



COLORADO
Department of Education

Colorado State Board of Education

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
COLORADO DEPARTMENT OF EDUCATION COMMISSION
DENVER, COLORADO
October 7, 2015, Part 4

BE IT REMEMBERED THAT on October 7, 2015,
the above-entitled meeting was conducted at the Colorado
Department of Education, before the following Board
Members:

Steven Durham (R), Chairman
Angelika Schroeder (D), Vice Chairman
Valentina (Val) Flores (D)
Jane Goff (D)
Pam Mazanec (R)
Joyce Rankin (R)
Debora Scheffel (R)



1 CHAIRMAN DURHAM: So we are now on Item 17,
2 Kindergarten and School Readiness --

3 MS. SCHROEDER: Reporting.

4 CHAIRMAN DURHAM: Reporting. Commissioner?
5 (Indiscernible) to start.

6 MR. ASP: What we -- thank you, Mr. Chair.
7 What we need to share with you here is a -- the work we
8 need to do to collect aggregated information on school
9 readiness and they're proposing to -- proposing to use a
10 reporting system. And I'll turn it over to Dr. Colzman
11 here to take us through the presentation.

12 MS. COLSMAN: Thank you, Mr. Chair and
13 Members of the Board.

14 CHAIRMAN DURHAM: Thank you.

15 MS. COLSMAN: In our materials, you'll find
16 the PowerPoint presentation and you should also have a
17 summary of the School Readiness Involving within CAP4K.
18 That should have all of the legislative requirements kind
19 of at your fingertips.

20 As far as introductions today, I'm joined by
21 my colleague, Marcia Bohannon, who is our chief
22 information officer to my right, your left. The purpose
23 of our presentation today is to provide information about
24 the requirements for state level reporting of
25 kindergarten School Readiness information and to solicit



1 your input on this reporting system. This is an
2 information item only. There -- we are proposing that
3 there would be an action item in November based on your
4 input that you bring forward today.

5 What I'll do today is provide an overview
6 of the legislative requirements regarding this reporting
7 system, provide a broad proposal to engage in a
8 conversation about the -- the structure of that system
9 that you would -- you are responsible for adopting and
10 talk about next steps for this process.

11 Broadly speaking, the overview of school
12 readiness requirements for reporting for the state board
13 are to adopt a system for state level reporting of
14 aggregate kindergarten school information data, which
15 would be information about aggregate school readiness and
16 to be able to measure overall improvement of school
17 readiness across the state and districts. So that's the
18 high level marquis of -- of what the state board is
19 required to do.

20 We dig into some details of this. What
21 you'll see is that there are some requirements of the
22 Department of Education in terms of using that reporting
23 system to provide information to the legislature through
24 an annual report. So you'll see that there's some
25 additional information there that helps give us some



1 parameters on what this reporting system would be. On
2 this slide, which is Slide 2 on Page 2 of your handouts,
3 what you'll see is that we provide an annual report to
4 the legislature every February on CAP4K. At a minimum
5 you'll see for Section 3, the report shall include the
6 following information:

7 The levels of school readiness demonstrated
8 by students enrolled in kindergarten. But then you'll
9 see a component that the -- this reporting system should
10 allow us to report out on disaggregated information
11 related to school district, school, grade level, free and
12 reduced cost lunch, status, gender, ethnicity. And then
13 the broad category of any other characteristic deemed by
14 the Department to be meaningful.

15 CHAIRMAN DURHAM: Yes, Dr. Schroeder?

16 MS. SCHROEDER: Could I also ask you at this
17 point, the reporting, is this -- is this data not also --
18 also a part of the SMART Act goals that you would have to
19 have this information in order to substantiate a
20 readiness -- wasn't there a readiness goal in the SMART
21 Act?

22 MS. COLSMAN: So you're right that there is
23 a goal related to Goal 1, which is start strong.

24 MS. SCHROEDER: Start strong, thank you.

25 MS. COLSMAN: Right. What now what we're



1 using is a metric from the Colorado preschool program and
2 looking at growth in literacy and math for students who
3 are receiving state funding for that. The Department may
4 determine in the future and the Board may consider
5 whether or not to add any component of this reporting
6 requirement into our SMART Act goals.

7 MS. SCHROEDER: But it's not essentially?

8 MS. COLSMAN: It's -- it's not in there now
9 and it's not essential.

10 MS. SCHROEDER: Thank you.

11 MS. COLSMAN: So by reporting, this is part
12 of our annual CAP4K report --

13 MS. SCHROEDER: Report.

14 MS. COLSMAN: -- to the legislature. Okay.

15 So what does adopting an assessment mean? Thank you.

16 What does adopting a system for reporting mean? We see

17 this as approving the relevant data fields to be

18 collected from districts and the way in which they are

19 collected. We're proposing that we would use CDE's

20 current data collection infrastructure, which is called

21 Data Pipeline, as the way in which data would be

22 collected.

23 Broadly speaking, Data Pipeline is the

24 reporting system that districts use to submit data to the

25 Department for required collections. And there is also a



1 role for the EDAC, which is the Educational Data Advisory
2 Committee, in this process, in addition to the State
3 Board's role. EDAC is required to approve any data
4 collections that districts are required to submit to the
5 Department.

6 In addition to reviewing grant applications,
7 surveys, plans, reports, et cetera, the -- this body is
8 responsible for approving any type of collection that
9 would go forward. They kind of review any of the
10 collections based on the administrative burden of
11 producing the data, determining effective ways of
12 collecting data, and recommending kind of improvements to
13 data collection systems. One of their considerations
14 when they go through an approval process is whether or
15 not a collection is statutorily required.

16 MS. MAZANEC: Excuse me?

17 MS. COLSMAN: Yes?

18 MS. MAZANEC: So the data collections have
19 to be required -- are required to be approved by the
20 EDAC? What relationship is there between the EDAC and
21 our attempts to manage data privacy, the attorney that's
22 with the attorney general's office that's helping us with
23 that? I just want to make sure that EDAC isn't saying,
24 yeah, yeah, this will work and -- and it bypasses what
25 we're trying to do around data privacy.



1 MS. BOHANNON: Yeah, that's a good question,
2 actually. EDAC has -- and just -- just to clarify, it's
3 a -- it's a collection of people from all different
4 districts and -- and all different types of districts are
5 represented there. Last year at the -- at their last
6 meeting, they all agreed to formally propose data privacy
7 as one of their main initiatives for this year. So
8 you'll actually be seeing their report come out and --
9 and they are recommending that -- that we take -- yeah,
10 we -- we do everything we possibly can to focus on.

11 And by doing that, what they'll do is
12 they'll be looking at anything that comes across -- you
13 know, their desk comes to that group. They -- they are
14 also going to be looking at the privacy aspects and the
15 security aspects as well. So that's one of those
16 questions that's been added to their list of things to
17 check. It's not just the -- the burden or the time spent
18 or duplication, but also privacy. So -- and there are
19 people that sit on EDAC. I'm one of them that can give -
20 - that have been giving them regular updates on what
21 we're doing with contracts and the other -- the other
22 work that we're doing with privacy.

23 MS. MAZANEC: Well, I'm just wondering --

24 CHAIRMAN DURHAM: Ms. Mazanec?

25 MS. MAZANEC: -- what -- what would make



1 sense that they run it by -- her name has left me.

2 MS. SCHROEDER: The attorney?

3 MS. MAZANEC: Yes, Heidi --

4 MS. SCHROEDER: Heidi Indisch.

5 (Overlapping)

6 MS. BOHANNON: Sorry, I didn't hear you
7 talking. Yeah, and she would -- she would be involved
8 from the standpoint of because she's on our privacy team.

9 MS. MAZANEC: Okay.

10 MS. BOHANNON: So that connection would be
11 there.

12 MS. MAZANEC: Okay, so we'll have -- we --
13 we don't have to worry about that.

14 MS. BOHANNON: Yeah, it's not -- it won't be
15 disconnected.

16 MS. MAZANEC: Okay, thank you.

17 MS. COLSMAN: It's a good question. Thank
18 you. So right now what I'd like to be able to do is just
19 present like a very broad proposal for you to react to
20 and provide some input so that next month we can come
21 forward with a formal proposal of the specific elements
22 that would be part of this collection. But right now,
23 what I want to do is just kind of, again, just present a
24 -- a real broad kind of framework for you to consider.

25 So what you'll see on Slide 1 on Page 4 is



1 when we look at that statutory requirements, there is
2 some demographic information that's required for
3 reporting purposes. These are already included in our
4 October account collection, and so these would not be
5 additional data elements that would be necessary in order
6 for us to complement our reporting requirements.

7 But when we look at the components of the
8 levels of school readiness demonstrated by students
9 enrolled in kindergarten in the specific domains that are
10 -- or areas that are spelled out in legislation, they're
11 essentially kind of five categories or five areas that
12 are in legislation: Physical well-being and motor
13 development is one; social/emotional development is the
14 second; language and comprehension is the third;
15 cognition is the fourth. And then there's a really
16 interesting category called general knowledge. When I'm
17 feeling a little feisty, I'll think is that kind of like
18 Trivial Pursuit, like we're asking kids, you know, what's
19 the capital of blah-blah-blah? Who starred in 1965 film
20 blah-blah-blah?

21 We think we've been interpreting general
22 knowledge to be a little bit more specific to the types
23 of knowledge and skills that children should be learning
24 in kindergarten and then thinking about those around the
25 academics.



1 We also are thinking about the -- the data
2 burden and the collection requirements in the part of
3 districts in thinking about, you know, that general
4 knowledge. Should that be restricted to kind of literacy
5 and math is those kind of two kind of primary areas that
6 districts are -- are often focusing on, but also
7 recognizing that we want a rich and balanced experience
8 for our children.

9 So given those, if we call those perhaps six
10 elements or six broad categories and then the notion
11 that, well, what would they be reporting on? In this --
12 in the center column, one possibility would be to be able
13 to just have a simple rating of that in this particular
14 category, that -- that -- that this child or these
15 children are below age expectations or at age
16 expectations or above age expectations. Figure that that
17 is a simple way of kind of looking at school readiness
18 and also provides some broad categories for -- for the
19 State to kind of track over time. We can look over time
20 whether children are moving from below age expectations
21 to age expectations. Districts could also have that same
22 information.

23 But again, what we want to do today is to
24 just simply present kind of this broad framework for you
25 to consider, get some of your feedback so that we can



1 come forward in November with a formal proposal for you
2 to consider. And just in terms of timeline, EDAC meets
3 before the next state board meeting. So we'll have an
4 opportunity to take the feedback that you provide here
5 today and flesh that out a little bit further, even with
6 EDAC, so that we kind of are making sure that we're
7 keeping in connection all -- all of the moving parts of
8 this. But again, I wanted to provide this opportunity
9 for your input in this -- in this reporting system.

10 CHAIRMAN DURHAM: Yes, Dr. Schroeder?

11 MS. SCHROEDER: When you're talking about
12 the five or six categories, are you suggesting that for
13 each one of those, there would be a report of below, at,
14 and above expectations?

15 MS. COLSMAN: That's a good question. And
16 the way that the Data Pipeline kind of submission works
17 is there would be kind of this category of, you know,
18 cognition or cognitive development. And there would be
19 one of three indicators that they would input --

20 MS. SCHROEDER: Okay.

21 MS. COLSMAN: -- either below, at, or above.

22 MS. SCHROEDER: So talk to me please a
23 little bit about TS Gold. If 97 percent of the districts
24 are in fact using that, is there not a way to -- to
25 simply transfer the information that is generated for



1 those districts that want to -- rather than having
2 districts do all the work, is there not a way to pull
3 that information and send it aggregated by district?

4 MS. COLSMAN: So what I -- what I'll do is
5 answer in -- in a simplistic way.

6 MS. SCHROEDER: Definitely. Works for me.

7 MS. COLSMAN: And then I'll let my
8 colleague, Marcia, answer, like, with, you know,
9 hopefully even more accurate information.

10 What I would see is that there would be kind
11 of -- kind of two ways that could happen. One would be
12 districts often have student information systems right
13 now where they are able to have kind of different
14 assessment systems that they have kind of talk with a
15 single assess -- a single information system within their
16 district. And they use that to submit to Pipeline.

17 So that would be one way, which would be us
18 working closely with teaching strategies to have them be
19 able to work with the different student information
20 system utilized in Colorado. So for instance, Alpine, to
21 make sure that that data exchange is -- is -- is simple
22 so that it's not something that is an additional
23 collection or an additional step in the part of
24 districts.

25 There is another option, which is -- which



1 has a number of layers, I think, of complexity, which
2 would be to actually work directly with the assessment
3 publisher to submit data. That I think is -- presents a
4 whole other layer, I think, of -- of challenges and costs
5 and probably data privacy that we would really want to
6 make clear, yeah.

7 MS. SCHROEDER: Right. I think I -- it
8 would be important -- I think it would be important for
9 districts to affirm that they want this process to be
10 used. I mean, I'm kind of wondering whether districts
11 are aware of this reporting requirement that's coming
12 this -- yet one more reporting requirement that's coming.
13 And I feel that it would be our job to make this as easy
14 for them as possible, keeping in mind the security
15 concerns that everybody has. But I'm wondering if we can
16 think through that. I would love -- I mean, I know you
17 don't have a lot of time, but I'd love to have some input
18 from the school districts from their information
19 technology person and their superintendent, that they
20 believe that their community would be comfortable with
21 that. I'd want to make sure that the parents understand
22 that this information will be aggregated at the district
23 level and then sent to us, so there's no privacy
24 concerns, but to make it as simple as possible.

25 MS. BOHANNON: Put it in the folder?



1 MS. SCHROEDER: No.

2 CHAIRMAN DURHAM: Wait, is that the intent,
3 is to ask the district to give you aggregated data only?

4 MS. COLSMAN: So I'll -- I'll need to talk
5 to or ask Marcia to talk about how Data Pipeline works.

6 MS. BOHANNON: Yeah, the -- the way Data
7 Pipeline works now is the -- the data is of all the
8 different collections that are submitted. The individual
9 data is -- is submitted through Pipeline. So we -- we
10 actually --

11
12 CHAIRMAN DURHAM: I'm sorry, you have to
13 define Pipeline. And -- and the question is --

14 MS. BOHANNON: Sorry, Data Pipeline.

15 CHAIRMAN DURHAM: -- is it by district or by
16 individuals that you're having it transmitted to you?

17 MS. BOHANNON: Yeah, Data Pipeline is the
18 name of the system. So what the districts will do is
19 they will -- they will put in, they will submit their
20 individualized data. So that would be collection data --

21 MS. SCHROEDER: Student.

22 MS. BOHANNON: -- on the students.

23 MS. SCHROEDER: Individual students?

24 CHAIRMAN DURHAM: Individualized student
25 data?



1 MS. BOHANNON: Right, individual student
2 data.

3 CHAIRMAN DURHAM: And you need that because
4 why?

5 MS. BOHANNON: Because then we need to --
6 well, it goes into a -- doesn't matter the mechanism in
7 the system, but we then take that data and put it
8 together for collections and submit it to the federal
9 government, because they need it aggregated in certain
10 ways. There's different rules that apply to the -- to
11 the submissions that the Feds want. So we have to have
12 the individualized data so that we can then put it
13 together and report it to the federal government.

14 MS. FLORES: Otherwise the districts have to
15 put each one of those categories?

16 MS. BOHANNON: Yeah, separately, which is
17 what they did before.

18 MS. FLORES: Before, okay,

19 MS. BOHANNON: Yeah.

20 CHAIRMAN DURHAM: How many categories does
21 the federal government want?

22 MS. COLSMAN: Well, I would just say for
23 this collection, this -- this is -- is not information
24 that goes to the federal government. This is not a
25 federal requirement. This is a state requirement. And



1 so these data --

2 CHAIRMAN DURHAM: Understand that.

3 MS. COLSMAN: Right.

4 CHAIRMAN DURHAM: But if we're already
5 meeting a federal requirement, is there anything in the
6 federal requirement -- is there anything in the state
7 requirement that's not in the federal requirement?

8 MS. BOHANNON: Yeah, there are some. I
9 mean, this is a -- this would be an example?

10 CHAIRMAN DURHAM: What -- what would be an
11 example? There are only six things they want to know.

12 MS. BOHANNON: Yeah, domains.

13 MS. COLSMAN: Yeah, the -- the actual --

14 CHAIRMAN DURHAM: So the federal government,
15 which one of these six doesn't the federal government
16 want?

17 MS. COLSMAN: So they -- the actual areas of
18 school readiness that are spelled out, which are physical
19 and motor development, social/emotional -- so those six
20 areas, those are not required by the federal government.
21 But those areas, the -- the demographic information,
22 where we would report out to the legislature, those are
23 also categories that the federal government collects,
24 which would be school district, school, grade level, free
25 and reduced lunch eligibility, gender, ethnicity.



1 CHAIRMAN DURHAM: You're talking about the
2 way you disaggregate the data. Can the school districts
3 give it to you in those categories? I mean, they know
4 who their free and reduced lunch are -- students are.
5 They know who their ELL are. Is there some reason -- I'm
6 just trying to find out why you think --

7 MS. COLSMAN: That's a good question.

8 CHAIRMAN DURHAM: -- you need individualized
9 data.

10 MS. BOHANNON: We send the fed -- the
11 federal government, we send them aggregated data across
12 the districts. So for us to put it in the -- parse it out
13 and put it in the right categories for the federal
14 government, we need to have the -- the detailed data.

15 MS. SCHROEDER: Basically what you're saying
16 is we're doing -- we're doing some work that districts
17 don't want to do, which is to --

18 MS. BOHANNON: Right.

19 MS. SCHROEDER: -- do all sorts of different
20 aggregations --

21 MS. BOHANNON: Yeah.

22 MS. SCHROEDER: -- of data depending on
23 whether it's about special ed, et cetera?

24 MS. BOHANNON: Right. And there's different
25 -- different sort of slices of all of that -- that data.



1 The districts, they could send us their aggregated data,
2 but then we wouldn't be able to then disaggregate and put
3 it in the right -- in the right groupings that the
4 federal government requires.

5 CHAIRMAN DURHAM: Dr. Scheffel?

6 MS. SHEFFEL: In terms of privacy and
7 reporting individual student data to the federal
8 government, why are we doing that? We have to do that?
9 And what -- what protections do parents and children have
10 against that data?

11 MS. BOHANNON: We don't submit any
12 individualized data to the federal government. It's all
13 aggregated.

14 MS. SHEFFEL: But they have -- but they have
15 individualized data.

16 MS. SCHROEDER: No, we do.

17 MS. SHEFFEL: I think they do too.

18 MS. BOHANNON: Not from us.

19 MS. SHEFFEL: From?

20 MS. BOHANNON: I can't really speak to that.
21 But they get -- we send them aggregated data.

22 MS. SHEFFEL: But you get individualized
23 data?

24 MS. BOHANNON: Yeah, from the districts, we
25 do. But we don't send any of that to the federal



1 government.

2 MS. SHEFFEL: Well, the -- what was the
3 grant again that we didn't get? SLDS? That grant was
4 designed to provide individual linking of databases and
5 individual data. And we didn't get the grant, but --

6 CHAIRMAN DURHAM: Somebody did.

7 MS. SHEFFEL: -- that's what we were asking
8 for, and others did. And actually a state recently
9 passed an executive order so they could give that data to
10 the federal government at the individual level. So that
11 suggests to me that we were wanting to give that data on
12 the individual level to the Feds.

13 MS. BOHANNON: We -- we would not have -- in
14 Colorado, we would not have done that.

15 MS. SHEFFEL: Well, as I read the --

16 (Overlapping)

17 MS. SHEFFEL: As I read though -- I mean,
18 I've read the grant that we didn't get was individual
19 data.

20 MS. COLSMAN: Dr. Scheffel, we can find out
21 more information about that and make sure that you have a
22 clear answer for that.

23 MS. SHEFFEL: Thank you. I'd like this
24 Board to read that grant. Can I continue?

25 CHAIRMAN DURHAM: Please.



1 MS. SHEFFEL: Are you -- will you continue?

2 CHAIRMAN DURHAM: Go ahead. Let's -- let's
3 continue.

4 MS. SHEFFEL: So is this the right logic
5 path? It strikes me that the law requires that, based on
6 the statute, that the legislature get information about
7 school readiness. So it seems to me, number one, that
8 the laws that we have in Colorado exceeds the federal
9 requirements. That's not this board's problem, but
10 that's the case.

11 But the state statute is vague in that it
12 says data to confirm a child is ready for school. And
13 then it does delineate these categories of physical well-
14 being, motor development, and so forth that you've shown.
15 However, it doesn't specify what data points have to be
16 collected on kids in those categories. So districts are
17 not required to collect every data point that TS Gold is
18 tagging. Ninety-plus percent of the districts or the
19 preschools use TS Gold.

20 Because of privacy issues, can we say --
21 because if you look at those categories, they are not
22 created equal in giving readiness information to
23 kindergarten or parents. So can we not say, in the
24 interest of privacy, that we don't want districts
25 gathering all these data points? I mean, when you look



1 at the intrusive of these data points, would we all like
2 someone working around with a observation protocol
3 looking at all of our behaviors, including
4 social/emotional in the case of a special education
5 student, bathroom habits? I mean, it's embarrassing what
6 we're collecting on these kids. And I would us as adults
7 if we would appreciate that type of intrusiveness in
8 social/emotional areas, in motor development and so
9 forth?

10 I mean, this is about school readiness. And
11 I understand that there's some implications in some of
12 these softer areas that may impinge on school success,
13 but not the level of data that's being collected in TS
14 Gold. It's way over the top. It far exceeds what's
15 necessary to predict school readiness. And I would argue
16 it's -- it's, if I look at House Bill 1294, with the data
17 transparency of that bill, I think we're not in
18 compliance with even our own laws in collecting some of
19 these data. So I -- I guess I -- are we voting on
20 something today or is this just information?

21 CHAIRMAN DURHAM: We're -- we're not. I
22 think, as I understand (indiscernible) proposal for
23 action next time. And of course one of the things I want
24 to see is what fields we're going to collect. But it
25 would seem to me that the legislature wants to know



1 whether or not kids are school ready. So a yes or no.
2 So you got two data points, yes and no. And they could
3 report that 80 percent of their kids are school ready.
4 Is there some reason why that's inadequate?

5 MS. COLSMAN: So from the -- as -- as we
6 read statute, and perhaps Tony can weigh in on this, is
7 we read statute, we see that it -- it does indicate that
8 school readiness and -- is -- is kind of all of these
9 different domains. I don't know that there's any
10 prohibition about reporting out in any specific way or a
11 requirement to report out in any specific way.

12 CHAIRMAN DURHAM: So a yes or no answer
13 could be adequate under the statute. And it would be
14 easy for the districts to tell us X percent of the kids
15 are -- are ready and X percent are not.

16 (Overlapping)

17 MS. SHEFFEL: Yeah.

18 CHAIRMAN DURHAM: I mean, I -- I don't know
19 why we overcomplicate this stuff. I -- I hate to burst
20 anybody's bubble, but over there they don't quite pay
21 quite as much attention to these reports as you might
22 think they do.

23 MS. COLSMAN: They ask for them anyway,
24 yeah.

25 CHAIRMAN DURHAM: They ask for them anyway



1 and I -- I want you to know they're all thoroughly read
2 and digested, but reality is I don't know that we ought
3 to give them what they have -- that for which they have
4 not specifically asked. And I think the burden is really
5 on us if we -- and by any other characteristics deemed by
6 the Department to be meaningful. That's a high burden.
7 If we find any of those, I'd really like to look at them.

8 MR. ASP: Mr. Chair, I'd just add one thing.

9 CHAIRMAN DURHAM: Yes.

10 MR. ASP: I just don't want to interrupt the
11 conversation. This is exactly why we brought this to
12 you, so we can get your feedback in here (indiscernible),
13 so thank you.

14 CHAIRMAN DURHAM: Yes?

15 MS. SHEFFEL: I just wanted to follow up,
16 you know, good governance involves restraint and by
17 districts at such a high level embracing this test and
18 this Board approved it, because we thought it was the
19 only test out there that included all these categories.
20 And then we look more deeply and realize that the valance
21 of each of the categories are not created equal as far as
22 predicting readiness and that these data points are far
23 in excess of what's necessary to predict readiness and
24 that there are huge incursions of privacy because of
25 what's uploaded into the clouds on these kids and then



1 that data follows them into the -- into their high school
2 years, even into that workplace potentially. There's no
3 prohibition against this.

4 I -- I -- I just think that we need to
5 really think very carefully, yes, about these data and
6 the fact that we are essentially encouraging this kind of
7 data collection on all of our young children. It's a
8 huge incursion of privacy. It goes way beyond the intent
9 of the statute and the law. And I think that it -- it
10 needs to be excised from the -- the way that this statute
11 is being implemented.

12 CHAIRMAN DURHAM: Yes, Dr. Schroeder?

13 MS. SCHROEDER: So a couple things: One,
14 think we need a work session on this so that we actually
15 can see whether -- to what extent it goes beyond what was
16 the intent so that it should -- I mean, I understand
17 there's a modified TS Gold anyway, so let's -- let's have
18 that conversation.

19 But in the meantime, I would suggest to you
20 that perhaps there would be information instead of having
21 a yes or no in the three categories that are suggested,
22 because if we were to find that the large majority of our
23 kids are above age expectations, then our standards are
24 probably too low and our expectations. Then we have made
25 a shift in readiness that would call for some different



1 standards and different expectations. I mean, I think
2 there's information to be gleaned from finding out what -
3 - what is the status of our kindergarteners? Are they
4 really, because they go to preschool, are they really
5 that much advanced than they were before? And maybe we
6 should change our expectations.

7 So I would just suggest three categories. I
8 mean, I agree with the three categories instead of yes --
9 a yes or a no, for that reason.

10 CHAIRMAN DURHAM: Instead of two.

11 MS. SCHROEDER: Yeah.

12 CHAIRMAN DURHAM: That's a reasonable
13 compromise. I think -- I think the answer in terms of
14 trying to get feedback, I think it's pretty clear from
15 the discussion that when it comes to the data collected
16 or that we ask for, less is better. And because in part
17 in -- in the -- one of the problems I have with this
18 whole area is in dealing with districts on data privacy
19 and dealing with the state and dealing with the federal
20 government, nobody -- nobody wants to own their own
21 policy.

22 Districts blame us. We have to collect that
23 data because this -- the Department makes us. I've heard
24 that. Everybody on this Board's heard that. Usually we
25 find that that's not true. If you have a very extensive



1 policy you're going to promote here and request a lot of
2 individualized data, then it is true. Then the districts
3 can turn that responsibility on us. I expect districts
4 to own whatever it is they want beyond what is minimally
5 required by statute.

6 And I think what you need to do in bringing
7 this proposal is what is minimally required by statute in
8 your judgment, and that's likely to be the end of it,
9 from, I think, our perspective. And districts then that
10 go beyond are going to have to be responsible and own
11 what they want. And if the federal government wants
12 less, they can't be blamed.

13 So we need -- we need to hold everybody
14 accountable for what they have done. I don't want to be
15 part of the problem. If the legislature has passed a law
16 that requires too much, then they're the problem. I'm
17 more than happy to point the finger across the street
18 once I'm sure that the buck hasn't stopped here,
19 appropriately. So we don't want the buck to stop here.
20 We want to be absolutely in compliance with the minimal
21 requirements of statute.

22 MS. COLSMAN: So thank you. This has been
23 very useful and we'll confer next month with some -- a
24 proposal for you to react to.

25 CHAIRMAN DURHAM: Okay.



1 MS. SCHROEDER: And to the extent that you
2 can minimize the burden on school districts in providing
3 the information, that would also be a priority, at least
4 for me.

5 (Overlapping)

6 CHAIRMAN DURHAM: Yeah, I think if that
7 requires -- if that requires individualized data to
8 minimize the -- to minimize the burden on the districts,
9 then we should probably get that, but we should have an
10 immediate method of disposing of it in -- in -- let's see
11 if we can erase the hard drive as well as Hillary did.
12 Just a offhand comment.

13 Okay. All right, any other questions on the
14 school readiness? Going once, going twice. Thank you
15 very much.

16 MS. COLSMAN: Thank you.

17 CHAIRMAN DURHAM: All right, we'll now
18 proceed to Item 18, Disciplinary Action, 18.01.

19 MS. SCHROEDER: I motion.

20 CHAIRMAN DURHAM: I'd love to have a motion.

21 MS. SCHROEDER: Concerning disciplinary
22 proceedings, OAC Case number ED 2014-0011, I move to
23 affirm the order of the Administrative Law Judge in its
24 entirety.

25 CHAIRMAN DURHAM: It's a proper motion. Is



1 there a second?

2 MS. GOFF: Second.

3 CHAIRMAN DURHAM: Second. It's been
4 seconded by Ms. Goff. Discussion on 18.01? Seeing none,
5 Ms. Burdsall, would you please call the roll?

6 MS. BURDSALL: Dr. Flores?

7 MS. FLORES: Aye.

8 MS. BURDSALL: Jane Goff?

9 MS. GOFF: Aye.

10 MS. BURDSALL: Pam Mazanec?

11 MS. MAZANEC: Aye.

12 MS. BURDSALL: Joyce Rankin?

13 MS. RANKIN: Aye.

14 MS. BURDSALL: Dr. Scheffel?

15 MS. SHEFFEL: Yes.

16 MS. BURDSALL: Dr. Schroeder?

17 MS. SCHROEDER: Yes.

18 MS. BURDSALL: Steve Durham?

19 CHAIRMAN DURHAM: Yes. That motion is
20 adopted by a vote of 7-0. Item 18.02.

21 MS. SCHROEDER: Ready?

22 CHAIRMAN DURHAM: Yes.

23 MS. SCHROEDER: Concerning --

24 CHAIRMAN DURHAM: Ready for motion.

25 MS. SCHROEDER: Concerning disciplinary



1 proceedings OAC Case number ED 2014-0026, I move to
2 affirm of the Administrative Law Judge in its entirety.

3 CHAIRMAN DURHAM: It's a proper motion. Is
4 there a second?

5 MS. GOFF: Second.

6 CHAIRMAN DURHAM: Ms. Goff. Discussion of
7 the motion? Seeing -- hearing none, Ms. Burdsall, will
8 you call the roll on Item 18.02?

9 MS. BURDSALL: Dr. Flores?

10 MS. FLORES: Aye.

11 MS. BURDSALL: Jane Goff?

12 MS. GOFF: Aye.

13 MS. BURDSALL: Pam Mazanec?

14 MS. MAZANEC: Aye.

15 MS. BURDSALL: Joyce Rankin?

16 MS. RANKIN: Aye.

17 MS. BURDSALL: Dr. Scheffel?

18 MS. SHEFFEL: Yes.

19 MS. BURDSALL: Dr. Schroeder?

20 MS. SCHROEDER: Yes. Yes.

21 MS. BURDSALL: Steve Durham?

22 CHAIRMAN DURHAM: Yes. That motion is
23 adopted by a vote of 7-0. And I just want to call one
24 thing procedurally. Oftentimes I will just ask for
25 objections. If at any time I do that and any member



1 would like a roll call for any reason, please request it.
2 It's not -- it's certainly within each member's right to
3 have a roll call vote anything that you wish if you don't
4 want to go through the raising of objection. So please
5 feel free to do that as we proceed.

6 We're now ready for Item 18.10, Educate --
7 Educator Licensing Fee Proposed Increase. Yes, Dr. Asp?

8 MR. ASP: Thank you, Mr. Chair.

9 MS. SCHROEDER: (Indiscernible) motion.

10 MR. ASP: Just to introduce this piece. If
11 you recall, last time we gave you a presentation around
12 the request for increase in fees. I was calling that
13 license office is funded completely on those. There's
14 basically three options that we put on the table. One
15 was no increasement fees, which would result in a
16 decrease in services, because we'd be operating into
17 deficit. Another one was to increase out-of-state fees
18 to -- to be able to maintain the same level of service.
19 And the third was to increase out of state, as well as a
20 small increase of in state to allow us to add some
21 additional services we're not able to provide now.
22 That's basically what's on the table. I'll turn it over
23 to Dr. O'Neal. She wants to add some other things.

24 MS. O'NEILL: Absolutely. Good afternoon,
25 Mr. Chair, Members of the Board, and Dr. Asp. I'm Dr.



1 Colleen O'Neal again. Sorry, I've been up here a couple
2 of times today. The executive director of the Office of
3 Educator Preparation and Licensing. As Dr. Asp already
4 mentioned last month, I did come before you to present an
5 informational item regarding the educator preparation and
6 licensing fees. Today I'm here to really review that fee
7 item, as it's an action item on today's agenda.

8 I have a short PowerPoint that will walk us
9 through at a very, very high level and quickly an
10 overview of the Office of Educator Preparation and
11 Licensing and the staff recommendation only. It is not
12 the same PowerPoint. It's some of the same slides that
13 you saw last time, but condensed.

14 Additionally, Mr. Blanford, our chief
15 financial officer, is also with us to help us answer any
16 of our budget and budget projection questions; and Dr.
17 Katy Anthes as well, our interim associate commissioner
18 to help us answer some questions as we go forward. So
19 with your pleasure, I will go ahead and move forward for
20 us.

21 Today's presentation is really about an
22 action item that sits before you. I give you an overview
23 of the informational item that was presented in
24 September. And then I will also review the need, just a
25 little bit of a high-level overview of the kind of the



1 budgetary needs, and a reminder of what the Office of
2 Educator Preparation and Licensing does for us. I will
3 also review the options for addressing the budget
4 situation, which as Dr. Asp mentioned. There are three
5 of those options on the table. And then I will do any
6 questions and/or conversation that we would like to have.

7 The big picture, just as a reminder, the
8 Office of Educator Preparation and Licensing houses three
9 kinds of different units. One, we oversee all 49
10 Educator Preparation entities in the state of Colorado.
11 That includes our institutes to higher education, as well
12 as our designated agencies. We also issues licenses. So
13 last year we issued I want to say somewhere in the 39,000
14 -- 37,505 applications last year through the licensing
15 department. And then also oversee our enforcement, so
16 really the suspension, denial, revocation of educator
17 licenses. Last year we had approximately eight -- eight
18 to ten percent, give or take, in that last couple of
19 years licenses go into enforcement. Sorts of the number
20 of applications, about eight percent go into enforcement.
21 So we really do touch every single public educator in the
22 state of Colorado and every -- every single Educator
23 Preparation entity, and therefore every public school
24 student in some way or another.

25 I've already mentioned a little bit about



1 the office work, that it's twofold. But we really pride
2 ourselves in two things: We ensure that we have high
3 quality -- qualified and talented educators working in
4 our classrooms with our students. And we ensure that we
5 have Educator Preparation programs that meet the rigorous
6 standards of today and the expectations of our teachers
7 going into our classrooms today.

8 As a little bit of the recap, I had a little
9 bit of a math formula for us last time. And basically
10 what we had was the current fee structure is actually
11 less than the increase, the rise of cost of doing
12 business, plus an increased obligations that we have
13 required to do our work. As we look forward, we have an
14 anticipated budget deficit. So our fund balance right
15 now as of 6/30/15 at the end of our fiscal year was
16 \$116,646, forecasted fund balance. If nothing were to
17 change absolutely at all in our -- in our fee structure
18 or in our licensing department and the services that we
19 provide today, we would be looking at a deficit of about
20 \$150,000 at the end of this fiscal year in June. In that
21 end of the fiscal year in '17, we would be looking at
22 about a \$443,000 deficit as we go forward. Again, simple
23 cost of in rise of doing business.

24 Quick overview of our options that we had
25 kind of set forward. And these are certainly not the



1 only options. These are the three that we brought
2 forward as staff recommendation. The first one is really
3 to do nothing. As Dr. Asp mentioned, that do nothing
4 does put us in a situation where we could absolutely
5 maintain services, but we would probably maintain them at
6 a slower rate, slower response rate, less customer
7 service to all of our stakeholders across the state.

8 We made a staff recommendation to increase
9 in-state fees by \$10 and increase our out-of-state fees
10 by \$30. And that staff recommendation was actually on
11 the table for us to be able to increase based off of
12 stakeholder request. Our support around educator
13 preparation enforcement timeliness and in the systems
14 that support the e-licensing realm that we use to submit
15 all of our e-licenses.

16 We also had a second option there that was
17 to increase out-of-state fee that would allow us to
18 completely maintain not falling to a budget deficit, but
19 to increase our out-of-state fees by \$20. That would
20 allow us to absolutely maintain for at least the next
21 three to five years, but with no additional services or
22 no increase in services and potentially a laggard support
23 of our e-licensing technology systems.

24 I think I've already kind of run over some
25 of the benefits associated with what the staff



1 recommendation was. So I will not rehash all of those.
2 I think the only one that I really want to call out is
3 that this was a limited -- the staff recommendation of
4 \$10 in state and \$30 out of state was really kind of a
5 balance to help us with our in-state not have to bear
6 with all of the costs and the brunt of what actually
7 takes us out of time: Out-of-state reviews takes us the
8 most time. In-state reviews take us a little bit less
9 time. So it was a differentiated approach that we have
10 actually never had in educator licensing. So please know
11 that that is -- would be a new approach for us.

12 The next slide there, I think kind of
13 overview -- is an overview of our budget impact and the
14 staff request. So it talks a little bit about the
15 discrepancy or the discrepancies -- the cash fund balance
16 in '14/'15, '15/'16, and '16/'17 if we were to go with
17 the staff recommendation of \$10 in state and \$30 out of
18 state. I'm going to stop there for just a second and let
19 folks kind of digest that slide just a little bit and ask
20 any questions that they may have.

21 CHAIRMAN DURHAM: Questions? Yes, Dr.
22 Schroeder?

23 MS. SCHROEDER: So it looks like you
24 anticipate revenue to go up even between '15/'16 and
25 '16/'17? And that's because you anticipate more



1 licenses, more applicants, because of growth?

2 MS. O'NEILL: In this particular slide, this
3 is actually the slide that identifies a \$10 and a \$30, so
4 it would be what our anticipated revenue would be if we
5 were to raise our fees by \$10 and \$30. If we go straight
6 back, we don't anticipate -- if we don't raise fees or we
7 don't do anything at this point and go back to that model
8 of \$80 all across the board, there we don't anticipate
9 any increase in fees.

10 MS. SCHROEDER: Right. I'm just suggesting
11 that between -- oh, I see, '15/'16 --

12 MS. O'NEILL: Yes.

13 MS. SCHROEDER: -- is only half a year.

14 MS. O'NEILL: Right.

15 MS. SCHROEDER: Not I get it.

16 MS. O'NEILL: Right. Oh, I'm sorry. I'm
17 sorry.

18 (Overlapping)

19 MS. SCHROEDER: Now I understand why for
20 '16/'17 it's higher than '15/'16. It's because of a half
21 year.

22 MS. O'NEILL: Right. Thank you very much
23 for (indiscernible).

24 MS. SCHROEDER: But help me understand why
25 expenditures go down roughly between actual '14/'15



1 forecast, '15/'16, and then -- in other words, the
2 difference between '14/'15 actual and '16/'17 forecast,
3 the expenditures are lower. What are we -- what are we
4 doing well? Or what do we hope to be doing well?

5 MR. ASP: Really, the '14/'15 expenditures
6 are a function of some one-time activities that the
7 licensure department, they did their improvements to
8 their offices. I believe you did some software --

9 MS. O'NEILL: We did.

10 MR. ASP: -- additions as well. So those
11 are one-time costs --

12 MS. SCHROEDER: So some --

13 MR. ASP: -- you're not seeing roll over
14 into '15/'16 or '16/'17.

15 MS. O'NEILL: And they were carry -- carry-
16 over costs that came from '12/'13.

17 MS. SCHROEDER: That's helpful.

18 MS. O'NEILL: Yeah. And I can tell you a
19 couple of examples around that too, just because I think
20 examples are kind of important, is that we actually had
21 to reinstall doors to the tune of \$8,000 to our office.
22 And we take care of all of those costs out of fees as
23 well, because they literally were not secure enough.
24 People could come in at any point in time. So there were
25 (indiscernible).



1 MS. SCHROEDER: So you're talking about --
2 basically you're talking capital costs or one-time costs
3 --

4 MS. O'NEILL: Right. Yes.

5 MS. SCHROEDER: -- that are actually
6 expenditures and they're not being broken out?

7 MS. O'NEILL: Correct.

8 MS. SCHROEDER: Thank you. I'm sorry, I'm
9 an accountant, because --

10 MS. O'NEILL: I appreciate it. Thank you.

11 MS. SCHROEDER: -- I look at it differently.

12 MS. O'NEILL: Any other questions
13 specifically?

14 CHAIRMAN DURHAM: Dr. Scheffel?

15 MS. SHEFFEL: Could you just explain the
16 slide in depth?

17 MS. O'NEILL: Absolutely. I'll be happy to.

18 MS. SHEFFEL: What are the -- you said that
19 the second column for '15/'16 represents -- you were
20 talking about 8030 or something.

21 (Overlapping)

22 MS. O'NEILL: Oh, sure, sure, sure. So this
23 slide is a follow-up slide to our staff request. So we
24 had kind of option one in the previous slide, where we
25 said it was a \$10 -- if we were to go with a \$10 fee



1 increase for in-state folks and a \$30 fee increase for
2 our out-of-state folks, this is actually the budget slide
3 of what would that look like for revenues and
4 expenditures. So what we did is we took our actuals from
5 '14/'15 and did a comparison of what would it look like
6 if we were to implement that fee in January of this year
7 for all of our educator licenses? So that's then where
8 we get our actual '15/'16 forecast identified --

9 MS. SHEFFEL: So it's January to July?

10 MS. O'NEILL: You got it.

11 MS. SHEFFEL: And then the next year's the
12 fiscal year of July?

13 MS. O'NEILL: Yeah. Next one is the true
14 fiscal year. So that's why you see the discrepancy that
15 Dr. Schroeder just called out as well.

16 MS. SHEFFEL: And did the enhancements -- in
17 other words, do those fee increases cover those
18 enhancements (indiscernible)?

19 MS. O'NEILL: Absolutely. So thank you for
20 pointing that out as well. The enhancements that are
21 identified kind of down at the bottom of our slide, that
22 is exactly what we were talking about with regard to
23 there's a couple of pathways. The first pathway is to
24 just simply maintain where we are. The second pathway is
25 to meet some of the stakeholder requests.



1 If we were go to down the \$10 and \$30 state
2 increase, we would be able to add additional support for
3 those 49 Educator Preparation entities that are only
4 serviced right now by one single individual. So that is
5 exactly what we're calling out down there, as well as at
6 an FTE for enforcement. We wanted to be extraordinarily
7 transparent with you with regard to where would some of
8 those funds go? Those are the places that they would be
9 directly associated with.

10 MS. SHEFFEL: And one more question, option
11 one is on the next slide, right? Where's option -- is
12 there an option two?

13 MS. O'NEILL: I -- I actually -- I'll be
14 really honest, in the previous PowerPoint --

15 MS. SHEFFEL: Looked like there were two
16 options.

17 MS. O'NEILL: Yeah, in the previous
18 PowerPoint, I had point both of the options in there and
19 this one I did not.

20 MS. SHEFFEL: What was option two? I think
21 it was only --

22 MS. O'NEILL: Option --

23 MS. SHEFFEL: -- increasing out of state.

24 MS. O'NEILL: Option two was the \$20
25 increase.



1 MS. SHEFFEL: Out of state?

2 MS. O'NEILL: For the out of state only,
3 yeah. And I can tell you, if you want to know some
4 bottom-line numbers, I'm happy to tell you those as well.
5 That's current. Is there another -- flip me one more
6 page. There we go.

7 Okay, so option two, Dr. Scheffel, if we
8 were to look at that, option two would not have any --
9 any additional enhancements. So no FTE, no -- no
10 additional enhancements for our e-licensing system. It
11 would maintain essentially the services that we have
12 today and ensure that we could give raises, hit our rent,
13 maintain the level of service that we're having today.
14 So the actual cost, if we were to do some comparison
15 around there, the revenue would be approximately \$3
16 million in a '15/'16 if we were go with the \$20, as
17 opposed to \$3.3 million if we were to go with the \$10 and
18 \$20 difference.

19 MS. SHEFFEL: So if you just went for the
20 raise for the out of state, that was \$20 --

21 MS. O'NEILL: It's \$20.

22 MS. SHEFFEL: -- proposed, right?

23 MS. O'NEILL: Correct.

24 MS. SHEFFEL: And -- and does this relate to
25 the time it takes for everybody to get a license?



1 MS. O'NEILL: I -- I think it does. And
2 that was one of the reasons that we -- we evaluated many
3 other states and we actually did a time study so that we
4 could determine whether how -- how much time was really
5 being invested. It is really right at --

6 (Overlapping)

7 MS. O'NEILL: -- about 58 minutes is kind of
8 the difference between an in-state and an out-of-state
9 license. Out of state takes a lot more time, because we
10 don't know anything about those programs or the pathways
11 that they came forward through. And we kind of have to
12 align them -- we have to align them with Colorado's
13 expectations and standards to ensure that they meet or
14 exceed your standards.

15 MS. SHEFFEL: Let me ask a follow up?

16 CHAIRMAN DURHAM: Yes, place.

17 MS. SHEFFEL: So is it the case that it's
18 about a three-week wait to get a license in -- in the
19 state of Colorado (indiscernible)?

20 MS. O'NEILL: It -- it absolutely depends on
21 the turnaround time in the moment. So I would say right
22 now it is about three weeks. In about three weeks, it's
23 going to be about three days. The average for us over the
24 course of the last year was two weeks. So that was the
25 average.



1 MS. SHEFFEL: So do these numbers relate
2 more to your inflate functioning as opposed to you'll be
3 able to shorten the three-week time to something else or
4 three-week time would now be five weeks? What does it
5 look facing out to the public?

6 MS. O'NEILL: I think it depends on the
7 scenario that we're looking at. I think if we are
8 looking at no -- no ability to meet our fee structures it
9 is today, so no increase, I believe it will be a decrease
10 in services and we will be looking more at our statutory
11 requirements around the six to eight-week timeline to
12 deliver licenses, because we would be put in a position
13 where we really do need to decrease staff around that.

14 And if were to look at the \$20, I absolutely
15 believe that we can maintain our current structure the
16 way that it is and continue to make sure that we have a
17 two-week average of our licenses. I think that the thing
18 that -- the con around that is going to really be that
19 we're not going to be able to enhance our e-licensing
20 system to streamline our processes even further to be
21 able to decrease that timeline. And I think that that's
22 one of the things that the staff recommendation of \$10
23 and \$20 actually gives to us, is that ability to
24 streamline our system in a more succinct way, try to turn
25 those (indiscernible) systems and improvements to be able



1 to turn those licenses around more quickly, and
2 especially as it's related to enforcement, to be able to
3 push those through much faster than they are today.

4 MS. SHEFFEL: Thank you.

5 CHAIRMAN DURHAM: Yes, Ms. Rankin?

6 MS. RANKIN: I'm looking at the overall
7 budget and the overall budget for education. Bizy, can
8 you put up the third one, the bucket?

9 CHAIRMAN DURHAM: It's okay.

10 MS. SCHROEDER: It's a bucket?

11 (Overlapping)

12 MS. MAZANEC: It's a wicker basket. It's
13 all natural.

14 MS. RANKIN: Thank you. So when we raise
15 fees, we meaning anyone across the street or here, goes
16 into the bottom part of that vessel.

17 MS. SCHROEDER: Pail.

18 MS. RANKIN: That sounds nice
19 (indiscernible).

20 MS. O'NEILL: Pail.

21 MS. RANKIN: And -- and when that fills up
22 on the bottom, as you can see, with the TABOR limit,
23 something goes out at the top. We may -- and -- and even
24 though this isn't our department stays in the department,
25 it still contributes to this. And even though it may be



1 a small amount, when you compare -- combine it with all
2 the other fees across the street, something's going to
3 come out at the top. My fear is -- and I don't know if
4 this is true or not, but it could be education that loses
5 there.

6 As a person that represents rural Colorado,
7 a dollar from Denver may not be as big a percentage as a
8 dollar in Rangeley or Meeker. And those are the people
9 that I represent and I care about. So I -- I look at
10 this big overall picture.

11 So when I received the September charts, I
12 tore them apart and went to different departments. And I
13 went to Mr. Blanford and -- and talked to him about
14 finance. And when I came out of there, I decided I would
15 go -- I -- I feel because of costs of things, I would go
16 with option two. And I -- I talked to other people in
17 the department and heard that our legal fees three years
18 ago were \$95,000, legal fees to defend us, and now
19 \$325,000. So there's a huge increase in legal fees in --
20 in our department, which we have no control over. I
21 mean, if -- if we need to look at a teacher's license and
22 maybe they need to not be teaching anymore, we have to
23 defend ourselves. And -- and I mean, we have to, because
24 of the students.

25 So I looked at the first one in September,



1 looked at all those options. And then in October we got
2 another chart that was online. I printed that out. And
3 the assumptions on in-state were \$10 and \$30 in the
4 September chart. In the first chart I got in October,
5 the in-state were \$20 and then \$40 for out of state. And
6 then the numbers changed. So I -- I looked at that and
7 said, well, this wasn't what I was given in September.
8 So I said I'm coming today to ask questions about that.

9 Lo and behold, this morning I get another
10 chart. And I haven't had all that time to go into it,
11 except I'm very concerned about a couple of things.
12 First of all, the page numbers are missing on a lot of
13 it. And I don't want to vote on anything where I feel
14 something is not there.

15 I also see where the number one thing that
16 the staff request is there. Option two is not there. I
17 don't know now if that's \$40, \$30 for out of state, \$10 -
18 - I mean, I'm confused on that. I also am confused on
19 that ending cash fund balance. Mr. Blanford, I thought
20 we thought we couldn't have anything more than \$500,000
21 in that account. And when I see '16/'17, it's \$768,000.
22 So can we have more than \$500,000 in that account?

23 MS. SCHROEDER: Where are you, Joyce?

24 MS. RANKIN: I'm sorry, I'm on Page 10.

25 (Overlapping)



1 MS. SCHROEDER: Oh, I see. Up -- up higher.

2 MS. RANKIN: Ending cash fund balance.

3 (Overlapping)

4 MS. SCHROEDER: But that's before the
5 enhancements.

6 MR. ASP: And -- and Angelika's correct. It
7 is before the enhancements. But to answer your -- your
8 initial question, revenues and cash funds are capped or -
9 - or the balance. I'm sorry, not revenues. But the
10 balance and cash funds are capped at 16.25 percent of the
11 prior year expenditure. So it's not pegged to an amount
12 like \$500,000 or anything like that. It would be driven
13 by how much you spent out of that fund for that year. So
14 when --

15 MS. RANKIN: So that would -

16 MR. ASP: -- 630, it's got to be 16 and a
17 half percent of total expenditures for that year just
18 ended.

19 MS. RANKIN: How does that look for '16/'17?
20 I mean, does that look like that's going to fit into
21 that?

22 MR. ASP: Provided we were going to put the
23 enhancements in place, we would be well under that 16.5
24 percent.

25 MS. RANKIN: Okay. I just wanted to make



1 sure on that.

2 MR. ASP: Yeah. Yes.

3 MS. RANKIN: So I guess then I would go with
4 option two, because of being a fiscal conservative, but
5 also I'm concerned about missing pages and things I get
6 the day of. That's just where I am.

7 MS. O'NEILL: I would love to answer that
8 question for you, because it was my mistake. So I -- we
9 actually caught that we had put in -- so everything was
10 correct in the first PowerPoint that you received in
11 September, except for the fact that we had put in on
12 option one, so if you were to look at Slide 15 of that
13 first one, we had put in option one, which was correct,
14 of \$10 and \$30. And then the following slide was option
15 one again, which is the exact same slide that you see
16 today. So the -- the one that you were delivered October
17 something or another, a couple of weeks ago, I had missed
18 --I put in the wrong slide for the budget piece beyond
19 that.

20 The other reason that you're seeing missing
21 page numbers is I hid the slides that we had already gone
22 over, not to rehash all of the -- all of the ins and outs
23 of Educator Preparation and Licensing. So that's the
24 reason that you're actually missing them, but if you were
25 to do a comparison between the page numbers and the first



1 one, you'll find that they're -- those page numbers line
2 up with our first slide.

3 MS. RANKIN: So our -- our option two, even
4 though we can agree on it today and it's not -- it's just
5 not in the packet, is that correct?

6 MS. O'NEILL: It is. I did note it --

7 MS. RANKIN: Okay.

8 MS. O'NEILL: -- at the bottom right here.
9 And it is --

10 MS. RANKIN: I saw it.

11 MS. O'NEILL: -- part of one of your
12 options, yes.

13 (Overlapping)

14 MS. O'NEILL: I didn't give the full --

15 MS. RANKIN: Breakout.

16 MS. O'NEILL: Breakout. And I'm happy to
17 provide that as well.

18 CHAIRMAN DURHAM: Yes, Dr. Schroeder?

19 MS. SCHROEDER: So I have a couple -- no, I
20 guess I just have one question. I get the part about 2.0
21 FTE and 1.0 FTE. And that will be continuous, so it will
22 be \$200-and-some-odd-thousand each year. Before -- tell
23 me about the new licensing system.

24 MS. O'NEILL: Absolutely.

25 MS. SCHROEDER: Please.



1 MS. O'NEILL: I -- I think last time I got
2 into maybe just a little tiny bit about our e-licensing
3 system. So developed that system and it's an off-the-
4 shelf system that's actually meant for licensing real
5 estate. Dora actually uses that system. And they used
6 it in a very, very different way. And it is an -- an
7 off-the-shelf system to be able to do that.

8 And what that means is that to make it an
9 educator licensing system in the way that we actually
10 want to use it and need to use it for educator licensing,
11 we have to custom develop every single thing that happens
12 to it, which means we pay dearly, because it's a sequel
13 server database structure underneath that. So we pay for
14 a programmer to develop every single thing that we want
15 to do differently. So if we ever want to do an
16 enhancement -- and my best example is that right now when
17 you submit an application, you can't even upload another
18 document after you have submitted it. You have to email
19 it in and then we have to attach it. And then it gets
20 attached in an entirely different place. And it's very
21 confusing to many applicants.

22 To fix that, it would cost us about \$85,000.
23 That was the last PCR, project change request, that we
24 sent forward on that. We think that is an -- an -- an
25 intolerable amount to pay for a system that we want to



1 streamline the process for our educators. And so what we
2 would be very interested in doing is sending it out
3 literally for our bid for our piece somewhere down the
4 line to be able to say we would like a new system that is
5 an educator licensing system and built to be that that is
6 not nickel and diming us half to death as we go down.
7 And that -- that literally is -- I don't have the data
8 for us today, but that -- that's how it's been kind of
9 going for us for the last five years as we've tried to
10 increase the ability of the system.

11 MS. SCHROEDER: So we're talking about
12 potentially, assuming that we go with the staff
13 recommendation, we're talking about a five-year adequate
14 revenues to cover our cost. But I'm wondering whether --
15 we were only going out a couple of years here -- I'm
16 wondering whether there is an appropriate increase --
17 we're not going to have a new licensing system every
18 year, are we?

19 MS. O'NEILL: Oh, no. No, no, no, no.

20 MS. SCHROEDER: Right. So the numbers in
21 2017/'18 might in fact be quite high.

22 MS. O'NEILL: Depending on --

23 MS. SCHROEDER: And I'm --

24 MS. O'NEILL: Oh, yeah, depending on the
25 cost of the recurring --



1 MS. SCHROEDER: Right.

2 MS. O'NEILL: -- fees associated with that
3 system.

4 MS. SCHROEDER: So I'm giving Mr. Blanchard
5 this challenge. And I'm wondering if we ought to hold
6 this over, if that's possible. To see whether there is a
7 compromise between one and two that brings us out the
8 five years that does not go to a balance. I mean, I
9 don't know about the \$500,000 or -- what did you say, 16
10 -- 16 percent?

11 MR. ASP: Sixteen and a half.

12 MS. SCHROEDER: Half percent.

13 MR. ASP: Yes.

14 MS. SCHROEDER: Yeah, I -- I'm someone who's
15 in favor of having an ending cash balance, but it need
16 not be especially high. And I'm wondering if I were to
17 add \$400,000 to \$150,000, we'd be looking at \$500,000.
18 Do you know what I'm suggesting? I realize that we don't
19 know what's going to happen in over those next five
20 years, but I think we might all feel more comfortable if
21 we actually thought that through, including the issue we
22 have with legal fees, et cetera. I -- I do believe in
23 not more or less government, but good government. And so
24 I have a hunch that those three FTEs you're talking about
25 are in fact are essential for our teachers.



1 But the other part, which is a big number, I
2 want to know to what extent does it affect our annual
3 expenditures and is this a one-time or I guess two times
4 -- is the \$200,000 and the \$400,000 mean it's \$600,000
5 total?

6 MS. O'NEILL: That -- what it would be is
7 that the \$200,000 is to keep us up and running, because
8 we cannot shut ourselves down even when we go looking for
9 an RFP --

10 MS. SCHROEDER: Oh, I see.00

11 MS. O'NEILL: -- and create it.

12 MS. SCHROEDER: Okay.

13 MS. O'NEILL: So that is a tandem process
14 that has to happen. And -- and also, I guess to follow
15 up, is we do actually have the forecast going out five
16 years, so we can absolutely come back with that and what
17 happens is that the increase in continual business costs
18 kind of -- kind of comes in and cuts that \$400,000.00.
19 So that's -- I mean, that's actually what happens to it.

20 (Overlapping)

21 MS. SCHROEDER: I think that's what we need
22 --

23 (Overlapping)

24 MS. O'NEILL: -- bring back and see those
25 numbers to see that the rent increase, personnel costs,



1 because we give raises, even cost-of-living small raises,
2 every year.

3 (Overlapping)

4 MS. SCHROEDER: Yeah, I'm -- I'm worried
5 about going every two years. That's just not --

6 MS. O'NEILL: Yeah.

7 MS. SCHROEDER: -- fun. I think five years
8 is an appropriate one. But I don't -- but since we don't
9 see --

10 MS. O'NEILL: Yeah, you can't see that.

11 MS. SCHROEDER: -- how you guys rolled the
12 numbers, there might not be the comfort level.

13 CHAIRMAN DURHAM: Dr. Scheffel?

14 MS. SHEFFEL: I'd just like to say thank
15 you, because the efficiencies in the licensure, the
16 vision have increased dramatically and it started under
17 your predecessor. And you've been -- you've continued
18 that. And, you know, it's a huge face to the state, then
19 you've got 100,000 licenses every year that you touch
20 some way or another, whether it's renewal or initial or
21 professional or whatever. And then 49 education
22 programs? So I just want to say thank you for the work
23 and for the efficiencies you've created in that office.
24 It's huge customer service for the state.

25 MS. O'NEILL: Thank you.



1 CHAIRMAN DURHAM: Yes, Ms. Rankin?

2 MS. RANKIN: I just have one more thing to
3 add. I -- I agree with Dr. Schroeder that -- that five
4 years is -- is good, but I -- I would welcome maybe a
5 three year, because if some things are taken out from
6 under TABOR, it might allow money to come into education.
7 And if I'm at option two right now, you know, two years
8 from now the -- it would be -- I mean, I would keep
9 coming back. That's what I would do, because things are
10 really tight right now, I think. And I -- I'm not sure
11 that, you know, some of (indiscernible) open up for
12 education. I'm just adding that in.

13 MS. O'NEILL: And I do. I -- Dr. Anthes
14 reminded me of a couple of things. I do want to come
15 back with more information for you and -- and be very
16 prepared. I do also want to emphasize the fact that
17 there is a timeliness issue associated with this, mostly
18 --

19 (Overlapping)

20 MS. O'NEILL: -- because I'm going to run
21 out of money, yeah. So there is a timeliness issue
22 associated with it. And I -- I want to make sure that I
23 am able to answer all of your questions and be very
24 extraordinarily thoughtful for our educators, as well as
25 for our -- our moral and ethical requirements associated



1 with that.

2 MS. SCHROEDER: Are you saying my
3 recommendation won't work?

4 MS. O'NEILL: No, no.

5 CHAIRMAN DURHAM: Yes, and Ms. Goff?

6 MS. GOFF: I just want to clarify again,
7 because the timing, the budget, our -- our department
8 budget conversations and submission, it's -- it's coming
9 up. I -- I mean, I appreciate that. So when the
10 proposed delay came up, I mean, I just going I'm not
11 sure. We need to verify how that works with timeline,
12 because as I recall it's -- it's like November, isn't it,
13 when --

14 MR. ASP: Yes.

15 MS. GOFF: -- typically we do our
16 conversations about department budget requests and
17 (indiscernible).

18 MS. SHEFFEL: It goes in and there's big
19 news (indiscernible) street about that time too, so I
20 appreciate that.

21 CHAIRMAN DURHAM: Yes, Dr. Schroeder?

22 MS. SCHROEDER: Is this the only fee for
23 services or -- I don't know what the terminology is --
24 that we have in the Department of Education?

25 MS. O'NEILL: It is. Actually, we are the



1 only fee-funded office. I would say office --

2 MS. SCHROEDER: Right. But there are other
3 --

4 MS. O'NEILL: -- in the CDE.

5 MS. SCHROEDER: -- departments in the state
6 that have -- there are lots of them, as I recall. Joyce,
7 one of the things you don't want is a huge balance,
8 because when there is a recession, bye-bye money.

9 CHAIRMAN DURHAM: Yeah.

10 MS. SCHROEDER: Right? Yeah.

11 CHAIRMAN DURHAM: That's correct.

12 MS. SCHROEDER: So our goal should not be to
13 have this -- these mega balances. On the other hand,
14 prudence says you got to have -- things really do come
15 up. They blow up, throw up, whatever. And you -- you
16 need to have some emergency funding.

17 CHAIRMAN DURHAM: Further discussion?

18 MS. SCHROEDER: Did you have a comment?

19 MR. ASP: I was just going to say we accept
20 your challenge, but the one caveat is as you get farther
21 out, it becomes very difficult to anticipate what's --
22 what's going to happen. So we had internal discussions
23 where we might need to revisit with -- with you on this
24 two, three years out anyways. So it'll be good to look
25 at it.



1 MS. SCHROEDER: Okay.

2 MS. RANKIN: Mr. Chair?

3 CHAIRMAN DURHAM: Yes.

4 UNIDENTIFIED VOICE: Just because of the
5 timeliness of the issue, we'll probably definitely like
6 an action item for the next meeting. So if any of you
7 have detailed questions and you can get those to us,
8 we'll make sure that we have all the preparation
9 necessary to make a decision in November.

10 CHAIRMAN DURHAM: Okay.

11 UNIDENTIFIED VOICE: Thank you.

12 CHAIRMAN DURHAM: All right. I'd just like
13 to make a little more comment than usual on this issue.
14 When I came into the legislature a long time ago,
15 virtually every fee was set in statute. And we finally
16 were persuaded that we didn't need to raise -- take
17 responsibility for raising every fee by bill every other
18 year, which I think was good policy. And I think -- I
19 think over the years I've come to believe that I'd rather
20 take pain. It's a little bit like my dermatologist visit
21 next week. I'd rather take what pain I'm going to take
22 next week, then put it off for a while and take a whole
23 lot more later on.

24 And the reality is that I think you can
25 project your cost and it's always -- it's always easy to



1 say could you be more efficient? Yes, probably. At the
2 end of the day, is it realistic that you can get enormous
3 amounts of money out of the existing system? I think
4 probably not.

5 And everything Ms. Rankin says is absolutely
6 correct, that right now we have a spillover issue with
7 TABOR and -- and a fee increase. And I don't know how
8 the budget committee is going to start to look at these,
9 but a fee increase for dedicated purposes is going to
10 start to drive general fund reductions in some areas.

11 Having said that, I think that -- that
12 increasing fees for a period so you don't have to do it
13 every year is -- is a better policy. It creates more
14 stability. In a perfect world, this would be a general
15 fund obligation, because I think the public is the
16 beneficiary of teacher licensure, not the teacher. And
17 that's not true of realtors. Realtors are the
18 beneficiaries of realtor licenses, because it limits
19 competition.

20 (Overlapping)

21 CHAIRMAN DURHAM: We're not in the business
22 of limiting competition. We'd like to have more teachers
23 rather than less. So notwithstanding some of the
24 problems, I'm -- I'm -- I believe that it's -- it's
25 better -- it's better to go ahead and bite the bullet,



1 and particularly on some of the enhancement items,
2 because time is money. And if a teacher is waiting for
3 an inordinate amount of time for a license, they may not
4 be --

5 (Overlapping)

6 CHAIRMAN DURHAM: -- accepted into a
7 position in a timely fashion when we have a shortage. So
8 for those reasons, I'll vote for a fee increase. I think
9 -- I think the -- the idea of -- of trying to make sure
10 that we're accumulating balances that are attractive
11 targets -- we've all seen that -- is a good idea. And I
12 think we ought to have a complete review before we -- we
13 vote. And I think we ought to -- if -- if it's all right
14 to wait till November with -- we can postpone the vote
15 until November, because there are a lot of -- there's not
16 just one correct answer with this. So I think we'll all
17 have to think about long-term impacts and where we are.

18 So is there objection to laying this item --
19 for action only -- we won't go through a lot of
20 testimony. We'll take a look at any new proposals -- to
21 the November meeting? Is there a motion for that effect
22 or --

23 MS. SCHROEDER: Oh.

24 CHAIRMAN DURHAM: -- do we want to have a
25 motion for that effect or do you want me to do it or --



1 MS. SCHROEDER: I move we move this over for
2 a vote November meeting.

3 CHAIRMAN DURHAM: Is there objection to the
4 adoption that motion? Hearing none, we'll lay that over
5 until the November meeting.

6 MR. ASP: Chair?

7 CHAIRMAN DURHAM: Yes, Mr. Asp?

8 MR. ASP: We just want to also make sure
9 following up on Dr. Anthes's piece that we get any
10 questions on any day that you need so we can make sure
11 you're -- you're fully informed (indiscernible).

12 (Overlapping)

13 MS. O'NEILL: Thank you.

14 CHAIRMAN DURHAM: All right. Okay. Thank
15 you.

16 MS. SCHROEDER: I have a general question.

17 CHAIRMAN DURHAM: Yes.

18 MS. SCHROEDER: We heard earlier that the
19 fees have been reduced and across the state in other
20 agencies. And I'm guessing the reason for that is
21 exactly what Ms. Rankin pointed out. What's the net --
22 what's the net amount?

23 MS. O'NEILL: A reduction from the -- the
24 fees, from some of the other agencies, I -- I have a
25 (indiscernible) -- sorry -- I -- I have a little bit of a



1 spreadsheet with regard to the Dora fee reduction. And
2 they -- I -- it says it's \$2 million in some way or
3 another. So there's always this ability to say there are
4 fees, we're collecting too many, we need to go back.
5 Because it is exactly a budget estimate. So there's
6 always that.

7 MS. SCHROEDER: So we're not messing up the
8 pail?

9 MS. O'NEILL: I don't think --

10 MS. SCHROEDER: Based on what's happened in
11 the other departments?

12 MS. O'NEILL: Right. Well, I mean --

13 MS. SCHROEDER: Which dismiss your concern,
14 but --

15 UNIDENTIFIED VOICE: We don't know. We
16 don't know, because the budget, you know, is fluid, so to
17 speak, right now.

18 MS. SCHROEDER: But we just saw -- we did
19 just see a \$2 million decrease.

20 CHAIRMAN DURHAM: But I -- I think the
21 answer is --

22 MS. O'NEILL: They're coming, yes.

23 CHAIRMAN DURHAM: -- this increase is -- if
24 we're above that line, every dollar increase does spill
25 out, so -- and I think right now I believe the



1 projections are a little bit above that line.

2 UNIDENTIFIED VOICE: Yes, yes.

3 CHAIRMAN DURHAM: So Ms. Rankin's
4 observation --

5 (Meeting adjourned)

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C E R T I F I C A T E

I, Kimberly C. McCright, Certified Vendor and Notary, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 5th day of February, 2019.

/s/ Kimberly C. McCright
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Certified Vendor and Notary Public

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