

# New Mexico Public Education Department

## Implementing the new Teacher Cost Index Model

*David Craig, Director  
School Budget and Finance Analysis Bureau*



Christopher Ruszkowski  
Secretary of Education

# Introduction

- Among other funding formula changes, a 2018 law (HB 188) begins a four year phase-out of the existing staff Training and Experience (T&E) index and begins a four year phase-in of a new Teacher Cost Index (TCI).
- PED is requiring new data collection for FY20's SEG calculation based upon both the existing T&E and the new TCI beginning this October.
- Outline:
  - Overview of TCI
  - Changes to the T&E/TCI Manual
  - Reporting your Information

# Overview of the TCI

## What is the TCI?

- The new TCI replaces years of educational attainment and experience in the index with licensure level and experience.
- The new TCI reweights the index that is calculated by plotting new multipliers that align to the three-tiered system.
- Starting in FY20, begins a four-year phase-in of the new TCI;
- Uses a *staffing cost multiplier* in the bridge years, equal to:
  - The T&E multiplier for FY19;
  - A weighted average of 75% of the T&E and 25% of the TCI for FY20;
  - A weighted average of 50% of the T&E and 50% of the TCI for FY21;
  - A weighted average of 25% of the T&E and 75% of the TCI for FY22; and
  - The TCI for FY23 and beyond;

# Overview of the TCI

## What is the TCI?

- The new law also moves the T&E/TCI up in the funding formula:
  - Beginning in FY20, the staffing cost multiplier (T&E/TCI) is no longer applied to special education, bilingual multicultural education, fine arts education, or elementary physical education units; and
  - instead will only be applied early childhood (3Y/4Y DD) and basic education units.
- Subject to Legislative Appropriation, the new law also provides for a detailed hold harmless calculation for the phase-in:
  - For FY20, provide an offset for the lesser of any reduction applicable to the act or the reduction in year-over-year program cost;
  - For FY21, provide an offset for the lesser of 75% of the reduction applicable to the act or 75% of the reduction in year-over-year program cost;
  - For FY22, provide an offset for the lesser of 50% of the reduction applicable to the act or 50% of the reduction in year-over-year program cost; and
  - Reduce the hold harmless if, in any year, the appropriation for the hold harmless is insufficient to fully fund the hold harmless by reducing the hold harmless amount to the prorated share of the appropriation.

# Overview of the TCI

## What is the TCI?

- Hold Harmless Key Points:
  - Subject to year-over-year supplemental appropriations;
  - Takes the net impact of the total provisions of the new law (which also increased at-risk index funding);
  - may be reduced subject to available appropriations; and
  - Requires PED to “provide information” on the amount of estimated hold harmless needed by February 1 of a given year; and
  - Requires PED to “jointly prepare with LFC and LESC to prepare and submit a report to the Governor, LFC and LESC by November 1 of each year a data analysis of the relationships between educational attainment, licensure level, years of experience and salary and recommends changes to this section of the Public School Act.”
- Hold Harmless could change or be eliminated completely if appropriations increase so that year over year program cost increases in every entity.

# Overview of the TCI

## Existing T&E Matrix

<b>Years of Experience</b>					
	0-2	3-5	6-8	9-15	Over 15
<b>Academic Classification</b>					
<b>Bachelor's Degree or less</b>	.75	.90	1.00	1.05	1.05
<b>Bachelor's Degree plus 15 credit hours</b>	.80	.95	1.00	1.10	1.15
<b>Master's Degree or Bachelor's Degree plus 45 credit hours</b>	.85	1.00	1.05	1.15	1.20
<b>Master's Degree plus 15 credit hours</b>	.90	1.05	1.15	1.30	1.35
<b>Post-Master's Degree or Master's Degree plus 45 credit hours</b>	1.00	1.15	1.30	1.40	1.50

# Overview of the TCI

## New TCI Matrix

Years of Experience					
	0-2	3-5	6-8	9-15	Over 15
Licensure Level					
Level 1	0.775	0.785	0.800	0.000	0.000
Level 2	0.000	0.994	1.023	1.050	1.123
Level 3	0.000	0.000	1.184	1.208	1.277

# Overview of the TCI

## Who is counted in the TCI?

- One of the biggest shifts is the amount of staff that are coded for the TCI.
- Under T&E the following job classifications were coded: 1211, 1212, 1214, 1215, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1411, 1412, 1413, 1414, 1415, 1416, 1422, or other instructional staff as identified.
- Under TCI the following job classifications will be coded: 1411, 1412, 1413, 1414, 1415, 1416, and 1422.
- The TCI is a strict look at teachers by licensure level and years of experience in your district/charter.



# Overview of the TCI

## Why replace the T&E index?

- Largely the culmination of past work of legislative stakeholders.
- Among the concerns those stakeholders had about the T&E include:
  - The T&E is given too much weight in the formula (if experienced teachers exit LEA's in large amounts it disproportionately impacts funding);
  - the need to account for the increased costs as teachers advance from one licensure level to the next;
  - The need to address concerns raised by plaintiffs in the recent sufficiency lawsuit that more affluent districts have a higher T&E and therefore creates more disparity;
  - The need to disincentive LEA's from hiring teachers with more education or experience as Legislative staff found no link between those factors and student outcomes;
  - And a belief that non-teachers should not be included in the T&E index.

# Overview of the TCI

## How will the TCI impact your LEA?

- If your teacher population has high amounts of education or experience and low licensure attainment, you could see decreased funding.
- Decreasing the weight the T&E has in the funding formula largely means a drop in overall statewide units, with all the associated impacts (wings in unit value, more exposed to fluctuations in state funding).
- Going to have to collect and report licensure data through SHAREPOINT



# Overview of the TCI

## How will the TCI impact your LEA?

- You will have to keep new data in the personnel file regarding licensure levels for your teacher.
- Until the TCI is fully implemented, there will be less alignment to your existing salary schedule.
  - The TCI is designed to provide funding for licensure levels and years of experience ;
  - That may not align with your salary schedule that compensates on the basis of educational attainment and years of experience;
  - There is a requirement that your salary schedule have alignment with the T&E index during the four-year phase-in.
- However, staff coded on the TCI must still conform to your salary schedule for payment.
- When the TCI is fully phased-in you may wish to revise your salary schedule.

# Changes to the T&E/TCI Manual

## Major Changes

- Provides for instructions on calculation of both T&E/TCI.
- T&E requirements are largely unchanged and remain in place.
- Changes to T&E sections of the manual include:
  - Clarifies that you must plot all licensed FTE, including part-time FTE job classifications.
  - Clarifies that you may accept higher education experience.
  - Indicates that how much out-of-LEA experience you accept is subject to local school board or governing council policies.

# Changes to the T&E/TCI Manual

## Major Changes

- Adds a whole new section on how to calculate the TCI for submittal.
- Clarifies that only teachers with classroom teaching responsibilities are allowed to be included on the TCI matrix.
- Clarifies that all licensed teacher FTE's must be placed in the index, including those holding alternative licenses.
- Adds additional requirements for licensure to your personnel files.
- Again the manual defers to local Board policies for how much or little experience to be placed on the T&E matrix.



# Changes (or lack thereof) to the T&E/TCI Manual

## What Didn't Change?

- Many items.
- You are still permitted to accept trade/industry or military experience.
- The calculation for FTE and rounding of a half-year of experience remain unchanged.
- Still defer to Board/Council policies regarding how much out of state experience to maintain.
- Still need to keep all the same information for T&E in your personnel folder.



# Reporting Information

How are we to report T&E/TCI this October?

- Through the same SHAREPoint interface you have always used to report T&E.
- Discussions about whether or not we wanted to radically change the format collection methodologies were had.
- We did not move forward on those discussions.
- When you log in to the SHAREPoint site you will enter your information into the same database that you use for T&E.



# Reporting Information

How are we to report T&E/TCI this October?

- Please use the same October payroll for both the T&E and the TCI (We can't stress that enough).
- FTE totals by job class should foot (by job class) for both uploads.
- You will need not only the job class, educational attainment and years of experience to plot for each FTE; you will also need licensure levels.





# Reporting Information

## SHAREPoint

- Used to report two items:
  - Membership reports
  - T&E (now TCI)
- School Budget and Finance Analysis Bureau will send instructions (with links) on how to access the SHAREPOINT site via email (membership is usually around October 1 and T&E is before October 15).
- It is not ready before hand.
- We also usually place this on our website.
- If you have forgotten your SharePoint Password, you can use your email address to have your password sent to you.
  - Your user name is your email address.
  - You can access your password by going to this link  
<http://164.64.166.12:8080/GetStarsPassword/>.
- If you have any questions regarding your log in or password for SharePoint, please contact Richard Trujillo at (505) 827-7937

# Reporting Information

## Screenshots

Site Actions ▾ Browse Edit

Save Cancel Paste Cut Copy Delete Item Attach File Spelling

Commit Clipboard Actions Spelling

Recycle Bin  
All Site Content

### District / Charter Training And Experience

Enter the FTE from October Payroll and the Years of Experience. When completed, click "Approved by District" to "Yes".

SchoolYear	2018-2019 ▾
District Code *	006
Location ID *	000
District Name *	DEXTER
District Organization Type *	State District
Approved By District *	<input checked="" type="radio"/> No <input type="radio"/> Yes


Created at 8/4/2017 9:17 AM by Mahesh Reddy  
Last modified at 8/10/2018 1:34 PM by Mahesh Reddy






















### FTE On October Payroll

# Reporting Information

## Screenshots

### Training and Experience (FTE)






















Click on the Edit icon (  ) to enter the FTE for Years of Experience and Academic classification.

Edit	Years_of_Experience	BA_or_Less	BA_15	MA_or_BA_45	MA_15	MA_45	Total
	00	0.00	0.00	0.00	0.00	0.00	0.00
	01	0.00	0.00	0.00	0.00	0.00	0.00
	02	0.00	0.00	0.00	0.00	0.00	0.00
	03	0.00	0.00	0.00	0.00	0.00	0.00
	04	0.00	0.00	0.00	0.00	0.00	0.00
	05	0.00	0.00	0.00	0.00	0.00	0.00
	06	0.00	0.00	0.00	0.00	0.00	0.00
	07	0.00	0.00	0.00	0.00	0.00	0.00
	08	0.00	0.00	0.00	0.00	0.00	0.00
	09	0.00	0.00	0.00	0.00	0.00	0.00
	10	0.00	0.00	0.00	0.00	0.00	0.00
	11	0.00	0.00	0.00	0.00	0.00	0.00
	12	0.00	0.00	0.00	0.00	0.00	0.00
	13	0.00	0.00	0.00	0.00	0.00	0.00
	14	0.00	0.00	0.00	0.00	0.00	0.00
	15	0.00	0.00	0.00	0.00	0.00	0.00
	16	0.00	0.00	0.00	0.00	0.00	0.00
	17	0.00	0.00	0.00	0.00	0.00	0.00
	18	0.00	0.00	0.00	0.00	0.00	0.00
	19	0.00	0.00	0.00	0.00	0.00	0.00
	20+	0.00	0.00	0.00	0.00	0.00	0.00

# Reporting Information

## Screenshots

### Licensure Level and Years of Experience (FTE)

Edit	Years_of_Experience	LicensureLevel_1	LicensureLevel_2	LicensureLevel_3	Total
	00	0.00	0.00	0.00	0.00
	01	0.00	0.00	0.00	0.00
	02	0.00	0.00	0.00	0.00
	03	0.00	0.00	0.00	0.00
	04	0.00	0.00	0.00	0.00
	05	0.00	0.00	0.00	0.00
	06	0.00	0.00	0.00	0.00
	07	0.00	0.00	0.00	0.00
	08	0.00	0.00	0.00	0.00
	09	0.00	0.00	0.00	0.00
	10	0.00	0.00	0.00	0.00
	11	0.00	0.00	0.00	0.00
	12	0.00	0.00	0.00	0.00
	13	0.00	0.00	0.00	0.00
	14	0.00	0.00	0.00	0.00
	15	0.00	0.00	0.00	0.00
	16	0.00	0.00	0.00	0.00
	17	0.00	0.00	0.00	0.00
	18	0.00	0.00	0.00	0.00
	19	0.00	0.00	0.00	0.00
	20+	0.00	0.00	0.00	0.00

# Reporting Information

## Screenshots

The screenshot shows a web application window titled "TandE\_Licensure". It features a menu bar with the following items: Edit, Save, Cancel, Paste, Copy, Delete Item, Attach File, Spelling, and Spelling. Below the menu bar, there are several input fields and dropdown menus:

Years_of_Experience	<input type="text" value="07"/>
TandE_District_ID	<input type="text" value="2335"/>
LicensureLevel_1 *	<input type="text" value="0.00"/>
LicensureLevel_2 *	<input type="text" value="0.00"/>
LicensureLevel_3 *	<input type="text" value="0.00"/>
SchoolYear	<input type="text" value="2018-2019"/>
IndexNumerator	<input type="text"/>
Years_of_Experience_Hidden	<input type="text"/>
TandE_District	<input type="text" value="(None)"/>

At the bottom of the form, there is a metadata section:

Created at 8/16/2018 1:49 PM by [Mahesh Reddy](#)  
Last modified at 8/27/2018 2:14 PM by [Mahesh Reddy](#)

Below the metadata, there are two buttons: "Save" and "Cancel".

# Questions

- *When will the new T&E manual be available?*
- *Soon – we were shooting for this week. We will attach it to the SHAREPoint email. Need to add information about electronic records and clarify how October payroll works.*
- *Will I have to still have T&E audits?*
- *Yes, you will have T&E?TCI audits and you have to keep documentation for both the T&E and TCI on hand.*
- *During the 4-year phase in period, we will still include the ancillary staff and the subject matter coordinators in the T&E portion of calculation, but not included in the TCI portion of the calculation, correct?*
- *Correct.*
- *Other Questions?*

