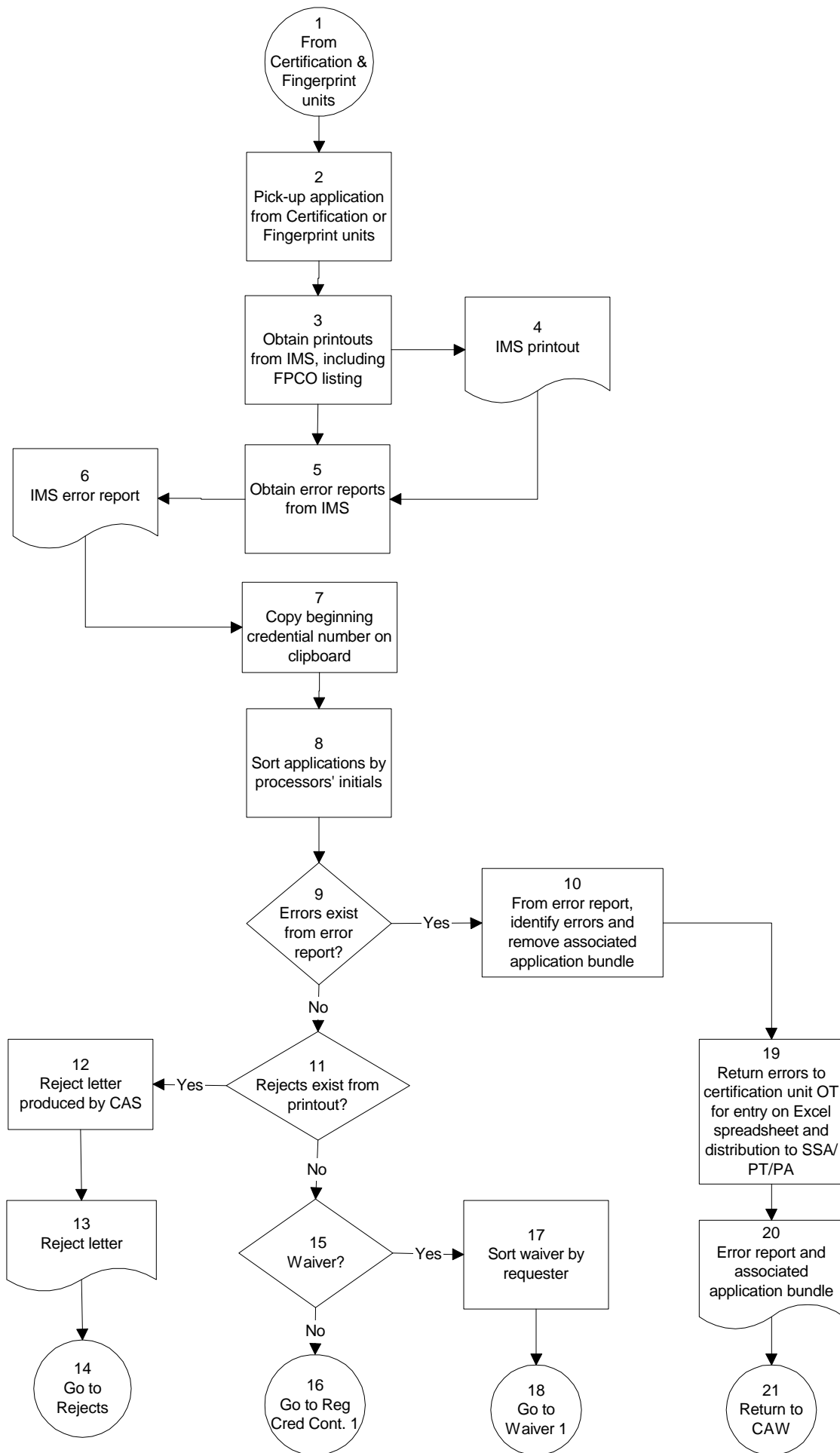
FINGER PRINTING

Non-credential applications

Credential applications

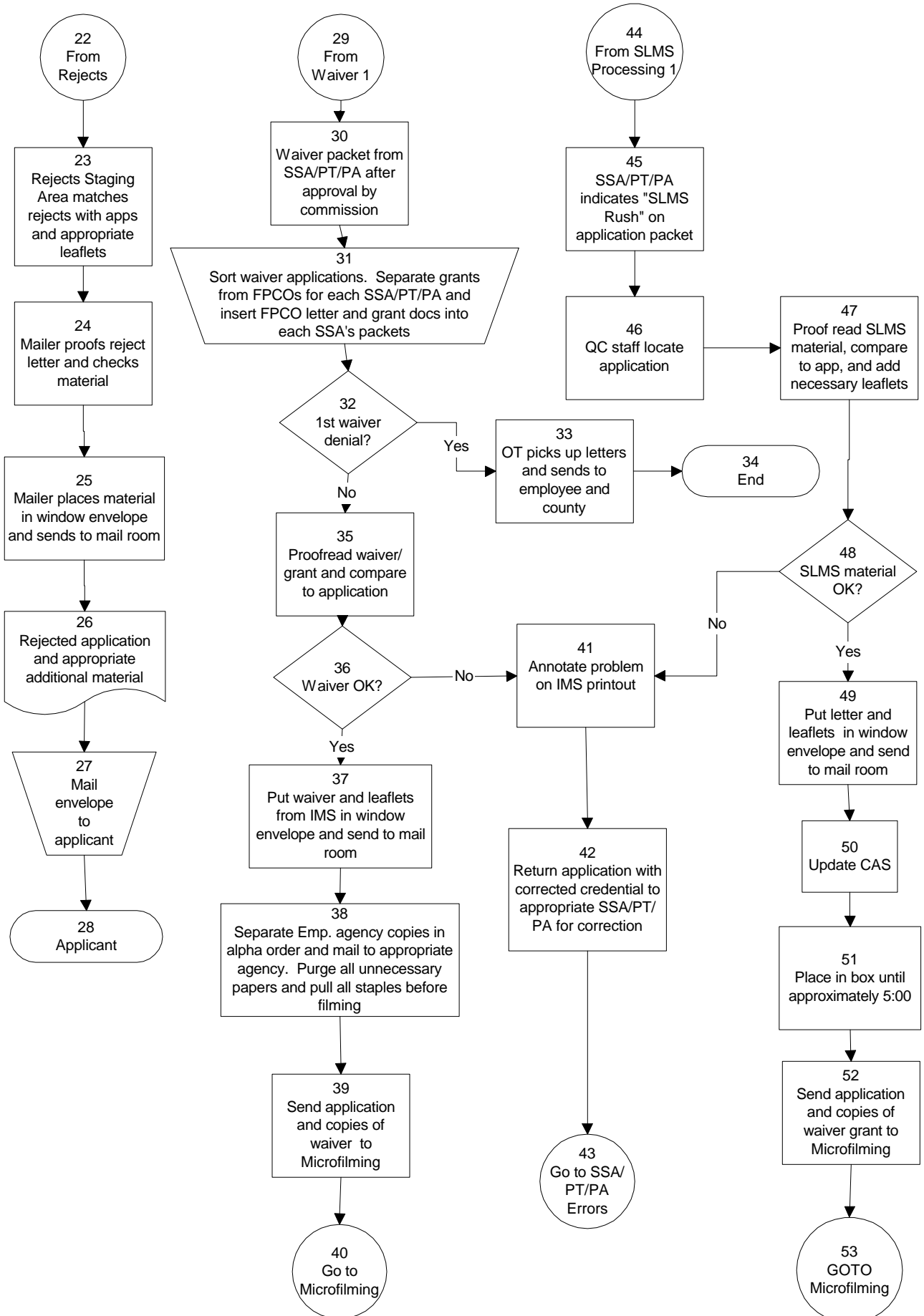


QUALITY CONTROL



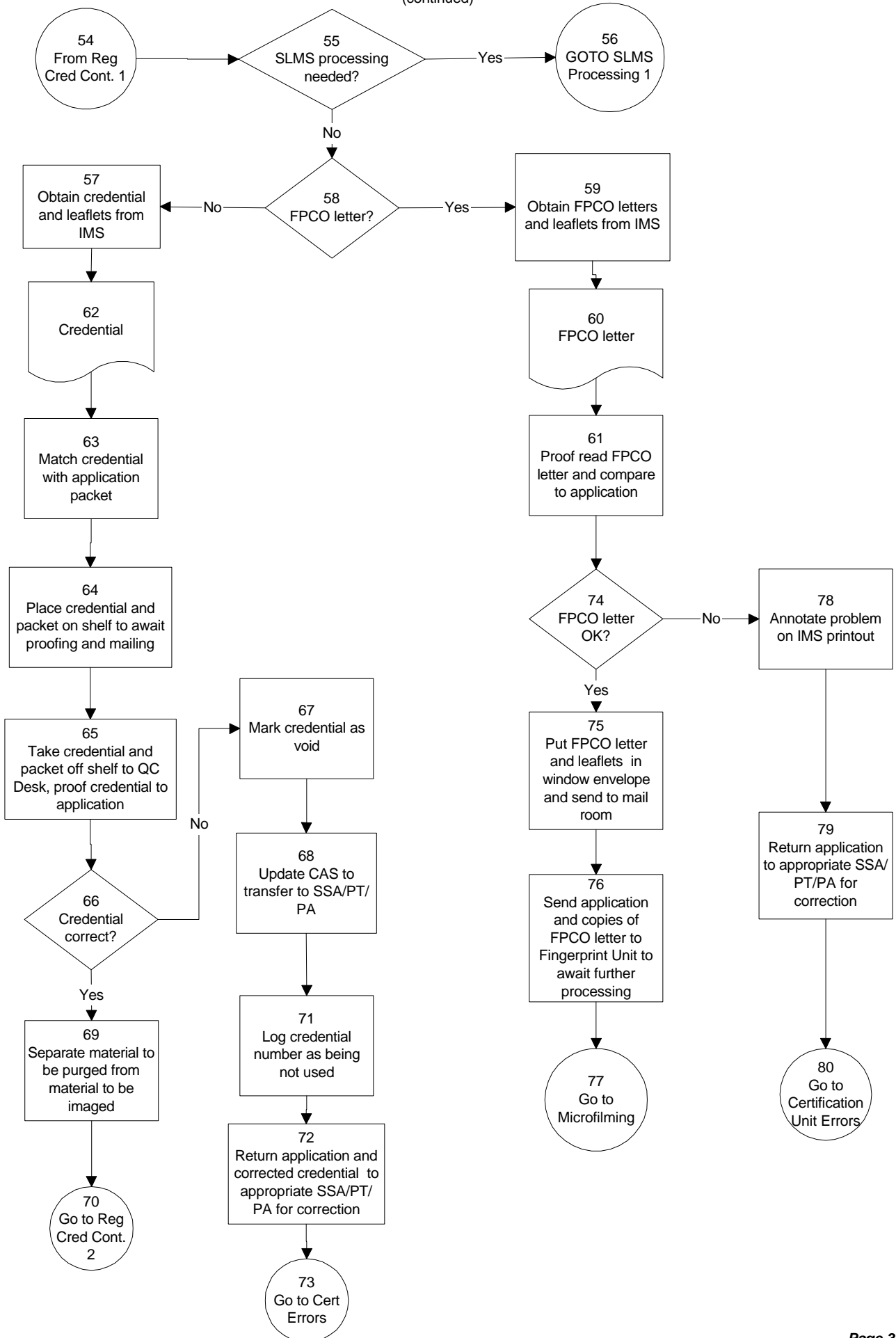
QUALITY CONTROL

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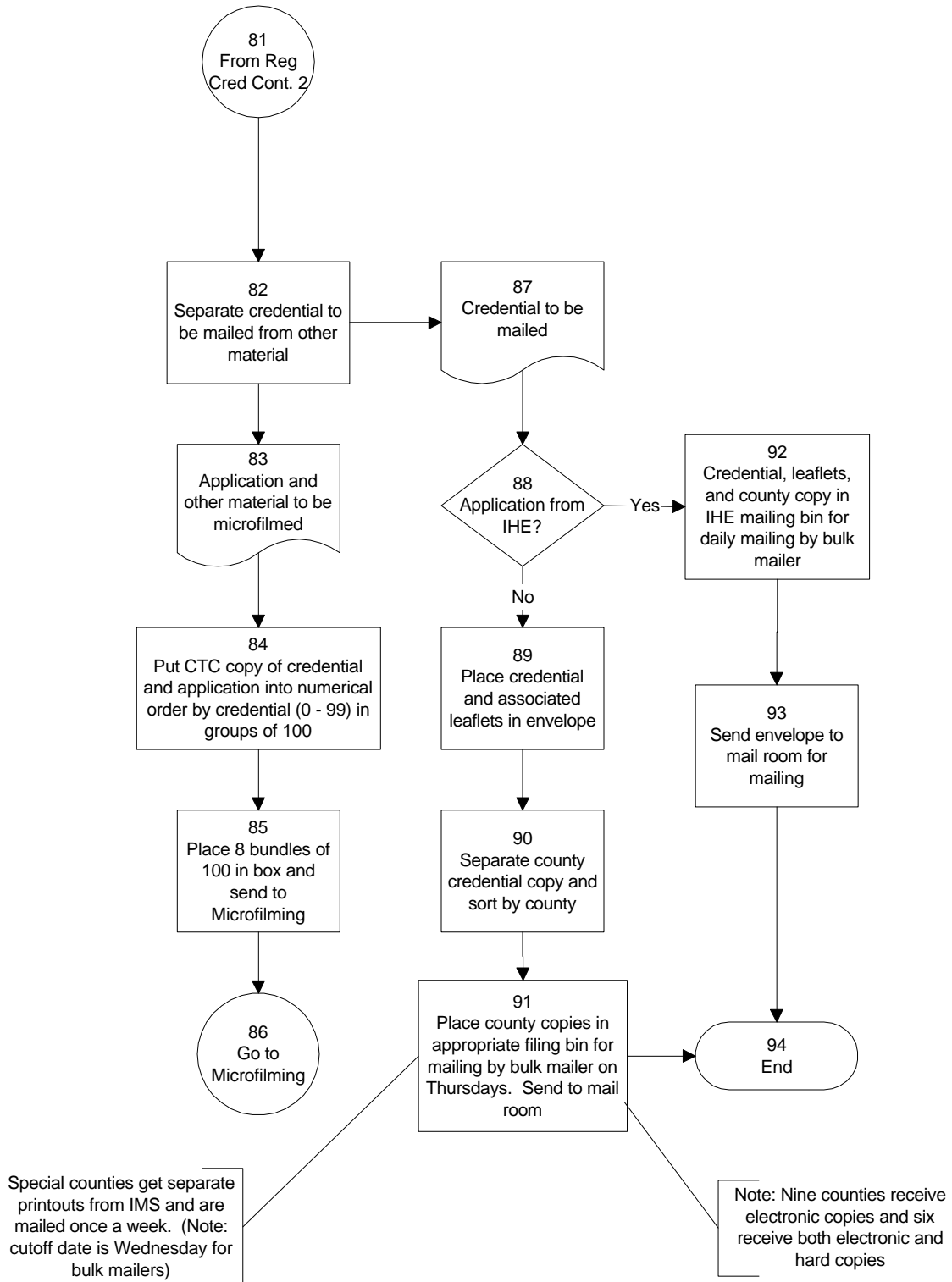
QUALITY CONTROL

(continued)



QUALITY CONTROL

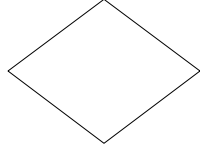
(continued)



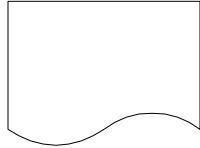
SYMBOL KEY



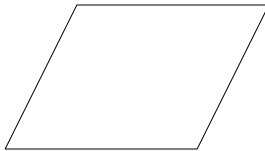
Process performed



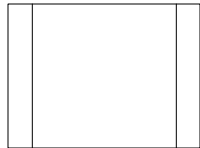
Decision box - a decision must be made at this point



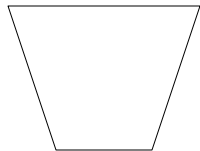
Document



Data



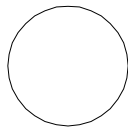
Predefined process - a process that usually is automatically generated or follows another process



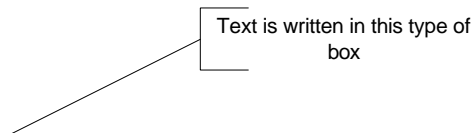
Manual process



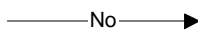
Terminator-process ends at this point



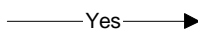
Go to the specified box or area usually on another page or chart



Annotation box - gives additional information to aid readers' comprehension



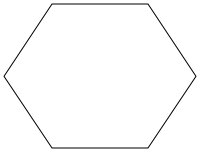
"No" answer to question in attached decision box



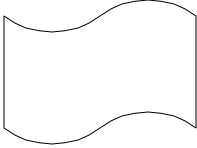
"Yes" answer to question in attached decision box

SYMBOL KEY

(continued)



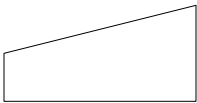
Process performed



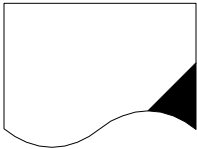
Tape generated



Card, label, or report



Manual input



Tagged document



Stored data