

Confidential to: NBPTS Board of Directors

From: Barb Kelley, Chair

Date: February 11, 2003

I've had an opportunity to see many of you at various NBPTS meetings, or to speak with some of you on conference calls. But the time is long overdue for a written memo to all Directors, bringing you up to date on the status of a number of items.

The Budget

The loss in projected revenue from estimated first-time candidate counts is the dominating factor in all budget discussions. We knew in October that our candidate projections of 20,500 first time candidates were unlikely to materialize in the economic downturn. The budget presented to you in December was built on a projection of 16,750 candidates. Today, with all fee deadlines now behind us, the first-time candidate count is instead projected to be below 15,000 for 2003. Because our revenue is so dependent on the single source of candidate fees, a large drop in volume has devastating implications for the budget. The board will have a two-hour pre-session on the 2003 Budget on Friday in Jackson.

Joe, John and I are working on a budget to present to the Finance Committee for their February 19th meeting. We are making every attempt to identify costs that can be reduced without causing extreme harm to the organization. At the same time, failure to reduce the operating deficit (projected at \$6 million of expenditures over revenues) could have disastrous consequences for the long term survival of NBPTS. Minor cost cutting decisions (reduced travel, teleconferences rather than face to face meetings, etc.) have already been implemented. Accomplishing the significant savings needed to put the organization in a sustainable financial situation will require major, difficult decisions. A significant number of employees opted for the voluntary buy-out in December, but quite a few of those employees will need to be replaced (e.g., John Fredrickson, our chief financial officer.) We now anticipate that additional staff layoffs will be necessary. When confronted with the budget shortfall, Joe and I determined it would be in the best interests of NBPTS to have an outside consultant do a quick organizational assessment. She spent two full days in both Southfield and Arlington in January, interviewing staff and reviewing our financial documents. She presented her analysis to Joe and me in late January. Along with suggestions on where various functions of the organization should be housed, her most emphatic message was the seriousness of the budget situation.

The Transition

Your resolution in November authorized me to assume the duties of the President, effective November 25. I found temporary housing in Arlington, within walking distance of our office, and have been working there since December 1. Gary Galluzzo, our Executive Vice-President, remained in his position until the end of December. The majority of my time through December was spent becoming familiar with how the staff operates and determining how to manage the departure of the twenty-seven employees who signed up for the buyout. Each person's departure date was considered on a case-by-case basis, and by Jan. 2, fifteen individuals had ended their employment with NBPTS. A small number of employees (including Della Cullins) were asked to remain full-time through March 15, since their work is key to preparing and following up on the February Board meeting. John Fredrickson, our CFO, is remaining a full time employee through March 31. Pat Sinelli is on a part-time consultant contract with us through April 30, as are Ann Harman (Research), and Linda Rathburn (Human Resources), Carole Kennedy (works with administrator initiatives) and Gary Galluzzo. Since we have limited access to their time, we are utilizing it judiciously. It will be up to Joe whether he chooses to renegotiate any of those consulting contracts after the currently stipulated ending dates.

Joe will complete his full time work at the Ford Foundation February 14. Although he has not been physically present at NBPTS, he has been available for numerous, lengthy phone calls. In addition, the emails between his office and mine have flown fast and furious! The staff prepared a two-volume briefing book for the two of us to review over the holidays that provided extremely valuable background information and analyses of upcoming issues for 2003. Joe attended our Board orientation meeting in early February. At the Press Club on January 30, we held his long awaited presentation to the DC education community (originally scheduled, and snowed out, last December.) We were fortunate to be able to “piggy back” his event with our standing-room-only education forum on Quality Teaching. Last week, Joe, Susan Woodward and I attended a three-hour presentation on the National Board assessments by Jerry DeLuca and Jan Ruthven of ETS. Joe will assume his position as NBPTS President on February 27 at our Board meeting in Jackson. I will remain in Arlington through the beginning of April to serve as a resource person.

Word from Washington

The good news is, we are on track in the appropriations bill for federal fiscal year 2003 education programs. It still remains to be finalized (it was supposed to be law by October 1, 2002), but our funding is in both the House version and the Senate passed version, so we are hopeful that nothing unforeseen will make the \$10 million vulnerable. The not surprising news is that in the budget President Bush sent to Congress this week for federal fiscal year 2004 programs, our funding is not included. President Bush has yet to request funding for the National Board. I put it this way because I have not given up hope that he will indeed come to see how wonderful we are. It just won't be this year.

Another indication that we have yet to convince this administration of the rigor of National Board Certification is to be found in the final regulations issued for the Title I portion of the *No Child Left Behind Act*. Under the regulations, National Board Certified Teachers who teach in middle schools and high schools will be considered as “highly qualified” by virtue of their attaining our certification. However, this is not necessarily the case for NBCTs who teach in elementary schools. Those NBCTs who were newly hired (or reassigned) this school year to teach a Title I class in a core academic subject may have to go through another step in order to be considered “highly qualified” unless the state includes National Board Certification as qualifying under its HOUSE (high, objective, uniform State standard of evaluation) rules that are being developed for purposes of compliance with the Act. The simple message here is we need to clean up this definition for our NBCTs who teach in elementary schools. For those who are not newly hired for Title I as of this school year, we have until 2006. We will be telling you more about this at the February meeting in Jackson.

Board Issues

NBCC – For those of you unfamiliar with this issue, one of the three new assessments we are developing and piloting this year is the school counselors'. The NBCC (National Board for Certified Counselors) already offers an advanced certification for school counselors. There is a long history of discussions and negotiations between our two organizations that has been at times, contentious. At the October Board meeting, the Executive Committee directed the staff to work to resolve the issues between NBCC and NBPTS if at all possible. We had a very positive and cordial meeting in December with NBCC's Executive Director, their current Board Chair and their incoming Board Chair. Marian Galbraith, Vice-Chair of NBCWG, Marcella DeNice, board liaison to the counselors' certificate, Susan Woodward, Edward Clifton and I participated for NBPTS. As a result of that meeting, we agreed that the two organizations would conduct an alignment study to determine whether one assessment could be designed that would be valid for our assessment center specifications and NBCC's specifications for their assessment. The timeframe for that study is through April. Both organizations have also agreed to include ASCA, the school counselors'

disciplinary organization, in future discussions. More information on the certificate for school counselors will be covered at the Board meeting.

Low Volume Certificates – Much to our dismay, when the final count was complete, only one candidate applied for the World Languages Other Than English –Japanese assessment. Our legal defensibility of any certification decision depends on whether the administration of the assessment is judged by psychometricians to be fair, valid and reliable. Both ETS and our legal counsel have advised that the scoring of a single candidate cannot be defended under any circumstance. Based on that advice, it seemed only fair to prevent that particular candidate from undertaking any additional work on the portfolio or from making an appointment at the Assessment Center. Last week, I asked Susan Woodward to notify the candidate that her work could not be scored this year. Susan called the candidate personally, and informed her of the circumstances. Susan apologized on behalf of the organization, and assured her that her entire candidate fee would be refunded.

The Board will face some hard decisions in February with regard to Japanese and other low volume certificates. The candidate counts for Latin and German are extremely precarious (below 30), and a number of certificates are hovering at or below 200. This is the approximate number that we have considered in determining a “break-even” point at which the cost of offering and scoring a certificate is off-set by the number of candidates paying the \$2,300 fee to take it. It is not an easy equation to reach (since the costs vary significantly by certificate), but it is a key factor in determining our organization’s fiscal health, both now and for the future. Particularly in light of our current budget situation, we must seriously consider the ramifications of offering certificates that are a financial drain on the organization’s resources. NBCWG will have a full discussion of this issue at the February Board meeting. The staff is preparing a paper to review the history of this issue and potential options for the Board to consider.

Other News

In Washington DC, on the weekend of January 31, we held an intense one and a half day Orientation for our new Board members. We were fortunate that twelve of the fifteen were able to attend. Many thanks to Artie Almeida, Michael Marks, Connie Mitchell, Dianne Mondry, Maureen Roach, Bob Singleton, Patt Soto, Bob Wehling and Barb Wheeler, who joined a number of staff members in elaborating upon the NBPTS world of committees, working groups (and acronyms!). Joe Aguerrebere had the opportunity to meet a full third of our Board members while attending the meeting as a new Board member himself. It’s always exciting to come together with new Board members, and they did not seem in the least bit fazed by the rigorous schedule imposed upon them. We were all very impressed with their level of knowledge, expertise and enthusiasm.

Some of you may be aware that Board member Richard Navarro has resigned his position as Dean of Education at Cal Poly Pomona, to take a one-year position with the UN in Afghanistan. He will be working to enhance teacher preparation and K-12 education in that country. I have asked Bev Chin to assume Richard’s duties as Vice-Chair of the Research and Information Working Group for the current year. Pat Colbert Cormier has agreed to take his place on EOCC.

I’m looking forward to seeing you all in Jackson. Once again, I apologize for not writing an update to everyone sooner. Please feel free to email or phone me if you have additional questions. Thanks.

