Chair Sagan called the meeting to order at 5:05 p.m. and welcomed Board members.

**Chapter 70 Overview and Foundation Budget Review Commission**

Commissioner Chester welcomed Chair Sagan to the Board. He said the Legislature is currently studying the state aid program for education (Chapter 70) through a commission. He said in fiscal year 2014, K-12 spending in the Commonwealth amounted to $16.5 billion. Commissioner Chester said K-12 spending is comprised of a state contribution, local contribution, and some federal funding. In fiscal year 2014, the state contributed $6.6 billion to the Chapter 70 aid program, school building authority, and state teacher pension fund.

Secretary Peyser arrived at 5:15 p.m. Penny Noyce arrived at 5:25 p.m.

Deputy Commissioner Jeff Wulfson said that prior to the Massachusetts Education Reform Act of 1993, the amount of spending varied from district to district; the 1993 act created a formula that determines the foundational level, or minimum, for community contributions based on enrollment and student population. In response to Chair Sagan’s questions, Mr. Wulfson said the formula underestimated special education spending. He said districts, under law, must meet their net school spending requirements. They have a 5 percent leeway, which is then carried over to the next school year. If the 95 percent contribution is not met, local aid is deducted.

In response to Mr. Roach’s question, Mr. Wulfson said the commission is discussing the cost of out-of-district placements, special education costs, employee health coverage, extended learning
time, and other factors. In response to Ms. McKenna’s question, Commissioner Chester said Boston is a minimum aid district due to the city’s property wealth; it receives a 30 percent contribution, not the minimum 17 percent due to the district’s targets. He said Boston receives additional funding for low income students and English language learners, with no guarantee of how the money is spent. Secretary Peyser said it took $75 million to maintain last year’s Chapter 70 contribution, with a modest inflation rate. He said even with drops in enrollment, Chapter 70 aid is not reduced.

**Update on State and Federal Education Budget**

Commissioner Chester said the Board received a copy of the Governor’s proposed FY2016 budget, which is largely responsive to the Board’s priorities. Chief Financial Officer Bill Bell said the budget cycle is challenging due to low revenue growth and higher projected spending at the state level. He said the Chapter 70 account funding grew. Mr. Bell said some accounts were consolidated into a priority schools account to allow more systematic and targeted spending; student safety and support priorities were also included in the Governor's budget. He said the Department is also planning for the expiration of federal Race to the Top funding. Commissioner Chester said the hardest-hit area for that reduction will be general curriculum support for districts.

Secretary Peyser said Chapter 70, the core funding vehicle, received an increase in the overall budget. He said the consolidated accounts concentrated investments to innovate and promote significant change.

**Overview of Educator Licensure and Progress Report on Educator Licensure Review and Redesign**

Commissioner Chester said after initial discussions on re-thinking educator licensure, the Board requested a follow-up discussion on the licensure process. He said the Board plays a role in setting regulations that define the requirements for educator preparation and licensure, within the boundaries of state law. He noted that the licensure tests (MTEL) are required by statute.

Associate Commissioner Heather Peske presented an overview of the categories, levels, and evidence needed for licensure. In response to Mr. Willyard’s question, Ms. Peske said out-of-state candidates can apply for a temporary license, which does not require the MTEL, and then have a year to complete the exam to apply for an initial license. Ms. Peske said in spring 2013 there was a 34-week backlog for licensure applications; as of October 2014, the Department has eliminated the backlog and applicants now hear back within two weeks. Ms. Noyce asked for additional data on test takers. Ms. Peske said in 2005 the Department launched a study group on MTEL pass rates, to address the disparate results for minority educators. Ms. Peske said 7 percent of educators in Massachusetts are people of color, which is problematic in comparison to our student population. She said the Department is working with educator preparation programs and districts to increase the pipeline.

Ms. Peske presented an overview of the performance assessment for leaders (PAL), a requirement for new principals. She said the PAL includes performance assessment tasks that more closely reflect the authentic work of school leaders, aligned to state indicators, and can be completed as part of the preparation pathway. Commissioner Chester concluded the presentation, noting the conceptual frame for the state’s role in educator preparation and licensure.
On a motion duly made and seconded, it was:

VOTED: that the Board of Elementary and Secondary Education adjourn the meeting at 7:00 p.m., subject to the call of the chair.

The vote was unanimous.

Respectfully submitted,
Mitchell D. Chester
Commissioner of Elementary and Secondary Education
and Secretary to the Board