

STATE CERTIFICATION COMMISSION

MAY 1997

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May 29, 1997

The Honorable John S. Wilder
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Speaker of the House of Representatives
The Honorable Kenneth N. (Pete) Springer, Chair
Senate Committee on Government Operations
The Honorable Mike Kernell, Chair
House Committee on Government Operations
and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243

Ladies and Gentlemen:

Transmitted herewith is the performance audit of the State Certification Commission. This audit was conducted pursuant to the requirements of Section 4-29-111, *Tennessee Code Annotated*, the Tennessee Governmental Entity Review Law.

This report is intended to aid the Joint Government Operations Committee in its review to determine whether the commission should be continued, abolished, or restructured.

Very truly yours,

W. R. Snodgrass
Comptroller of the Treasury

WRS/tp
96/131

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Performance Audit
State Certification Commission
May 1997

AUDIT OBJECTIVES

The objectives of the audit were to review the State Certification Commission's and the Career Ladder Program's legislative mandates and the extent to which they have met their mandates; to evaluate the efficiency and effectiveness of the commission and the Career Ladder Program; and to make recommendations that might result in more efficient and effective operation of the commission and the Career Ladder Program.

OBSERVATIONS AND COMMENTS—EFFECTIVENESS OF THE CAREER LADDER PROGRAM

The Career Ladder Program was intended to promote staff development among educators and to reward with substantial pay supplements those educators evaluated as outstanding. Although the Career Ladder Program appears to have been successful in providing pay supplements to educators evaluated as outstanding, the extent to which the program has (1) reached (and rewarded) the outstanding teachers in Tennessee, (2) improved teachers' performance, or (3) improved students' progress and achievement is unknown. Evaluating the effectiveness of the Career Ladder Program is made more difficult because legislative changes may have altered the program's focus and because little or no reliable data is available to link teachers' performance to students' achievement.

Several states have terminated their Career Ladder programs in recent years, and few other states currently have such programs. Comments by participants and others associated with the program and K-12 education in Tennessee indicate some dissatisfaction with and lack of interest in the program. Because the evaluation process is lengthy and time consuming, and the rewards of certification are somewhat limited, many truly outstanding teachers may decide not to participate at the upper levels. In addition, although Career Ladder Program staff train the evaluators and periodically adjust the evaluation process in an attempt to make it as objective as possible, it is still a subjective process based on very limited observations of the teacher in the classroom (page 5).

FINDINGS

Participation at Levels II and III of the Career Ladder Is Low

As of December 1996, 45,978 teachers were certified on the Career Ladder: 81 percent at Level I, 7 percent at Level II, and 12 percent at Level III. Data received from the Department of Education indicates that a large percentage of Level I teachers have decided not to climb the Career Ladder, even though they are eligible to apply for certification at Levels II and III. The participation rate (those certified compared to those eligible to participate) was 77 percent for Level I, 8 percent for Level II, and 17 percent for Level III. Some Department of Education staff stated that the lack of participation at the higher levels of the program is appropriate since the program's purpose is to reward outstanding teachers in the state. However, the Career Ladder Program was also intended to promote staff development—a goal that appears to suffer if relatively few teachers participate at the upper levels (page 10).

Summary Conferences May Not Be Necessary in All Cases

In an attempt to improve the evaluation process and decrease the number of appeals and reversals of evaluation decisions, an additional step (i.e., a summary conference) was added to the evaluation process during fiscal year 1992. Since the addition of the summary conference, the number of appeals and the reversal rate have decreased (although other factors may also have contributed to the decrease). However, the requirement of a summary conference has also increased scheduling problems and the length and cost of the evaluation process. In addition, analysis by Career Ladder Program staff indicates that a majority of the summary conferences do not affect the final outcome of the evaluation process and, therefore, may not be needed (page 12).

Tenure Decisions Are Made Before Licensure and Certification Decisions

Under current law, a teacher is awarded tenure at the end of his or her probationary period (i.e., three years of teaching) if he or she is reemployed by the same school system. However, that same teacher does not receive a professional license or Career Level I status until the end of his or her fourth year of teaching. Therefore, the decision whether to award tenure is made before the teacher is determined competent enough to receive a professional license or a Career Ladder I certificate. In addition, the decision to grant Level I certification may become perfunctory because it is difficult to deny Level I certification to an already tenured teacher (page 14).

The State Certification Commission May No Longer Be Needed

The State Certification Commission was created to administer the certification and evaluation program for educators, under the supervision of the State Board of Education. In the early years of the Career Ladder Program, the State Certification Commission played a pivotal role in developing the program and the evaluation process. However, the day-to-day administration of the program is handled by the Department of Education's Career Ladder Program staff, and in recent years the evaluation process has changed little. As a result, the State Certification Commission's role has diminished, mainly focusing on the routine approval of the certifications of Career Ladder Program participants, with all commission decisions subject to approval by the State Board of Education (page 15).

OTHER ISSUES

The audit also discusses the following issues: Career Ladder programs nationwide, the cost of the Career Ladder Program, student performance, and the development of a new local evaluation model (page 7).

ISSUES FOR LEGISLATIVE CONSIDERATION

The General Assembly may wish to consider whether there is a need to continue the Career Ladder Program. If the Career Ladder Program is terminated, the General Assembly would need to consider the effect on educators currently certified under the program. One option would be to continue supplements at the current amounts to educators already certified. This option would make available approximately \$3 million, the current funding for administration of the program. Another option would be to discontinue all aspects of the Career Ladder Program including supplements currently paid to Level I, II, and III educators. This alternative would allow redistribution of as much as \$105.6 million, the current funding for administration, supplements, and extended contracts. Under either option, the dollars made available could then be used for programs designed to improve teacher and student performance (page 6).

The General Assembly may wish to consider whether there is a continued need for the State Certification Commission (page 15).

"Audit Highlights" is a summary of the audit report. To obtain the complete audit report which contains all findings, recommendations, and management comments, please contact

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PERFORMANCE AUDIT
STATE CERTIFICATION COMMISSION

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PERFORMANCE AUDIT
STATE CERTIFICATION COMMISSION

INTRODUCTION

PURPOSE AND AUTHORITY FOR THE AUDIT

This performance audit of the State Certification Commission was conducted pursuant to the Tennessee Governmental Entity Review Law, *Tennessee Code Annotated*, Title 4, Chapter 29. Under Section 4-29-219, the State Certification Commission is scheduled to terminate June 30, 1998. The Comptroller of the Treasury is authorized under Section 4-29-111 to conduct a limited program review audit of the commission and to report the results to the Joint Government Operations Committee of the General Assembly. The audit is intended to aid the committee in determining whether the commission should be abolished, continued, or restructured.

OBJECTIVES OF THE AUDIT

The objectives of the audit were

1. to determine the authority and responsibility mandated to the commission and the Career Ladder Program by the General Assembly;
2. to determine the extent to which the commission and the Career Ladder Program have met their legislative mandates;
3. to evaluate the efficiency and effectiveness of the commission and the Career Ladder Program; and
4. to recommend possible alternatives for legislative or administrative action that may result in more efficient and effective operation of the commission and the Career Ladder Program.

SCOPE AND METHODOLOGY OF THE AUDIT

The activities and procedures of the State Certification Commission and the Department of Education's Career Ladder Program were reviewed, with the focus on procedures in effect at the time of field work (July to October 1996). The audit was conducted in accordance with generally accepted government auditing standards. The methods included

1. interviews with the State Certification Commission chairman and staff of the Career Ladder Program, the Department of Education and the State Board of Education, and other states' Departments of Education;
2. interviews with representatives of local, state, and national teacher organizations;
3. reviews of Career Ladder Program files and documents and commission meeting minutes;
4. analysis of Career Ladder Program costs and participation rates;
5. review of statutes and state rules and regulations; and
6. review of prior audit reports and documents.

STATE CERTIFICATION COMMISSION

The State Certification Commission was created in 1984 (as part of the Comprehensive Education Reform Act) to administer the certification and evaluation program for educators (i.e., the Career Ladder Program). The commission's primary duties are to (1) receive recommendations for the certification of all Career Level I educators (teachers, principals, assistant principals, and supervisors) and for licensure of probationary teachers; (2) review all applications for Career Level II and III educators; (3) make recommendations to the State Board of Education regarding the certification of all educators under the Career Ladder Program provisions, including the granting of licenses to probationary and apprentice teachers; and (4) recommend evaluation standards, criteria, and procedures to the board. (Pursuant to Section 49-5-5201, *Tennessee Code Annotated*, the State Board of Education has jurisdiction over the issuance of all teaching licenses and career ladder certificates.)

The commission consists of 14 members who are appointed by the Governor to serve three-year terms:

- Four teachers
- Two principals
- One supervisor
- Two higher education representatives
- One superintendent
- Two laypersons

- One student member serving a one-year term
- The Commissioner of Education

The staff of the Career Ladder Program in the Department of Education provide administrative support to the State Certification Commission.

CAREER LADDER PROGRAM

According to Section 49-5-5002, *Tennessee Code Annotated*, the Career Ladder Program was intended to promote staff development among educators and to reward with substantial pay supplements those educators evaluated as outstanding. Although initially established as a mandatory program, the Career Ladder Program was made voluntary in 1987. To obtain certification, educators must satisfy experience requirements, must be employed in Career-Ladder-eligible assignments, and must successfully complete the evaluation process. The Career Ladder Program provides merit pay (basic salary supplements) for certified educators and additional supplements for certified educators who are selected to work extended contracts (more than ten months in a year).

The Career Ladder has three Levels—I, II, and III. The experience requirements for each level differ between the teacher evaluation group (which includes general education, vocational, and special education teachers; speech/language specialists; librarians; counselors; consulting teachers; school psychologists and social workers; and attendance supervisors) and the administrator evaluation group (which includes principals, assistant principals, and supervisors). As of December 13, 1996, there were 48,122 certificate holders. Ninety-six percent (45,978) were teachers, 79 percent of certified educators were at Level I, 7 percent were at Level II, and 14 percent were at Level III. (See Finding 1 for a discussion of program participation rates.)

Career Ladder educators are required to be recertified after ten years; however, by statutory amendment in 1994, no certificates will expire before July 1, 1998. According to Department of Education staff, recertification was postponed in order to give the General Assembly an opportunity to review the effectiveness of the program.

The Career Ladder Program is administered by seven full-time staff members, 29 contracted evaluators, and four contract staff. The program had expenditures of nearly \$105.6 million in fiscal year 1996. Ninety-seven percent of expenditures were for teacher supplements and extended contracts, and 3 percent were for Career Ladder Program staff salaries and program operating expenses.

DESCRIPTION OF CAREER LADDER EVALUATION PROCESS

The general process used in evaluating classroom teachers is described below. Some aspects of the evaluation process (e.g., the types of observations and the “domains of compe-

tence” used in the evaluation) may be different for administrators and other personnel who are not classroom instructors.

Career Level I

The evaluation process for Career Level I for teachers and administrators is conducted entirely by the local school systems pursuant to guidelines and procedures established by the State Board of Education. The results are submitted to the State Certification Commission, which recommends certification to the board.

Teachers who have four years of teaching experience and have received a professional license are eligible for Level I certification. Teachers with only a bachelor’s degree are required to complete (during the ten-year life of the certificate) one college course at or above the junior level. Administrators must have one year of experience at their administrative position to qualify for Level I.

Under the local evaluation model, teachers’ evaluations are generally performed by the principal, who has received training on evaluation procedures from Career Ladder Program staff. The Level I candidate must be observed three times during the school year and must be evaluated using six “domains of competence”: (1) prepares for instruction effectively; (2) uses teaching strategies and procedures appropriate to the content, objectives, and learners; (3) uses evaluation to improve instruction; (4) manages classroom activities effectively; (5) establishes and maintains a professional leadership role; and (6) communicates effectively. Pre- and post-observation conferences are held to discuss the activity to be observed and ways to improve weaknesses identified. (See page 9 for a description of the new local evaluation model currently being piloted in 15 school districts.)

Career Levels II and III

The evaluation process for Career Levels II and III is administered by Career Ladder Program staff, who train the contract evaluators (selected each year from public schools around the state) and compile and tabulate the results of the evaluation process. The results are submitted to the State Certification Commission, which recommends certification to the State Board of Education.

A teacher is eligible for Level II if he or she has eight years of experience and is teaching in a Tennessee public school. With 12 years of experience, a teacher is eligible for Level III. Administrators must have three years of administrative experience to be eligible for Level II and five years of experience for Level III (with, in both cases, at least one year in the position for which they are seeking certification).

The evaluation process for Career Levels II and III is essentially the same. The candidate must first perform adequately on a professional skills test. The test is followed by an announced

visit and two unannounced visits by Career Ladder Program evaluators (one of whom may be the principal). Each of the three visits includes a pre- and post-observation conference. In the pre-observation conference, the candidate and evaluator discuss what will be observed in each of the classes. The candidate also submits a summary of professional development activities, which contains a self-assessment and a professional growth plan. The post-observation conference gives the evaluator an opportunity to recommend ways the candidate can improve his or her presentation. Once the third visit has been completed, the candidate receives a score record, which totals the scores for the three observations.

Finally, the three evaluators meet at a summary conference to share rating information and discuss the candidate's strengths and weaknesses. After the candidate makes his or her final comments, the evaluators arrive at a final score. A minimum evaluation score of 600 is required for certification at Career Level II; a score of 700 for Level III. Career Level II and III teachers must be evaluated twice during the ten-year life of the certificate—one interim evaluation and one evaluation for recertification.

A teacher or administrator who is dissatisfied with his or her score may appeal the decision within 60 days. Appeals are made to the Office of the Secretary of State. At the first appeal level, the case is reviewed by a staff member who reviews the record, prepares proposed findings of fact, and sends a recommended decision to all parties. If the appellant disagrees with this proposed decision, he or she may appeal within 45 days to the second level and may request a hearing before a hearing officer of the Office of the Secretary of State. If the appellant disagrees with the hearing officer's decision, he or she may appeal to the chancery court. During fiscal year 1995, there were 93 appeals; 28 (30 percent) of those appeals were successful.

OBSERVATIONS AND COMMENTS

THE EFFECTIVENESS OF THE CAREER LADDER PROGRAM

According to Chapter 7 of the Public Acts of 1984, First Extraordinary Session, the Career Ladder Program was intended to promote staff development among educators and to reward with substantial pay supplements those educators evaluated as outstanding. Although the Career Ladder Program appears to have been successful in providing pay supplements to educators evaluated as outstanding, the extent to which the program has (1) reached (and rewarded) the outstanding teachers in Tennessee, (2) improved teachers' performance, or (3) improved students' progress and achievement is unknown. Evaluating the effectiveness of the Career Ladder Program is made more difficult because of legislative changes that may have altered the program's focus, and because there is little or no reliable data that can be used to link teachers' performance to students' achievement. (See page 8.)

Since the inception of Tennessee's Career Ladder Program, several changes have occurred in the program. The major change occurred in 1987, when the program, which had originally been mandatory, became voluntary for all educators. Although the original legislative goals did not change, comments by Department of Education staff indicated that making the program voluntary may have altered its focus from a professional development and reward program to just a reward program. An analysis of participation rates indicates that participation at Levels II and III of the Career Ladder is quite low. (See Finding 1.) If the program's purpose is just to reward teachers evaluated as outstanding, then low participation may not be a major concern. However, if improving educators' performance through professional development is still a major goal, then low participation may be a problem.

Several states have terminated their Career Ladder programs in recent years, and few other states currently have such programs (see page 7). Comments by participants and others associated with the Career Ladder Program and K-12 education in Tennessee indicate some dissatisfaction with and lack of interest in the program. Because the evaluation process is lengthy and time consuming, and the rewards of certification are somewhat limited (see page 10), many truly outstanding teachers may decide not to participate at the upper levels. In addition, although Career Ladder Program staff train the evaluators and periodically adjust the evaluation process in an attempt to make it as objective as possible, it is still a subjective process based on very limited observations of the teacher in the classroom.

The General Assembly may wish to consider whether there is a need to continue the Career Ladder Program. If the program is terminated, the General Assembly would need to consider the effect on educators currently certified under the program. One option would be to continue supplements at the current amounts to educators already certified. This option would make available approximately \$3 million, the current funding for administration of the program. Another option would be to discontinue all aspects of the Career Ladder Program including supplements currently paid to Level I, II, and III educators. This alternative would allow redistribution of as much as \$105.6 million, the current funding for administration, supplements, and extended contracts. Under either option, the dollars made available could then be used for programs designed to improve teacher and student performance.

Joint Comment of the Department of Education, the State Board of Education, and the State Certification Commission:

There is value and feasibility in this recommendation. The department would advocate that teachers who are receiving supplements should continue to receive those supplements. The department would agree that any savings from this program should be used for programs designed to improve teacher and student performance.

FEW OTHER STATES WITH CAREER LADDER PROGRAMS

In 1985, thirteen states had Career Ladder Programs or pilot programs; however, in 1996, only four states had such programs—Tennessee, Utah, Missouri, and Arizona (pilot program only). The reasons given for the termination of Career Ladder Programs in other states included the high cost of the program (e.g., Texas was appropriating nearly \$300 million annually before eliminating its program) and the creation (as a result of the program) of an extremely competitive environment in which teachers were unwilling to cooperate and share information. In lieu of Career Ladder Programs, some states have developed alternative programs, e.g., school accountability programs in which schools are given monetary rewards for a specified percentage increase in students' achievement test scores.

Current Career Ladder Programs

Tennessee's Career Ladder Program differs from the programs in Utah, Missouri, and Arizona in several ways. Although both Tennessee's and Utah's Career Ladder Programs are entirely state funded, in Missouri and Arizona funding comes from both state appropriations and local school districts. In addition, the focus of the programs differs. In Tennessee, the focus is on individual teachers, whereas in Missouri and Utah the focus is on the school district. Individual school districts decide whether to participate in the program. Participating districts develop teaching plans or programs for implementation by the schools and submit these plans to the state for approval. Principals conduct evaluations to ensure that teachers are using the teaching methods outlined in the district's plan.

Although Arizona has had a pilot career ladder program for a number of years, the program has never been fully implemented because of legislative concerns about the high cost and the difficulty in measuring the success of the program. The Arizona program links teacher compensation and advancement directly to student achievement.

Alternative Programs

Since abolishing their Career Ladder Programs, some states such as Kentucky and North Carolina have begun school accountability programs in order to improve school performance and reward teachers. Under such programs, schools receive monetary rewards for percentage increases in students' achievement test scores or successful completion of improvement plans. In some states, the money may be divided among the teachers; in other states, the money must be used for projects to enrich the students' academic lives. School accountability programs are designed to encourage teamwork and sharing among teachers.

Some states, e.g., Georgia, are using certification by the National Board for Professional Teaching Standards to measure teachers' professional development. Teachers wishing to participate submit proposed plans of action to the national board and are judged based on the imple-

mentation and the effectiveness of those plans. Teachers who meet the requirements set forth by the national board receive a reward, such as money or credit toward recertification.

COST OF THE CAREER LADDER PROGRAM

The high cost of Career Ladder Programs has been a concern nationwide and a major reason given for the termination of such programs in other states. Tennessee's Career Ladder Program had expenditures of nearly \$105.6 million during fiscal year 1996, with 97 percent of those expenditures for teacher supplements and extended contracts and 3 percent for program operating expenses. Based on information provided by program staff, auditors analyzed the cost per evaluation and cost per visit (evaluations may require more than one visit) and considered possible alternatives to reduce program costs. However, because the vast majority of program expenditures are for teacher supplements, reductions in staff or evaluator costs will not substantially reduce the overall cost of the program.

Career Ladder Program evaluators performed 1,035 evaluations and conducted 2,732 visits during fiscal year 1996. (These evaluations included teacher and administrator evaluations, as well as the interim evaluations required for participants who are already certified. The number of visits includes summary conferences conducted at the end of the evaluation process.) The total cost per evaluation (including evaluators, program staff, and other related indirect costs) was an estimated \$3,345. The total cost per visit was \$1,267. The direct cost (which includes only the cost of the evaluators) for fiscal year 1996 was \$1,993 per evaluation and \$755 per visit.

Career Ladder Program staff attributed the evaluations' high cost to the goal of making the process as objective and fair as possible. To help ensure objectivity and fairness, each participant who goes through the upper-level evaluation system must be evaluated by three evaluators (one of whom may be the principal). The more visits made by the evaluators, the higher the cost of the program. Although program costs could be reduced by decreasing the number of visits, such a decrease might also decrease the fairness of the process. One possible way to decrease the number of visits without harming the program might be to decrease the number of summary conferences, by only requiring such conferences when they could affect the outcome of the evaluation process. (See page 12.)

STUDENT PERFORMANCE

Pursuant to Section 49-5-5103, *Tennessee Code Annotated*, the State Certification Commission has the duty to study the use of student progress or achievement as an indicator of successful teaching. However, the commission has not undertaken such a study, and student progress or achievement is not currently being used to evaluate teachers participating in the Career Ladder Program.

Finding a valid, reliable measure to use in linking student achievement to teacher performance is a complex and controversial task. Theoretically, it seems that the Career Ladder Program

should be able to use the Tennessee Value Added Assessment System (TVAAS) scores as one factor in evaluating teacher performance. (The TVAAS uses the results from the Tennessee Comprehensive Assessment Program Achievement Test—given in grades two through eight—to determine academic gain.) However, an evaluation of the TVAAS, contracted for by the Comptroller's Office, raised concerns about using TVAAS to evaluate individual teachers, particularly until the system has been proven reliable. Among the concerns were (1) the difficulty in controlling for factors that are outside the teacher's control but that affect student performance and (2) the difficulty in determining which teacher contributed how much to a student's achievement. In addition, both legislators and Department of Education officials have questioned the use of TVAAS to evaluate teachers and schools. Finally, it appears that a statutory change would be necessary to allow the use of TVAAS information by the Career Ladder Program. Section 49-1-606(b) states that "estimates of specific teacher effects on the educational progress of students will not be a public record, and will be made available only to the specific teacher, the teacher's appropriate administrators as designated by the local board of education, and school board members."

At the secondary level, end-of-course tests currently being developed may eventually provide additional feedback to use in evaluating teacher performance. The end-of-course tests will be mandated in all disciplines, starting in 1998.

NEW LOCAL EVALUATION MODEL BEING DEVELOPED

Career Ladder Program staff are developing a new model for the evaluation of probationary, apprentice, Level I, and professionally licensed teachers. According to staff, the new local evaluation model is being developed to meet national certification standards and to incorporate current research and best teaching practices not contained in the old model, which was developed in 1988. The new model was tested in nine school districts during the 1995-1996 school year and is being tested in fifteen districts (eight of the original nine districts plus seven additional districts) during the 1996-1997 school year. Staff plan to present the model to the State Board of Education in Spring 1997, and, pending board approval, to phase in the implementation over a three-year period with July 2000 as the target date.

The new model requires the teacher to identify three areas of strength and three areas of weakness in his or her teaching. The teacher then creates a plan to improve the identified areas. Tennessee Value Added Assessment System data may be used as one source in identifying areas of strength and areas to strengthen. The new local evaluation model differentiates between probationary and apprentice teachers and teachers who have their professional license and Level I status. During the probationary and apprentice stages, the teacher works under the Comprehensive Assessment and Professional Growth process. After the teacher receives a professional license, the school system has the option of offering Focused Assessment and Professional Growth as the evaluation process. Focused Assessment begins with a goal-setting conference. The teacher, with administrator approval, designs an action plan to be used in attaining the goals developed during the conference. Several different approaches are available depending on the needs of the teacher and the specific goals—independent study, collaboration (educators collabo-

rating within or across facilities/school systems to attain a goal), cognitive coaching (using a peer coach to sharpen the educator's skills), or Comprehensive Assessment.

Although the old and new models both use classroom or position observations as one way to evaluate teacher's performance, the new model is designed to focus less on specific teaching behaviors, and more on the effect of those behaviors on student performance. In addition, the new model increases the focus on teachers' activities to assess student performance, the interpretation of the assessment results, and the use of those results to make instructional decisions.

FINDINGS AND RECOMMENDATIONS

PARTICIPATION AT LEVELS II AND III OF THE CAREER LADDER IS LOW

1. FINDING:

As of December 1996, 45,978 teachers were certified on the Career Ladder: 81 percent at Level I, 7 percent at Level II, and 12 percent at Level III. Data received from the Department of Education indicates that a large percentage of Level I teachers have decided not to climb the Career Ladder, even though they are eligible to apply for certification at levels II and III. The participation rate (those certified compared to those eligible to participate) was 77 percent for Level I, 8 percent for Level II, and 17 percent for Level III.

Many teachers begin, but do not complete, the Career Ladder Program evaluation process for levels II and III. The completion rate was 52 percent during fiscal year 1995 and 47 percent during fiscal year 1996. Career Ladder Program staff stated that teachers may drop out of the program for personal reasons or because they realize they are not going to achieve Level II or III status. However, if applicants complete the process, they are very likely to successfully achieve Level II or III status. Ninety-five percent of applicants who completed the evaluation process during fiscal year 1995 successfully achieved Level II or III status; during 1996, 76 percent of such applicants achieved Level II or III status.

There are a number of possible reasons for the lack of participation at the upper levels of the program. First, the evaluation process may discourage some potential participants. According to comments from 180 participants in the spring of 1996, many believed the evaluation process was too time-consuming and involved too much paperwork. They also disliked being observed by program evaluators.

Second, teachers may not consider career ladder salary supplements (which have not changed since the program's inception) sufficient given the time and effort necessary to complete the evaluation process. (The current supplements are \$1,000 per year for Level I, \$2,000 per year for Level II, and \$3,000 per year for Level III.) In addition, department staff stated that a change in the relationship between extended contracts and the Career Ladder Program may have made participation less attractive. Originally, a teacher had to be a program participant in order to receive an extended contract. However, 1988 legislation allowed non-Career Ladder II and III teachers to also receive extended contracts to work during the summer or before or after regular school hours. In addition, the legislation decreased teachers' control over the types of extended contract programs developed and required that extended contracts be used to meet identified student needs. (Career Level II and III teachers still have priority over other teachers if they are qualified for and are willing to accept the particular extended contract assignment.) A review of extended contracts worked by educators in 1994-95 showed that 64 percent of all extended contracts were worked by Level II and III educators. Only one percent of the Level II and III educators who requested an extended contract did not receive the contract.

Some Department of Education and Career Ladder Program staff stated that the lack of participation at the higher levels of the program is appropriate since the program's purpose is to reward outstanding teachers in the state. However, the Career Ladder Program was also to be designed to promote staff development—a goal that appears to suffer if relatively few teachers participate at the upper levels.

RECOMMENDATION:

The Department of Education needs to evaluate participation rates at the upper levels of the Career Ladder Program, and determine whether those rates are appropriate given the statutory objectives of the program and the associated costs and benefits. If the department determines that the program's potential benefits (e.g., improved teacher and/or student performance) outweigh its costs (i.e., salary supplements and administration), it should review the evaluation process and participants' comments to identify reasons for the lack of participation and ways to increase participation rates.

MANAGEMENT'S COMMENTS:

Joint Comment of the Department of Education, the State Board of Education, and the State Certification Commission:

We concur in part in that the participation rate in the upper levels of Career Ladder should be evaluated. However, the statutes are unclear about the participation rate that is expected. When the program was changed to a voluntary program, the issue of appropriate rates of participation was clouded. If the legislative goal is to increase participation,

the department can pursue that goal. Substantial reductions have occurred in the administration of these evaluations over the years to conform to the amount of voluntary participation. Any efforts on our part to increase participation will result in the need to increase the funds allocated to Career Ladder, both for appropriate identification and for additional supplements. We are not convinced that there is legislative desire to channel more funds into this program.

Changes are being recommended for implementation beginning in the 1997-98 school year. These changes place a strong emphasis on the professional development of teachers in local evaluations and after completion of the Career Ladder II and III evaluation process and for conducting the interim evaluation process.

SUMMARY CONFERENCES MAY NOT BE NECESSARY IN ALL CASES

2. FINDING:

In an attempt to improve the evaluation process and decrease the number of appeals and reversals of evaluation decisions, an additional step (i.e., a summary conference) was added to the evaluation process during fiscal year 1992. During the summary conference, all three evaluators meet to discuss their ratings of the Career Ladder candidate; the candidate meets with the evaluators to share his or her concerns about the evaluations and the scores; and the team conducts an appraisal process summarizing the overall performance of the candidate and generating a final score. (Currently, summary conferences are mandatory for all Level II and III candidates, except Level III candidates who have already scored 549.9 points or more.) Since the addition of the summary conference, the number of appeals and the reversal rate have decreased (although other factors may also have contributed to that decrease); however, the requirement of a summary conference has also increased scheduling problems and the length and cost of the evaluation process. In addition, analysis by Career Ladder Program staff indicates that a majority of the summary conferences do not affect the final outcome of the evaluation process and, therefore, may not be needed.

A Career Ladder candidate can receive a maximum of 620 points prior to the summary conference, with the potential for an additional 180 points during the summary conference. However, analysis by Career Ladder Program staff indicates that teachers generally receive the same percentage of points in the summary conference as they did in the rest of the evaluation process. For example, if a candidate received 90 percent of the available points prior to the summary conference, he or she will generally receive 90 percent of the available points in the summary conference. (According to staff, the summary conference is the part of the evaluation process where the entire evaluation is reviewed; therefore, the scores are based in large part on what has already occurred in the evalua-

tion.) The staff's review and analysis of Career Ladder participants' evaluations for three years found that approximately 70 percent of the summary conferences did not affect the overall outcome of the evaluation. An auditor review of evaluations confirmed that a large number of summary conferences appear to be unnecessary (i.e., because they did not affect the overall outcome of the evaluation).

As a result of the above analysis, Career Ladder Program staff prepared a proposal revising the evaluation process and setting cut-off scores. The scores would be used to determine whether a summary conference could affect the outcome of the evaluation process and, therefore, whether a candidate would need to go through a summary conference. Candidates who did not obtain a certain score or obtained a very high score would not go through a summary conference. By only meeting when the summary conference could possibly make a difference in the outcome of the evaluation process, the Career Ladder Program could decrease administrative costs (see page 8) and shorten the evaluation process for many participants.

RECOMMENDATION:

The State Certification Commission and the State Board of Education should consider adopting and implementing the Career Ladder Program staff's proposal to require summary conferences only when the conference could affect the outcome of the evaluation process.

MANAGEMENT'S COMMENTS:

Joint Comment of the Department of Education, the State Board of Education, and the State Certification Commission:

We concur; however, the department will submit to the State Board of Education a plan for summary conferences to be held only when requested by the candidate and these conferences would be held via telephone. Although this is different from the plan that is currently in effect and that we have proposed in the past, we believe it will sufficiently meet the candidates' needs. Implementation of this plan is tentatively scheduled for Fall 1997.

TENURE DECISIONS ARE MADE BEFORE LICENSURE
AND CERTIFICATION DECISIONS

3. FINDING:

Under current law, a teacher is awarded tenure at the end of his or her probationary period (i.e., three years of teaching) if he or she is reemployed by the same school system. However, that same teacher does not receive a professional license or career Level I status until the end of his or her fourth year of teaching. Therefore, the decision whether to award tenure is made before the teacher is determined competent enough to receive a professional license or a Career Ladder I certificate. In addition, according to Career Ladder Program staff, the decision to grant Level I certification becomes perfunctory because it is difficult to deny Level I certification to an already tenured teacher.

During 1996, Career Ladder Program staff recommended changing the process to make teachers eligible for a professional license and Level I certification after the third year of teaching. This proposed change would shorten the apprentice license period by one year and allow tenure, licensure, and certification to occur simultaneously. According to staff, this change would make achieving Level I certification more difficult and, thus, make the local evaluation for Level I certification a more meaningful process. However, granting certification and tenure in the same year would increase Career Ladder supplements since teachers would receive their Level I supplement a year earlier than they do currently. Staff estimated that the cost could be an additional \$1.5 to \$2.0 million in fiscal year 1998. Another alternative (with less fiscal impact to the state) would be to make teachers eligible for a professional license after the third year of teaching (allowing licensure and tenure to occur simultaneously), but still require that teachers have four years of teaching experience before receiving Level I certification.

RECOMMENDATION:

Department of Education staff should analyze the costs and benefits of allowing licensure or licensure and certification after three years. If the department determines that the benefits to the teacher licensing and certification process outweigh the costs, it should recommend the needed statutory changes.

MANAGEMENT'S COMMENTS:

Joint Comment of the Department of Education, the State Board of Education, and the State Certification Commission:

We concur; however, we recommend that changes be made to allow licensure and tenure to occur simultaneously, but allow Career Ladder I certification to remain as it is presently. Although it would be less confusing to have tenure, licensure, and certification at Level I occur simultaneously, the first-year cost of making that change may be too high.

THE STATE CERTIFICATION COMMISSION MAY NO LONGER BE NEEDED

4. FINDING:

The State Certification Commission was created to administer the certification and evaluation program for educators, under the supervision of the State Board of Education. In the early years of the Career Ladder Program, the State Certification Commission played a pivotal role in developing the program and the evaluation process. However, the day-to-day administration of the program is handled by the Department of Education's Career Ladder Program staff, and in recent years the evaluation process has changed little. As a result, the State Certification Commission's role has diminished, mainly focusing on the routine approval of the certifications of Career Ladder Program participants, with all commission decisions subject to approval by the State Board of Education.

The State Certification Commission meets several times a year to recommend certifications of Career Ladder Program participants. The commission met five times in 1994 and three times in 1995. These meetings generally lasted less than 30 minutes, and half were conducted via conference call. Auditor review of the meeting minutes indicated that the meetings are routine, focusing on the approval of candidates for certification and the occasional approval of changes in the evaluation instruments for specific groups of educators. Interviews with Career Ladder Program and other Department of Education staff indicated that the commission's current role is largely ceremonial and that termination of the commission would have very little impact on the Career Ladder Program.

RECOMMENDATION:

The General Assembly may wish to consider whether there is a continued need for the State Certification Commission.

MANAGEMENT'S COMMENTS:

Joint Comment of the Department of Education, the State Board of Education, and the State Certification Commission:

We concur that this is a decision that should be made by the General Assembly. However, the State Certification Commission does allow for a group of educators to approve changes in the Career Ladder process as well as consider special cases. We believe that this review by educators prior to the State Board of Education's approval is important for the overall process. If the State Certification Commission were abolished, some entity would still be needed to review and approve changes to the evaluation systems, approve special cases, and so on.

RECOMMENDATIONS

LEGISLATIVE

This performance audit identified areas in which the General Assembly may wish to consider statutory changes to improve the efficiency and effectiveness of state government's operations.

1. The General Assembly may wish to consider whether there is a need to continue the Career Ladder Program. If the Career Ladder Program is terminated, the General Assembly would need to consider the effect on educators currently certified under the program. One option would be to continue supplements at the current amounts to educators already certified. This option would make available approximately \$3 million, the current funding for administration of the program. Another option would be to discontinue all aspects of the Career Ladder Program including supplements currently paid to Level I, II, and III educators. This alternative would allow redistribution of as much as \$105.6 million, the current funding for administration, supplements, and extended contracts. Under either option, the dollars made available could then be used for programs designed to improve teacher and student performance.
2. The General Assembly may wish to consider whether there is a continued need for the State Certification Commission.

ADMINISTRATIVE

The following areas should be addressed to improve the efficiency and effectiveness of the Career Ladder Program's operations.

1. The Department of Education needs to evaluate participation rates at the upper levels of the Career Ladder Program, and determine whether those rates are appropriate given the statutory objectives of the program and the associated costs and benefits. If the department determines that the program's potential benefits (e.g., improved teacher and/or student performance) outweigh its costs (i.e., salary supplements and administration), it should review the evaluation process and participants' comments to identify reasons for the lack of participation and ways to increase participation rates.
2. The State Certification Commission and the State Board of Education should consider adopting and implementing the Career Ladder Program's staff's proposal to require summary conferences only when the conference could affect the outcome of the evaluation process.

3. Department of Education staff should analyze the costs and benefits of allowing licensure or licensure and certification after three years. If the department determines that the benefits to the teacher licensing and certification process outweigh the costs, it should recommend the needed statutory changes.