

MARCH 2008

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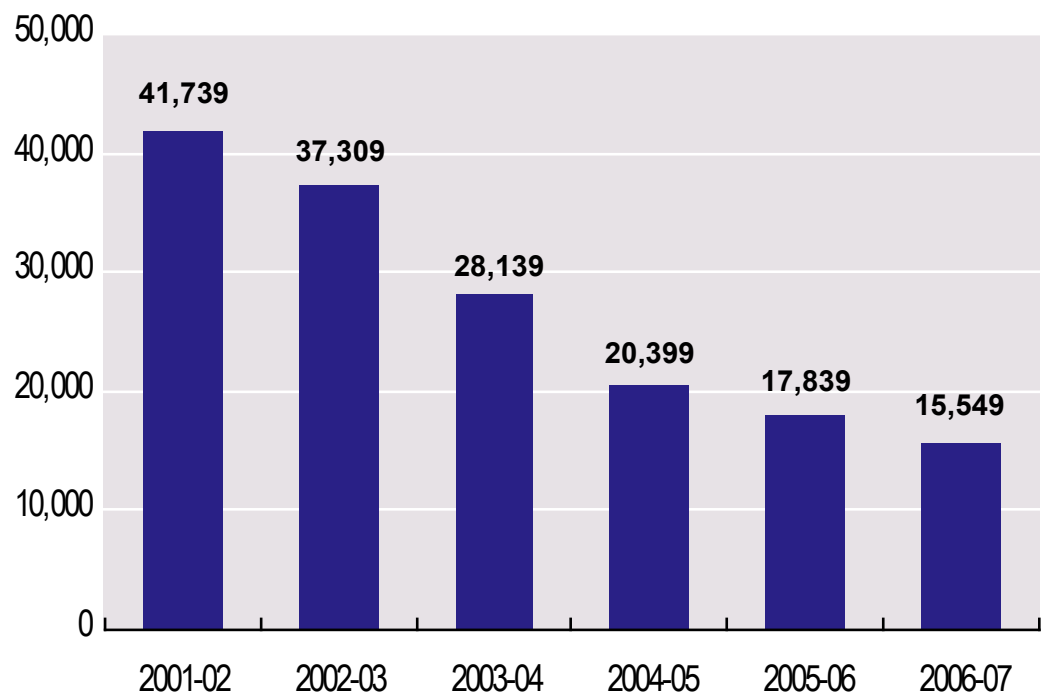
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California Two-Step is No Plan for School Reform Budget Process May Undermine Teaching Quality

One step forward, one step back. Or maybe even two steps back. That best describes California's approach to education reform. And unfortunately, it is the students and their teachers who often suffer the most from the dance.

This past December, the Center for the Future of Teaching and Learning reported that California had strengthened its teaching workforce by reducing the number of underprepared teachers by more than 25,000 since 2001-02. Perhaps even more impressive, all types of schools, including those serving the state's lowest income students, had reduced their numbers of underprepared teachers. California seemed to be on the right track toward building a teacher development system with the capacity to produce an adequate supply of teachers and deliver them to schools where they were needed most.

Number of Underprepared Teachers, 2001-02 to 2006-07



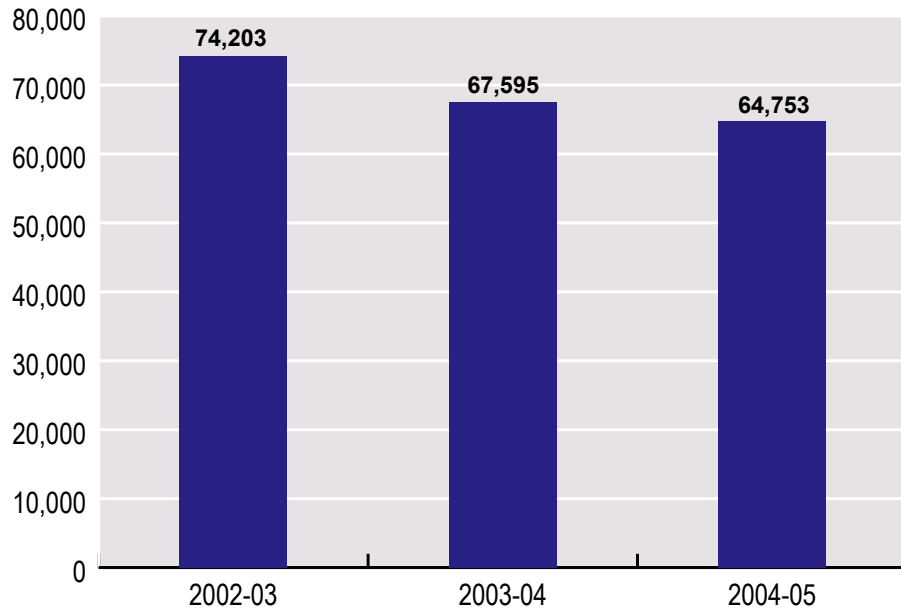
Now those gains appear to be at considerable risk. California is facing a massive state budget deficit: Governor Arnold Schwarzenegger has proposed \$4.8 billion in budget cuts to K-12 education. Because local districts are dependent on state support for their schools, they are facing their own budget crunch. Adding to their woes, the law requires districts to send preliminary “pink slip” notices of potential layoff to teachers and other employees by March 15 for the school year that begins the following September. These threats of layoffs are not only harmful to the morale of local school personnel, they also greatly complicate the challenge school districts face in retaining veteran staff and planning for the hiring and assignment of new teachers to meet student needs.

The conflicts between the state and local budgeting processes do not end on March 15, however. In early May, the Governor’s budget is revised based on updated revenue information and, unless there is a considerable change in the state’s fortunes that boost district revenues, by May 15 final layoff notices must be sent to teachers. But for local school districts, the picture is far from clear even at this point. The Legislature must still hold hearings, propose changes and negotiate with the Governor over new amounts, a process that often results in passage of a final budget well past July 1 when districts must pass their own budgets or face a penalty.

Although local school districts are well advised to use available state budget figures for planning, this leads to a cascading set of reactions that can destabilize the teacher workforce. In 2003 the education community faced expected budget cuts of \$5.4 billion, and by the March 15 deadline of that year over 20,000 teachers statewide had received layoff notices. But by June, all but 3,000 of the layoff notices had been rescinded. Although it is impossible to know the full impact of these layoff notices, it is likely that many of the recipients considered other more stable employment and, just as likely, the interest of prospective teachers was shaken.

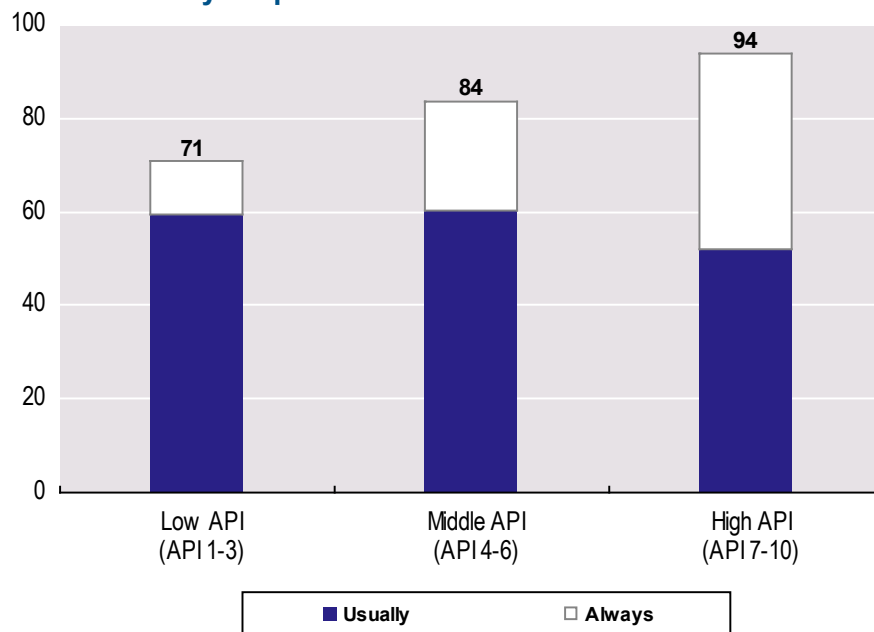
The possible down-stream effects of “pink slipping” are worth considering. For example, after the state’s last budget crisis in 2003, the number of enrollees in teacher preparation programs dropped significantly and has still not recovered. During the 2002-03 school year, colleges enrolled 74,203 candidates in preparation programs. The next year, that number dropped to 67,595 and the following year (2004-05) the numbers declined further to 64,753, a loss of 10,000 teacher candidates in two years. Similarly, the numbers of teaching credentials awarded dropped from 27,000 in 2004 to 22,400 in 2006.

Number of Enrollees in Teacher Preparation Programs, 2002-03 to 2004-05



Considering that California will need to replace about one-third of its teaching workforce over the next ten years due to retirement alone, the projected impact of “pink slipping” on the teacher development system is not a small issue. If a weaker teacher pipeline is the result of this year’s budget problems, the shrinking pool of available candidates will make it even harder for struggling schools in poor neighborhoods to recruit and hire fully prepared teachers. This isn’t to say that “pink slipping” has been the sole factor responsible for the downturn in teacher production and availability, but no doubt the practice sends a negative message to current and prospective members of the workforce, one the state can ill afford as it looks to replace over 100,000 retiring teachers.

Percent of Principals Who Report That They Are “Usually” or “Always” Able to Hire Teachers Who Are Fully Prepared to Meet Their Students’ Needs



The Center View

There has got to be a better way. The Center for the Future of Teaching and Learning is fully cognizant of the scope of California's budget deficit and sympathetic to the pressures facing state policy-makers and local school districts, but there must be a smarter, less destructive way to manage school financing relative to attracting and keeping the teachers schools need.

One place to start may be in realigning the budget process between the state and its public schools. Since initial decisions based on early revenue and expenditure estimates at the state level can result in unnecessary layoff notices that harm morale and hamper effective planning at the local level, there should be a more reliable metric for school districts to use as they develop their annual budgets and make staffing decisions. The adoption of a final budget based on the state's May budget revisions is equally tenuous as the level of available revenue for local school districts remains unclear. The legendary struggles school districts face in making responsible staffing decisions should be sufficient rationale for rethinking the interface between the state and local budgeting processes.

If California is to remain committed to strengthening student learning, the policy community must stay focused on establishing a teacher development system that strengthens the quality of teaching, and is capable of producing an adequate number of teachers and placing them where they are needed most. Equally as important, policy-makers must guard the significant progress made in ensuring that all students have a fully prepared and effective teacher to help them learn.