

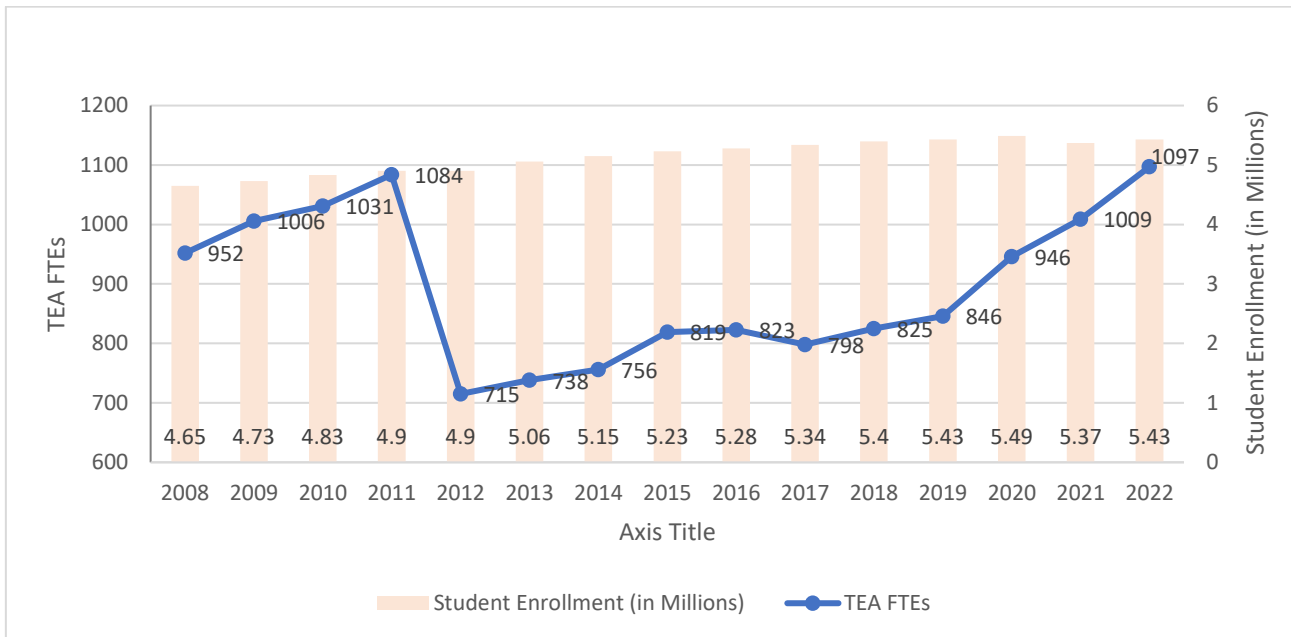
Supplemental Schedule F: Agency Workforce Plan

Public education is the largest function of the state and of most local governments. The Texas Education Agency is responsible for serving nearly 5.4 million students enrolled in 8,845 campuses that are administered by 1,204 school districts and open-enrollment charters schools.¹ The number of Texas public school students has increased about 11 percent over the last decade.

During the FY2020-2021 biennium, TEA distributed approximately \$55.4 billion in public school funds through numerous state and federal programs. The agency is also administering a massive influx of funding for COVID-19 pandemic relief. Across federal and state sources, \$21.7 billion has been provided to support a comprehensive recovery plan, of which over \$20 billion is directly managed by TEA. Texas educators and policymakers are prioritizing changes to support improved student learning, and public policy has been adapted to improve learning acceleration efforts. School leaders across the state are recalibrating their practices based on the evidence of what will deliver the most learning gains for the most students.

When compared to other large state agencies with significant responsibilities and complicated programs, TEA has relatively few full-time equivalent positions (FTEs). Figure 1 shows the agency's FTEs over time. Recent increases were associated primarily with special education corrective actions; administration of House Bill 3, passed during the 86th Legislature; strategic insourcing of certain IT functions; and administration of federal and state programs to recover from learning loss caused by the COVID-19 pandemic.

Figure 1: TEA Full-Time Equivalent Positions and Student Enrollment, 2008-2022



Source: Fiscal Years 2008-2021 based on Texas State Auditor's Office Quarterly Report (4th Quarter). Fiscal Year 2022 based on PEIMS Standard Report: Staff FTE counts and Salary Reports.

Agency's Strategic Goals, Priorities and Objectives

TEA's mission is to improve outcomes for all public-school students in the state by providing leadership, guidance, and support to school systems so that every child is prepared for success in college, career, or

¹ TEA Pocket Edition, 2020-2021.

the military. To activate this mission, the agency has four strategic priorities outlined in its [Strategic Plan](#):

- Recruit, support, and retain teachers and principals
- Build a foundation of reading and math
- Connect high school to career and college
- Improve low-performing schools

Across the nearly 40 initiatives included in the strategic plan, the agency is committed to increasing transparency, fairness, and rigor in district and campus academic and financial performance; ensuring compliance by effectively implementing and informing policymakers; and strengthening organizational foundations that include resource efficiency, culture, capabilities, and partnerships.

Core Business Functions

Texas Education Agency, under the leadership of the Commissioner of Education, conducts the following functions:

- Administers the distribution of state and federal funding to public schools
- Administers the statewide assessment program and accountability system
- Provides support to the State Board of Education (SBOE) in the development of the statewide curriculum
- Assists the SBOE in the instructional materials adoption process and managing the instructional materials distribution process
- Administers a data collection system on public school information
- Performs the administrative functions and services of the State Board for Educator Certification
- Supports agency operations, including performing duties related to the Permanent School Fund
- Monitors for compliance with certain federal and state guidelines.

Anticipated changes to the mission, strategies, and goals during the next five years.

The agency is engaged in a review of its Strategic Plan with an update planned for late Summer 2022. Revisiting the strategic plan allows TEA to examine strategic priorities after the COVID-19 pandemic and ensure that the most critical work is the focus of the agency. We do not expect major changes to the mission or strategic priorities, but initiatives will be more aligned with overarching agency theory of action and goals. We will publish the updated strategic plan on TEA's website.

CURRENT WORKFORCE PROFILE (SUPPLY ANALYSIS)

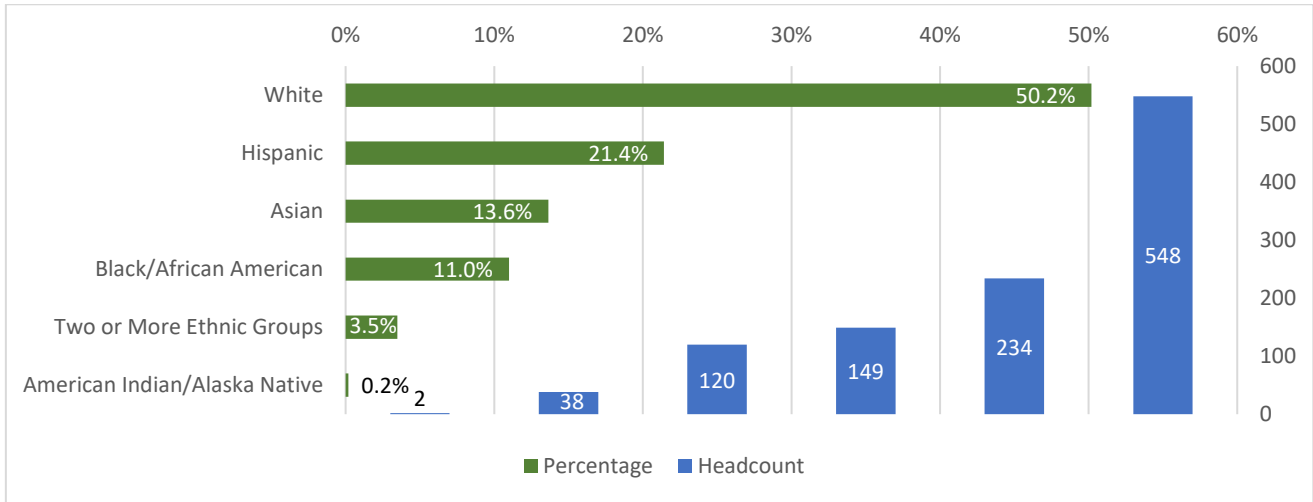
Workforce Demographics

Upon hire, agency employees self-report their gender, race, and ethnicity from the categories provided by the statewide Centralized Accounting and Payroll/ Personnel System (CAPPS) that are reported below as of May 1, 2022. In addition, 3% of agency employees are veterans.

Gender. The agency's employees are 64 percent female and 36 percent male.

Race and Ethnicity. Fifty percent of TEA's workforce is White, while 21 percent is Hispanic, 14 percent is Asian, and 11 percent is African American. Four percent represent other racial backgrounds. (See Figure 2).

Figure 2: Diversity of TEA's Workforce in 2022



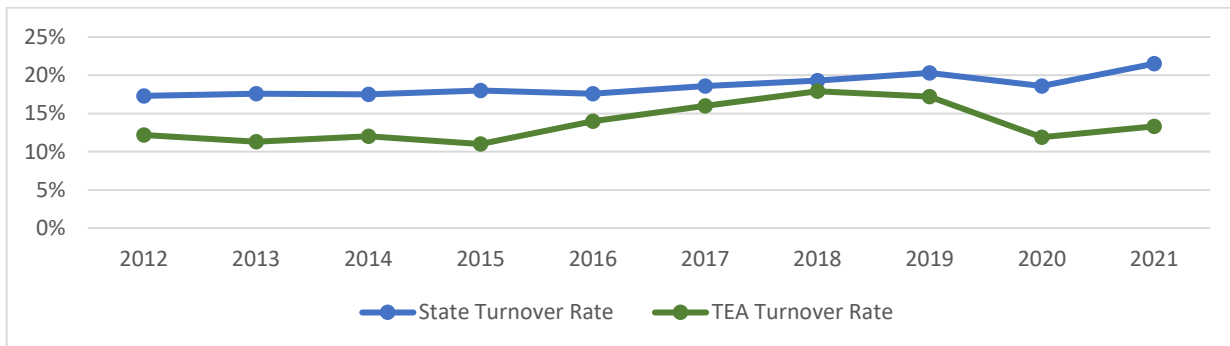
Length of Service

About two-thirds (62 percent) of TEA's workforce has been with the agency for less than five years, while 18 percent has been employed for five to nine years, and 14 percent has been employed from ten to 19 years. Of the remainder, four percent of TEA's employees have worked for the agency between 20 and 30 years, and three percent have worked for the agency for over 30 years.

Employee Turnover

A comparison of the state's employee turnover rate to TEA's turnover rate for fiscal years 2012 through 2021 is depicted in Figure 3. TEA's turnover rate has consistently been below the state's turnover rate for the past decade.

Figure 3 Comparison of Employee Turnover Rate by Year



Source: Texas State Auditor's Office Reports No. 13-704, 14-701, 15-703, 16-702, 17-704, 18-703, 19-703, 20-703, 21-703, and 22-702.

In the most recent administration of the Survey of Employee Engagement, in June 2021, eight percent of TEA respondents reported that they do not plan to be working for the agency in one year. Seventy seven percent reported they plan to stay, and 15 percent preferred not to provide an answer.

Retirement Eligibility

Two-thirds (67 percent) of TEA's workforce is over the age of 40, with 35 percent of the workforce over the age of 50. Approximately 20 percent of TEA's workforce is currently eligible or will become eligible to retire within the next five years (see Figure 4).

Figure 4: TEA Current Workforce Eligible for Retirement in FY 2023 – 2027

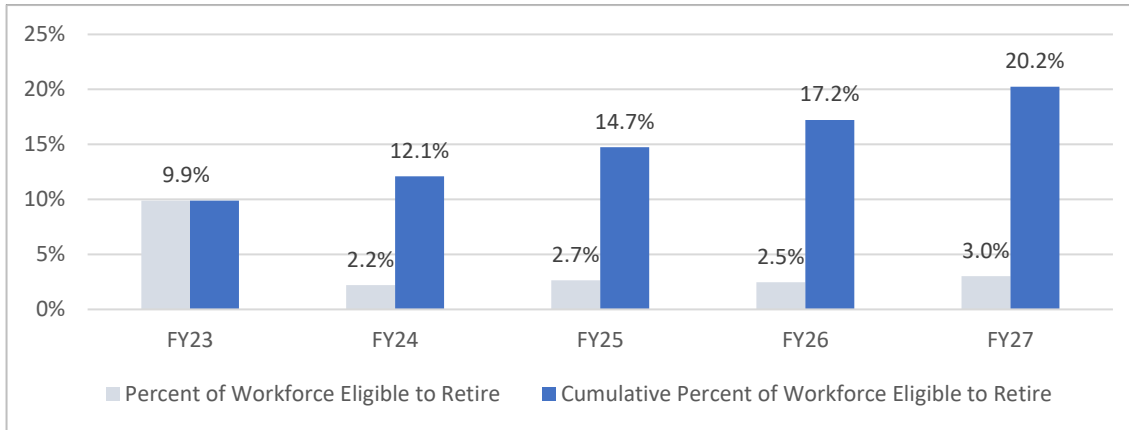


Table 1: Percent of TEA Employees Eligible to Retire by Year 2027

	FY23	FY24	FY25	FY26	FY27
Number of Employees Eligible to Retire	108	24	29	27	33
Percent of Workforce	9.9%	2.2%	2.7%	2.5%	3.0%
Cumulative Number of Employees Eligible to Retire	108	132	161	188	221
Cumulative Percent of Workforce	9.9%	12.1%	14.7%	17.2%	20.2%

Table 1 shows the cumulative number and percentage of TEA employees who are eligible to retire in each of the next five years. FY2023 data includes all employees eligible to retire in FY2022.

Despite the high rates of retirement eligibility, the agency has been fortunate that only small numbers of eligible employees have actually retired. In both FY2020 and FY2021, even though more than 15 percent of the workforce was eligible to retire, less than three percent of employees left the agency due to retirement each year.

If all eligible employees retired in the next five years, the loss of that skill and knowledge would have a significant negative effect on TEA’s ability to perform its core functions. Therefore, the agency’s leadership, in partnership with Human Resources, are proactively planning for that shift in the workforce through succession planning for each of the key leadership roles as well as through cross-training within and across agency functions.

Workforce skills critical to the mission and goals of the agency

The following areas and skills required for their implementation are critical to achieve the mission and goals of the agency.

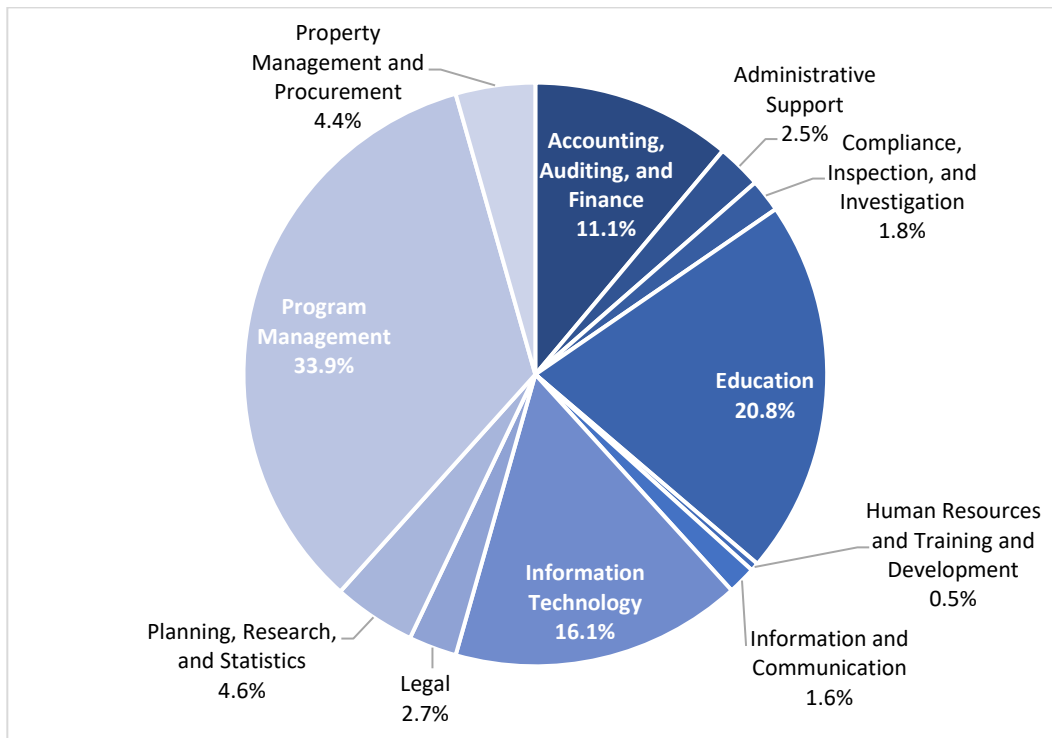
- Accountability and Assessment
 - Statewide assessment, accreditation, and financial and academic accountability systems
 - Regulation through audit, monitoring, complaints, investigations, and enforcement; supervision of compliance with grants and State and Federal regulations
 - Collection, analysis, and dissemination of public school data
 - Supporting the State Board of Education in curriculum development, textbook adoption, and other constitutional and statutory activities

- Educator Support
 - Supporting the State Board of Educator Certification in improving educator preparation; increased oversight of educator misconduct
 - Educator leadership, support, retention
- Funding and Incentives
 - Distribution and oversight of over \$20 billion in federal and state funding in response to COVID-19.
 - State education funding for new or modified allotments and incentives: Teacher Incentive Allotment, CCMR Outcomes Bonus, Compensatory Education Allotment
- Operations and Administration
 - Improving operational efficiencies in all administrative functions - including budget, operations, legislative, media and communications, legal, human resources, and information technology systems and support
 - Innovative human capital models: compensation, mentoring, and staffing
- Strategy and Performance Management
 - Stakeholder engagement
 - Change management
 - Strategy development
 - Implementation and evaluation
 - Project management
 - Product development
 - Data-informed decision-making
 - Communication
- Program development and implementation
 - Innovative school models
 - Early childhood education
 - Instructional continuity
 - School turnaround and improvement
 - Virtual and blended learning
 - Programs to support college, career, and military preparedness
 - Mental health supports and school safety
- Special Education Strategy
 - State and Federal Special Education requirements
 - Compliance and review best practices
 - Stakeholder and community engagement
 - Data analysis and insights
 - Dyslexia services and supports

Texas Education Agency Workforce Allocation

As of May 2022, the Program Management (34%) and Education (21%) occupational categories² make up the largest percentages of the agency’s workforce, followed by Information Technology (16%) and Accounting, Auditing and Finance (11%). The remaining 18% of the agency’s employees perform functions in Research, Planning, and Statistics (5%), Property, Management, and Procurement (4%), Legal (3%), Compliance, Inspection, and Investigation (2%), Information and Communication (2%), and Human Resources (1%) occupational categories.

Figure 5: TEA Employees by Occupational Category



TEA’s workforce is organized into the following organizational units and occupational categories. The FTEs reported as of May 2022 exclude the 17 FTEs employed by the Texas Council for Developmental Disabilities (TCDD), a separate state agency that TEA supports administratively and whose FTEs are part of the agency’s FTE cap. The FTEs reported for the Permanent School Fund (PSF) appear in a separate organizational unit from the Office of Finance because the PSF will begin operating as the Permanent School Fund Corporation, a separate state agency, over the next biennium.

Table 2: TEA Employees by Organizational Unit and Occupational Category

Office of the Commissioner	1
Commissioner of Education	1
Educator Support	177
Administrative Support	9

² The current [State Position Classification Plan](#) defines 26 occupational categories. TEA’s employs staff in 11 of those 26 categories.

	Compliance, Inspection, and Investigation	9
	Education	71
	Information and Communication	1
	Information Technology	2
	Legal	9
	Planning, Research, and Statistics	10
	Program Management	66
Finance		218
	Accounting, Auditing, and Finance	80
	Administrative Support	6
	Education	9
	Information and Communication	3
	Information Technology	13
	Planning, Research, and Statistics	1
	Program Management	63
	Property Management and Procurement	43
General Counsel		25
	Administrative Support	1
	Information and Communications	4
	Legal	17
	Program Management	3
Governance and Accountability		112
	Administrative Support	2
	Compliance, Inspection, and Investigation	11
	Education	5
	Information Technology	33
	Planning, Research, and Statistics	20
	Program Management	41
Internal Audit		3
	Accounting and Finance	2
	Program Management	1
Operations		50
	Administrative Support	3
	Education	1
	Human Resources, Training, and Development	5
	Information and Communication	5
	Information Technology	1
	Planning, Research, and Statistics	4
	Program Management	30
	Property Management and Procurement	1
School Programs		168
	Administrative Support	4
	Education	91
	Information and Communications	2
	Information Technology	2
	Planning, Research, and Statistics	10
	Program Management	59
Special Populations		92
	Administrative Support	2
	Education	50
	Planning, Research, and Statistics	2
	Program Management	38
Technology		171
	Information Technology	120

	Planning, Research, and Statistics	2
	Program Management	48
	Property Management and Procurement	1
Permanent School Fund		58
	Accounting, Auditing, and Finance	39
	Information Technology	4
	Legal	3
	Planning, Research, and Statistics	1
	Program Management	10
	Other—Chief Investment Officer-PSF (Unclassified)	1

FUTURE WORKFORCE PROFILE (DEMAND ANALYSIS)

Expected Workforce Changes and Needs

TEA must be strategic in preparing for future workforce changes given limited FTEs and administrative budget. TEA competes with both public and private sector organizations for high-quality talent, which creates challenges for retaining our highest performers and recruiting candidates committed to the ambitious, outcome-oriented mission of the agency.

Specifically, TEA workforce planning is challenged by:

- An increasing need for higher levels of knowledge, skills, education, experience, and expertise to perform complex programmatic functions to meet the agency’s mission and strategic goals
- An aging workforce, with over 20 percent eligible to retire in the next five year, and the potential retirement of employees with significant historical knowledge and expertise
- Persistent problems retaining key staff due to market competition, including competition from other state agencies offering higher salaries and merit programs, especially in finance, legal, and IT roles
- Increasing cost of living in the locations where the majority of TEA employees live and associated upward pressure for competitive staff salaries
- Recent increases in agency responsibilities caused by Federal or State legislative changes and expectations, including implementation of recent legislation such as House Bill (HB) 3 and HB3906 from the 86th Texas Legislature; HB1525, HB4545, and Senate Bill 1716 from the 87th Texas Legislature; and the aforementioned federal CARES, CRRSA, and ARP Acts
- Responding to unanticipated needs such as providing leadership and technical assistance to districts in response to COVID-19.

Anticipated Increase/Decrease in Number of Employees Needed to Perform Core Functions

TEA can identify two areas with a significant impact on the agency’s number of employees needed to perform core functions. Outside of these areas, other shifts are anticipated to have marginal impact.

Permanent School Fund Corporation FTEs. The 87th Legislature authorized the creation of a new and separate state agency for the Permanent School Fund (PSF). The PSF currently operates as a division within the Office of Finance of the Texas Education Agency and will become the Permanent School Fund Corporation in early 2023. PSF is currently staffed by 58 FTEs and is in the process of hiring 30 regular and corporation-specific vacancies in preparation for the transition. Beginning with the FY24-25 biennium, TEA’s FTE cap could be reduced by 74 in each fiscal year relative to the FY22-23 level to reflect this transition.

COVID-19 Response FTEs. In response to the COVID-19 pandemic and an influx of \$19.7 billion in federal recovery dollars from the Coronavirus Aid, Relief, and Economic Security (CARES) Act,

the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP) Act, the 87th legislature increased TEA's FTE cap by a total of 185 in FY2022 and 157 in FY2023. Although time-limited in nature, the bulk of these FTEs will be needed through at least the FY2024-2025 biennium to continue administration of federally funded learning recovery programs.

Gap Analysis

The number of potential retirements and the associated loss of experienced talent could strain TEA's ability to effectively manage its core functions and strategic priorities. The significant amount of hiring activity, at present and as TEA experiences turnover in critical roles, may strain the agency's ability to backfill vacancies and plan for and execute transition plans over the next two years. For example, even if only 50 percent of eligible retirees (approximately 50) leave TEA in FY 2023, that would challenge HR to fill a high volume of vacancies quickly and would challenge TEA leadership to ensure that there is a continuity of historical knowledge and skill during those transitions.

As of May 2022, more than ten percent of the agency's workforce is made of employees in COVID response-related positions. As mentioned above, TEA anticipates that the bulk of these positions will be needed through at least the FY2024-2025 biennium for continued administration of federally funded learning recovery programs. However, TEA anticipates that the time-limited nature of these roles will cause a higher-than-normal degree of turnover as these employees look for more permanent opportunities elsewhere. At the same time, vacant positions will become increasingly difficult to fill as approaching term dates make these roles less attractive to potential applicants. For this reason, the agency anticipates it will experience elevated turnover and/or will be operating at lower-than-expected capacity at times over the next several fiscal years.

Organizational Strategy and Development

Over the last two years, TEA has built on the talent management reforms initiated in 2017 and has made concerted efforts to increase the capacity of its workforce in order to meet the evolving demands of our school systems. In doing so, we prioritized initiatives and methods that provide the highest return on investment to attract, develop, and retain employees needed to accomplish TEA's mission and strategic plan.

To bridge the gap between the current workforce and future needs, TEA will build on those efforts through a continued focus on organizational development that focuses on agency culture and career development. TEA focus on improving agency culture will establish a common set of core values and core beliefs connected to the mission and core work of TEA. This will also include developing policies and support for a more hybrid workforce. Career development will support advancement within the organization through professional growth and awareness of opportunities as well as practices to broaden the eligible candidate pool for all searches. Compensation reviews and improvements to the agency's merit policy are also planned.

TEA's human resources division and recently created department of organizational development will support these efforts by working closely with the agency's senior leadership team to balance the diverse and challenging needs of the agency as well as the needs of the agency's internal and external stakeholders to attract, develop and retain high-performing talent to serve Texas' 5.4 million public school students.