

BACKGROUND

The Board of Elementary and Secondary Education (BESE) and Board of Regents (BoR) are committed to raising expectations for student achievement so that Louisiana's PreK-12 students successfully transition to postsecondary education and the workplace. Both Boards recognize the importance of preparing excellent teachers as a step toward reaching this goal and are committed to ensuring that aspiring teachers have deep content knowledge and rich clinical experiences in Louisiana classrooms. The Boards acknowledge the decade-long history of teacher preparation improvement in Louisiana and recognize the need to build upon those efforts as the bar for Louisiana students has been raised to Mastery-level achievement.

The Louisiana legislature has recognized the critical role of teacher preparation in attaining these goals and addressing educator workforce challenges, too, and passed [House Concurrent Resolution 126 of the 2015 Regular Session](#). This resolution charged BESE, in consultation with the BoR, to study teacher preparation issues and make recommendations for improvements.

This request followed the launch of the [Believe and Prepare Educator Grant Program](#), launched in spring 2014. Through this program, the Louisiana Department of Education (LDE) has awarded \$4.89 million to three cohorts of school systems and their preparation program partners. The program includes 41 Louisiana school systems and 24 BESE-approved preparation providers. Grantees have used Believe and Prepare grant funds to prepare aspiring teachers through full-year teaching residencies, build a cadre of trained mentor teachers, and meet staffing needs in high-need areas, such as special education.

After over two years of Believe and Prepare grant-making and public discussion, on June 22, 2016, at the joint meeting of BESE and BoR, the Boards supported the following motion: To endorse the creation and implementation of a competency-based certification structure, given all appropriate resources, requiring completion of a competency-based curriculum and successful demonstration of mastery of competencies, embedding meaningful clinical experiences, and incorporating a full-year fiscally sustainable residency including but not limited to the following: timelines for BESE policy changes, timelines for districts and universities to meet in order to realign teacher preparation programs, timelines for implementation, and the formation of a small work group to examine current and potential costs for full year residencies.

FISCAL IMPACT WORKGROUP

In accordance with the motion, a fiscal impact workgroup was formed. The workgroup was comprised of six public universities and their school district partners, and was charged with examining the fiscal impact of yearlong residencies on undergraduate teacher preparation programs.

To meet this charge, the workgroup members identified the current costs of student teaching and estimated costs of offering full-year residencies. Each university's self-reported current costs and projected costs are available [here](#). Projected costs do not represent a funding commitment; rather, they show each participating university's picture of essential and non-essential but beneficial costs associated with offering yearlong residencies.

PREPARATION PROVIDER	DISTRICT PARTNER(S)
Louisiana State University-Alexandria	Grant Parish, Rapides Parish
Louisiana State University-Baton Rouge	Ascension Parish, Central Community Schools, East Baton Rouge Parish, Livingston Parish, LSU Laboratory School, West Baton Rouge Parish, West Feliciana Parish, Zachary Community Schools
Louisiana Tech University	Lincoln Parish, Monroe City Schools
Nicholls State University	Terrebonne Parish
Southeastern Louisiana University	Ascension Parish, St. Charles Parish, St. Tammany Parish, Tangipahoa Parish, Washington Parish
University of Louisiana- Monroe	Monroe City Schools, Ouachita Parish

FISCAL IMPACT ANALYSIS

While self-reported estimated costs varied by university due to a wide range of institutional factors, the following transitional budget needs were consistent across all programs:

- **Program administration**, including staff and travel costs related to coordination and supervision of residency placements
- **Mentor compensation**
- **Resident compensation**

The self-reported estimates also identified costs that varied widely by university and would be beneficial to any program, under any circumstances. Those costs include:

- Consultants for professional development for residents and/or mentor teachers
- Stipends for university staff, residents, mentor teachers, and principals to attend professional development
- Stipends for principals
- Additional secretarial staff
- New or enhanced data systems
- Additional conference travel

Recognizing the essential costs related to program administration, mentor teacher compensation, and resident compensation, the self-reported costs were standardized (available [here](#)) and used to project the cost of offering residencies at programs that are small, medium, and large in size.¹

These projections were used to develop a minimum, foundational funding proposal that identifies opportunities for BESE and the LDE to invest in undergraduate programs, proposes a financial contribution that ensures essential costs are covered through formula-based grants, and ensures that funding is available for varying institutional needs. School systems and higher education institutions may additionally contribute to this proposal, as may philanthropic organizations.

The funding proposal identifies financial supports for and beyond the transition to a new yearlong residency model.

¹ Detailed methodology for standardizing costs and calculating provider size is available [here](#).

PROPOSED FINANCIAL SUPPORTS FROM BESE/LDE FOR TRANSITION (2016-2019)

Current BESE members hold office through 2019. Therefore, the LDE will recommend to BESE approval of a transitional financial plan and financial commitments through that term.

These transition costs can be covered through BESE-approved allocations using a combination of state and federal funding streams that can be sustained for the duration of this BESE term. Federal funding streams identified for this proposal are state set-aside funds, not funds that are passed through to districts

The total estimated commitment through 2018-2019 is \$7.3 million. The allocations may be made by BESE, as recommended by LDE.

Funds will be allocated for the following:

- \$2.8 million for **program administration** costs – all or part of a \$65,000 full-time equivalent (FTE) over three years to facilitate the transition from traditional student teaching to yearlong residency. Current median FTE salary paid by universities is \$50,000.
- \$1.2 million for **mentor compensation** – a minimum rate of \$1,000 per year per mentor based on the median stipend amount estimated by study participants. Current stipends paid by fiscal impact workgroup participants range from \$0 to \$300.
- \$2.5 million for **resident compensation** – a minimum rate of \$2,000 per year per resident based on the potential estimated loss of part-time wages for one semester (\$7.25 minimum hourly wage, 18 weeks, 15 hours per week).

\$700,000 for **additional costs** not captured in the standardized formula:

- High Cost Needs Pool: \$400,000 to be awarded via application. Allowable expenses include:
 - Transition coordination costs in partner school systems (e.g., 0.25 FTE district leader who coordinates with the preparation provider)
 - Faculty time and/or travel expenses that are not captured in the transition funding formula
- Mentor training: \$200,000 for training with experts
- Provider support: \$100,000 for support from experts on topics such as partnership development, residency design, and use of data for program improvement.

Each institution will be able to make a non-competitive funding request of the LDE in fall 2016 based on the transition formulas listed here.

Additionally, the LDE has been awarded a \$66.8 million [Teacher Incentive Fund](#) (TIF) grant through the federal government to strengthen the teaching profession and expand access to excellent teachers and leaders in rural schools. Funds from the LDE's grant will be dedicated to teacher residents, teacher mentors, and teacher preparation providers, as well as compensation incentives for educators at all levels in rural school systems² that chose to participate in the grant through 2021. Louisiana received the [largest award](#) of any state and will begin grant making in 2016-2017.

² Participating school systems include Allen Parish, Assumption Parish, Caldwell Parish, Catahoula Parish, Concordia Parish, Grant Parish, JS Clark Leadership Academy, Lincoln Parish, Morehouse Parish, Red River Parish, Richland Parish, St. Helena Parish, St. Landry Parish, Tallulah Charter School, Tensas Parish, and West Carroll Parish. All school systems eligible for the federal Rural Education Achievement Program (REAP) were invited to participate.

PROPOSED FUNDING SUPPORTS BEYOND TRANSITION

Funding for yearlong residencies can be sustained beyond the transitional funding period in several ways, including through Louisiana's Every Student Succeeds Act (ESSA) [plan](#). Passed by Congress in 2015, ESSA is a federal law that requires states to have a plan for spending federal funds and for measuring and supporting student skills and progress. ESSA replaces the No Child Left Behind Act (NCLB), which was authorized for 15 years. Through the ESSA plan, which will endure through ESSA's authorization, the LDE will dedicate funds from its federal grant statewide set-aside for mentor stipends, university coordination costs, and statewide training. This will be accomplished by designating mentor teacher stipends and university coordination costs as explicit, allowable local expenses under Title II and Title I school improvement activities in Louisiana's ESSA plan.

To support identified needs – including **university coordination** and **university supervision** – during and beyond the transition period, institutions will have a choice of reallocating funds for expenses that will now be supported by BESE and the LDE and use those funds to defray potential costs of additional university coordination and supervision.

During and beyond the transition period, higher education and PreK-12 revenue and budgets cannot be predicted. However, if costs exist beyond what can be reallocated, the State will work with universities to identify additional funds that may be needed to pay for the supervision of teacher candidates.

Mentor compensation will be supported beyond the transition period at a minimum rate of \$1,000 per year. This will be accomplished by designating mentor teacher stipends as a statewide and allowable local expense up to \$2.2 million per year in Louisiana's plan to comply with ESSA.

Resident compensation can be sustained through federal Title II funds and by allowing residents to serve in substitute roles on a limited basis. This offers a financial benefit to residents while providing students with access to instruction from a member of the school community who is familiar with the school's students, academic goals, and schedule and routines.

- The proposed Resident Teacher Certificate policy allows residents to serve as substitute teachers a maximum of ten days each semester of their residency in their residency placement school.
- Earnings potential: If a resident replaces a substitute ten times each semester, the resident earns \$1,600 per year³.

Additionally, undergraduate residents have access to greater financial support and reduced student loan debt by pursuing certification in [high-need certification areas](#) and teaching in [designated high-need schools](#).

- [AmeriCorps Funds](#) of \$5,500 each year are available if the candidate is teaching in a Title I School. The iTeachAZ program at Arizona State estimates that 98 percent of their students receive grant funding through AmeriCorps. Currently, the University of Louisiana-Lafayette is the only campus-based AmeriCorps chapter in Louisiana.
- [Federal TEACH grants](#) of up to \$14,896 (\$3,724 per year) are available to teacher candidates who meet certain academic requirements (3.25 cumulative GPA, 75th percentile on college admissions test). These candidates must teach for four of the eight years following graduation.
- [Federal Perkins loans](#) may be deferred or cancelled for full-time teachers who teach in high-need certification areas.

High-need certification areas and high-need schools are identified and reported annually to the U.S. Department of Education. High-need schools serve student populations with greater than 30 percent economically disadvantaged students. Public schools are identified through consolidated applications submitted by school districts. Non-public schools are identified through Nutrition Office data.

³ Assumes a substitute teacher rate of \$80/day.

CONCLUSION

The fiscal impact study identified increased costs in three essential areas: program administration, mentor compensation, and resident compensation. Some universities identified various additional costs associated with transition to residency-based programs.

Through collaboration with universities, and school systems, BESE, BOR and Department staff developed a funding proposal that supports costs through a three-year transition period. These funds, pending BESE approval, will be allocated from existing state and federal funds using a standardized formula, through 2019.

TIF funds will be used to support the transition to and first years of yearlong residency in participating rural districts through 2021.

In order to support the increased costs beyond the transition period, the Department and BOR have identified additional funding sources that universities and school districts will be able to use to sustain university coordinators, university supervisors, and teacher mentors for full-year residencies beyond 2019. These funding commitments, including dedicated funds for mentor stipends and university coordination through Title II and Title I school improvement state set-asides, will be made through Louisiana's ESSA plan.