
5B

Action

Professional Services Committee

Adoption of a Fee Structure for Initial Institutional Approval for Entities that are not Regionally Accredited

Executive Summary: This agenda item presents a proposed fee structure for institutions seeking initial institutional approval under the provisions of SBX 5 1 and provides information on the review process an entity would complete.

Recommended Action: That the Commission adopt a fee structure for institutions that are not regionally accredited seeking initial institutional approval.

Presenter: Teri Clark, Administrator,
Professional Services Division

Strategic Plan Goal: 1

Promote educational excellence through the preparation and certification of professional educators

- ◆ Sustain high quality standards for the preparation and performance of professional educators and for the accreditation of credential programs

August 2010

Adoption of a Fee Structure for Initial Institutional Approval for Entities that are not Regionally Accredited

Introduction

At the June 2010 meeting, the Commission took action (<http://www.ctc.ca.gov/commission/agendas/2010-06/2010-06-5B.pdf>) to adopt *Organizational Requirements for Organizations (NGO/CBOs) that are Not Regionally Accredited to Offer Educator Preparation Programs in California*. The Commission also discussed the fee that the legislation declares the Commission "...may assess on a community-based or nongovernmental organization that is seeking approval...." This agenda item is organized into two parts: Part I provides, for the Commission's information, a description of the initial institutional approval process that a NGO or CBO would complete and Part II presents a fee structure for the Commission to consider and possibly adopt.

Background

At its' June 2010 meeting the Commission adopted the four recommendations from the COA listed below and requested that staff bring updates and possible recommended revisions regarding this topic to the Commission at future meetings:

- That the *Requirements for Organizations that are not Regionally Accredited to Offer Educator Preparation Programs in California* presented in this item serve as the Commission's initial process for NGO or CBOs to establish institutional viability as required by SBX5 1.
- That full accreditation by NCATE be deemed to have met the Commission's requirement of regional accreditation for initial institutional approval if the entity submits adequate information for the four components of the Commission's Common Standards which are not adequately addressed by the NCATE Unit Standards.
- That the COA monitor the alternative process for institutional approval and report to the Commission at least annually on the process and entities that have utilized the process.
- That the process adopted by the Commission in June 2010 be considered the initial process and as information is collected on the process, the Commission review and fine tune the process in the future.

The Commission's web site has been updated to provide information related to the STEM/CTE teacher preparation provisions of SBX5 1 for both prospective sponsors and individuals who might be interested in becoming a science, mathematics or career technical education teacher by completing a program sponsored by an alternative sponsor: <http://www.ctc.ca.gov/educator-prep/SBX5-1.html>.

Part I: Procedures to Implement a Process to Review the *Organizational Requirements* as an Alternative Process to Regional Accreditation and Establish Initial Institutional Viability

This agenda item continues the work on SBX5 1 and provides a set of procedures an entity that is not regionally accredited but is interested in preparing teachers in the areas of science, mathematics and career technical education in California might complete. The Commission's accreditation system is based upon the assumption that an approved entity, a regional accrediting agency, has examined the broader institution and determined that basic issues of capacity and quality are in place at the institution. Usually the institution has already completed the regional accreditation process by the Western Association of Schools and Colleges (WASC) for institutions in California. The WASC review involves two types of site visits which review the institution and all of its educational programs for both i) a Capacity and Preparatory Review and ii) an Educational Effectiveness Review. Also included in this assumption regarding basic capacity are local education agencies approved by the California Department of Education.

This precursor review and approval process allows the Commission to have a reasonable assurance that students will receive the educational services promised by the institution. This precursor process then allows the Commission's accreditation system to focus more directly on the educational unit and all its credential processes. Then the initial institutional approval process involves the institution submitting documentation and supporting evidence that demonstrates the entity meets the Commission's Common Standards and the adopted Preconditions for the intended educator preparation program. Staff reviews the documentation and when the documentation is deemed to be complete, recommends to the Commission that the institution be approved to offer educator preparation programs in California.

For entities that are not regionally accredited, the *Organizational Requirements* (Appendix B) require the prospective sponsor to provide information to the Commission. Staff would initially review the response to the *Organizational Requirements* to ensure that the responses appropriately address the Requirements and include documentary support. Staff would also provide technical assistance as the prospective sponsor develops a full response to the Commission's Common Standards and the Preconditions.

The full review of the response and supporting documentation for both the *Organizational Requirements* and the Commission's Common Standards would be completed during a site visit with individuals from the Board of Institutional Reviewers (BIR) and an additional individual with specialized fiscal expertise serving as the team members. This site visit would be a process that only exists for prospective sponsors that are not eligible for regional accreditation or are local education agencies approved by the California Department of Education. According to SBX5 1, the prospective program sponsor may be charged for the initial institutional viability process. The Commission and COA have both discussed the option of charging an entity for this alternative initial review and expressed support for a fee being charged.

The report from the site visit would be presented to the COA with the team lead and the institutional representative present. If, after review of the report, the COA found that the institution meets the *Organizational Requirements* and the Commission's Common Standards, it would take action to forward its recommendation to the Commission for Initial Institutional

Approval (IIA). If the COA reviewed the report and identified areas where the prospective sponsor had not demonstrated compliance with all *Organizational Requirements* and found to be meeting all the Common Standards, the COA would clearly identify the area or areas where the prospective sponsor needed to focus and suggest a timeline for a re-visit. The prospective sponsor would be eligible to request a re-visit when it had addressed the issues that were not found to be met at the initial review. Table 1 provides a summary of the steps an entity and the Commission would complete in the alternative initial institutional approval process.

Table 1: Steps to Initial Institutional Approval for Entities that are Not Regionally Accredited or Approved by the CDE

	Activity	Prospective Institution	Commission (CTC/COA/staff)
1	Information gathering—Understand the steps of institutional and program approval in California.	Contact staff, consult web page for information on Initial Institutional Approval (IIA)	Provide technical assistance to prospective institution
2	Gather documentation addressing <i>Requirements for Organizations that are Not Regionally Accredited to Offer Educator Preparation Programs in California</i>	Prepare and submit to the Commission	Staff reviews for completeness and supporting documentation. If submission is complete (Requirements, Common Standards and Preconditions) schedule a site visit.
3	Develop responses to the Common Standards and the Preconditions for the intended teacher preparation program	Prepare and submit to the Commission	
4	Site visit addressing the Organizational Requirements and Common Standards-- a 2 ½ day site visit focusing on the Organizational Requirements and the Common Standards with members of the Board of Institutional Reviewers (BIR) and an individual with expertise in budget	Host site visit. Bring in leadership team and stakeholders to provide information	Facilitate the site visit. Take team report and recommendation to the COA
5	Committee on Accreditation (COA) Agenda item—Staff presents the report from the site visit. Team Lead appears before the COA as well as the institution	May attend the COA meeting	COA reviews the report and decides if recommendation for IIA should be forwarded to the Commission
6	Commission agenda item-- Staff prepares an agenda item recommending Initial Institutional Approval	May attend the Commission meeting	Commission takes action
7	Program Proposal—narrative and supporting documentation addressing all adopted program standards for the intended teacher preparation program	Prepare narrative addressing all program standards	Facilitate initial review of proposed program. Once the proposal meets all program standards, place on the COA agenda

	Activity	Prospective Institution	Commission (CTC/COA/staff)
8	Approval of Teacher Preparation Program		COA takes action to approve the program
9	Once the entity has Initial Institutional Approval (IIA) and an approved teacher preparation program, the entity will be placed in an accreditation cohort. The institution will be responsible for completing all required accreditation activities with the assigned cohort. A technical assistance site visit will be scheduled at the end of the second year of program operation.		

Part II: Fee to be Assessed on a CBO or NGO who Elects to Seek Initial Institutional Approval in California

Based on the Commission’s discussion related to charging a prospective sponsor for the alternative initial institutional review process and the language in the Education Code allowing for this option, the COA discussed possible fee structures at its June 2010 meeting (<http://www.ctc.ca.gov/educator-prep/coa-agendas/2010-06/2010-06-item-18.pdf>).

Staff prepared a possible fee structure for the June 2010 COA meeting using estimates for each of the activities identified in Table 1, except for the financial review completed in Step 4. The item proposed a flat fee that the prospective sponsor would pay to the CTC and then the Commission would pay for all activities of the IIA process, including technical assistance provided to the sponsor through email, phone, videoconference and one pre-visit to the sponsor, team members and consultant travel to the sponsor for the site visit, and preparation and presentation of reports for the COA and the Commission. To provide context, staff reported to the COA that the Bureau for Private Postsecondary Education (BPPE) charges a flat \$5,000 fee for its approval process. The BPPE approval process involves the submission of application materials and a very limited review of the materials. The process the COA and Commission has developed would not be possible with an all inclusive \$5,000 fee.

The requirement in Step 4 states, “The audits meet the standards of the American Institute of Certified Public Accountants or other appropriate accounting standards generally accepted in the U.S.” The Commission has never worked with this type of financial audit and has no credible estimate of the costs involved. The COA expressed concerns that any specific figure for both the financial audit and the alternative initial approval process is only an estimate and will likely be too high in the case of a very organized and well prepared institution or significantly too low if the institution needs extensive support and guidance to complete the initial approval process.

As the discussion continued, the COA made the suggestion that the fee could be a fairly small initial flat fee and then the proposed institution should pay for all expenses incurred during the process of requesting initial institutional approval. At the June meeting, the COA discussed both a \$1,000 and a \$2,000 initial flat fee. The submission of the initial fee would establish the entity as a prospective institution and begin the steps of the alternative approval process. Technical assistance from Commission consultants would be provided from the Sacramento office through phone calls, emails, or videoconferencing as part of the initial flat fee. The Commission consultant would attend the site visit as part of assigned duties, but the travel, lodging and per diem would be paid by the prospective sponsor. In addition, Commission staff would be

available to travel to the prospective sponsor to provide onsite technical assistance with the provision that the prospective sponsor pays for all travel expenses, within state rates.

Table 2 has been developed to provide estimates of the required and optional expenses that a prospective program sponsor would incur as part of the alternative process for initial institutional approval. Estimates of the amount of consultant time are provided in brackets. Optional activities and expenses are shown in *italics*. The information in this table would be updated as sponsors use the alternative approval process.

Table 2: Required and *Optional* Expenses for Alternative Initial Institutional Approval

	Activity	Commission Provides	Expense to Prospective Institution
1	<p>Information gathering by prospective sponsor</p> <p><i>Optional—Commission consultant make a visit to the institution or a representative comes to the CTC</i></p>	<p>Technical assistance through email, phone and/or video conference [Unknown]</p> <p><i>Optional—visit to prospective sponsor to provide technical assistance or host sponsor at CTC</i></p>	<p>Included in the initial fee</p> <p><i>Travel, lodging and per diem within state rates (\$100-\$400 depending on location)</i></p>
2	<p>Gather documentation addressing <i>Requirements for Organizations</i></p> <p><i>Optional—Commission consultant makes a visit to the institution or a representative comes to the CTC</i></p> <p>If needed, gather additional documentation</p>	<p>Staff review for completeness and supporting documentation, if acceptable, move to Step 3 [1/2 day]</p> <p><i>Optional—visit to prospective sponsor to provide technical assistance or host sponsor at CTC</i></p> <p>If submission is not ready for site visit, additional documentation must be reviewed for Step 2. [Unknown]</p>	<p>Included in the initial fee</p> <p><i>Travel, lodging and per diem within state rates (\$100-\$400 depending on location)</i></p> <p>Included in the initial fee</p>
3	<p>Develop responses to the Standards and Preconditions</p>	<p>Provide technical assistance through email, phone and/or video conference as needed [Unknown]</p> <p>Staff review Common Standards and Preconditions for completeness, if acceptable schedule site visit [1/2 day].</p>	<p>Included in the initial fee</p> <p>Included in the initial fee</p>

	Activity	Commission Provides	Expense to Prospective Institution
	<p><i>Optional</i>—request a Commission consultant make a visit to the prospective institution or a representative comes to the CTC</p> <p>If necessary, additional documentation must be gathered</p>	<p>If submission was not ready for site visit, additional documentation must be reviewed for Step 3.</p>	<p><i>Travel, lodging and per diem within state rates (\$100-\$400 depending on location)</i></p> <p>Included in the initial fee</p>
4	<p>Site visit</p> <p>includes a review of Organizational Requirements C.4. and C.5. by an <u>individual with specialized expertise</u></p>	<p>Consultant to facilitate the site visit [1 day to arrange logistics and compose team and then 2 ½ days plus travel for the site visit]</p>	<p>-Planning for site visit included in the initial fee</p> <p>-Travel, lodging and per diem for all team members, including Commission consultant, within state rates. (\$2,000-\$4,000)</p> <p>-Pay fee for financial review (unknown)</p>
5	<p>Committee on Accreditation (COA) agenda item</p> <p><i>If the COA does not recommend IIA and identifies areas that must be addressed, the prospective sponsor would return to Step 2 or 3 and <u>might</u> need to host a focused site visit</i></p>	<p>Consultant prepares and presents the team report to the COA [1/2 day]</p> <p><i>Provide technical assistance through email, phone and/or video conference [Unknown]</i></p>	<p>- CTC work included in the initial fee</p> <p>- Travel for Team Lead to attend the COA meeting, within state rates. (\$200)</p> <p>- Prospective sponsor may attend the COA meeting</p> <p><i>If a second site visit is required: Travel, lodging and per diem for all team members, including Commission consultant, within state rates. (\$1,000-\$2,000)</i></p>
6	<p>Commission agenda item</p>	<p>Administrator of Accreditation and Consultant prepare and present the request for IIA to the Commission [1/2 day]</p>	<p>- CTC work included in the initial fee</p> <p>- Prospective sponsor may attend the Commission meeting</p>

Once the Commission takes action in Step 6 to grant Initial Institutional Approval, the entity would be included in the Commission’s regular accreditation system where all accreditation activities are completed within the agency’s budget. An ongoing expense for the sponsor would be the annual financial report that must be audited before submission to the Commission.

The COA concluded that an initial fee with the prospective program sponsor paying for all expenses incurred through the process of seeking initial institutional approval seemed to be the most appropriate fee structure at this time. However, it was difficult for the COA to determine what that fee should be, given the unknown amount of staff time that would need to be devoted to the entire process. The Commission's discussion at the June 2010 meeting indicated that the fee for the alternative process should be a 'cost recovery' fee. Therefore, staff completed an analysis of the personnel costs for a consultant and support staff for the activities in the alternative approval process based on the best available cost figures for completing the required activities as outlined above in this agenda item. Based on this analysis, staff believes that an initial fee of \$5,000 would be appropriate.

Staff Recommendation

Staff recommends that the Commission take action to set the fee for the alternative initial institutional approval process at \$5,000 with the understanding that the prospective sponsor will pay for all expenses (including travel, per diem, and lodging at the state rate) as shown in Table 2.

Next Steps

If the Commission takes action at its August meeting to approve an initial fee and the requirement that a CBO or NGO seeking to complete the alternative initial institutional approval process shall pay for all expenses, staff will work with the COA to implement the process including the adopted fee.

Appendix A

SEC. 5. Section 44227.2 is added to the Education Code, to read:

44227.2. (a) The Legislature hereby establishes the Science, Technology, Engineering, Math, and Career Technical Education Educator Credentialing Program for purposes of providing alternative routes to credentialing, in accordance with the guidelines for the federal Race to the Top Fund, authorized under the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), that do not compromise state standards.

(b) No later than June 1, 2010, the commission, in consultation with the Committee on Accreditation established pursuant to Section 44373, shall develop a process to authorize additional high-quality alternative route educator preparation programs provided by school districts, county offices of education, community-based organizations, and nongovernmental organizations. Organizations participating in this project may offer educator preparation programs for any science, mathematics, and career technical education credential type issued by the commission if the organization meets the requirements for being authorized pursuant to criteria established by the commission.

(c) The commission shall authorize community-based or nongovernmental organizations accredited by an accrediting organization that is recognized by the Council for Higher Education Accreditation and the United States Department of Education. The commission may also establish alternative criteria, if necessary, for project participants that are not eligible for accreditation by one of the accredited organizations.

(d) Participating organizations shall electronically submit credential applications to the commission.

(e) The commission may assess a fee on a community-based or nongovernmental organization that is seeking approval to participate in the program. For purposes of this section, an independent college or university in California is not a community-based or nongovernmental organization.

Appendix B

Adopted Organizational Requirements for NGO/CBOs that are Not Regionally Accredited to Offer Educator Preparation Programs in California

A: Articulating Organizational Goals and Addressing Educator Preparation Objectives

The organization defines its educator preparation purposes and establishes objectives. The organization functions with integrity and autonomy.

- A. 1. The organization's formally approved statements of purpose and operational practices are appropriate for an educator preparation organization in California. The organization's objectives are clearly recognized and consistent with stated purposes.
- A. 2. The organization demonstrates an appropriate response to the increasing diversity in society through its policies, practices and programs.
- A. 3. The organization has educator preparation as a primary purpose regardless of political, corporate, or religious affiliations.
- A. 4. The organization exhibits integrity in its operations, as demonstrated by the implementation of appropriate, equitable, open and honest communication with candidates and the public, timely and fair responses to complaints and grievances, and regular evaluation of its performance in these areas.
- A. 5. The organization demonstrates knowledge of and the capacity to participate in the Commission's accreditation process including Biennial Reports, Program Assessment, accreditation site visits, the Common Standards, Preconditions and Program Standards.
- A. 6. The organization is committed to honest and open communication with the California Commission on Teacher Credentialing, to undertaking the accreditation review process with seriousness and candor, to informing the Commission promptly of any matter that could materially affect the accreditation status of the organization, and to abiding by Commission policies and procedures.

B: Commitment to Learning and Continuous Improvement to Achieve California Educator Preparation Objectives

The organization achieves its educator preparation objectives. The organization maintains a sustained, evidence-based, evaluation system to ensure that high quality educator preparation objectives are met.

- B. 1. The organization's learning outcomes and expectations for candidate attainment are clearly stated and widely shared among stakeholders and at the course, program and organizational levels. The organization's staff takes collective responsibility for establishing, reviewing, fostering, and demonstrating the attainment of these expectations.
- B. 2. The organization's educator preparation programs actively involve prospective educators in learning, ensure they meet high expectations, and provide them with appropriate and ongoing feedback about their performance and how it can be improved.

- B. 3. The organization regularly identifies the characteristics of its candidates and assesses their preparation, needs, and experiences. The organization collects and analyzes prospective educator data, disaggregated by demographic categories and type of credential program. The organization takes security measures to ensure the security and integrity of candidate records.
- B. 4. The organization's planning processes identify and align program, personnel, fiscal, physical, and technological needs with the strategic objectives and priorities of the educator preparation program. Planning processes are informed by appropriately defined and analyzed quantitative and qualitative data from multiple sources including those identified in B3.

C: Developing, Sustaining and Applying Resources and Organizational Structures to Ensure Quality Educator Preparation

The organization sustains its operations and supports the achievement of its educator preparation objectives through its investment in human, physical, fiscal, and information resources. These key resources promote the achievement of quality educator preparation.

- C. 1. The organization demonstrates that it employs an adequate number of instructional staff with commitment to educator preparation of high quality. The staff is sufficient in number, professional qualifications, and diversity to achieve the organization's educator preparation objectives.
- C. 2. Staff recruitment and evaluation practices are aligned with educator preparation objectives. For instructional staff, evaluation involves consideration of evidence of teaching effectiveness, including candidate's evaluations of instruction.
- C. 3. The organization maintains appropriate and sufficiently supported staff development activities designed to improve teaching and learning, consistent with its educator preparation objectives.
- C. 4. Initially, the organization provides clean independent audits of a full set of financial statements of the legal entity planning to offer educator preparation programs for the three years prior to submission of the "Intent to Seek Institutional Approval Form." The audits should meet the standards of the American Institute of Certified Public Accountants or other appropriate accounting standards generally accepted in the U.S. After initial approval by the Commission, the organization submits the legal entity's 990 Form (for non-profits) or corporate income tax returns (for for-profits) for the past two years on a biennial basis. Resources are aligned with educator preparation objectives.
- C. 5. A business plan that focuses on the unit being accredited. The business plan should include:
 - o A business model that briefly describes the services to be delivered, the area to be served, the current and projected number of candidates, recruitment activities, a description of faculty, tuition costs, a budget narrative, etc.;
 - o The most current approved budget;
 - o Revenue and expense projections for the next two years, including funding streams, the length and percentage of funding from foundation grants, appropriated governmental funds, tuition, funds from elsewhere in the legal entity or its affiliates; costs of facility, payroll, maintenance, etc.;

- A one to two page narrative describing revenue and expenditure projections for the next 4 years;
 - A one to two page narrative describing the relationship between the unit and the legal entity offering the educator preparation programs; and
 - If tuition based, the tuition refund policy should the educator preparation programs be discontinued.
- C. 6. The organization's facilities are safe, secure and healthy. The organization's information technology resources are sufficiently coordinated and supported to fulfill its educator preparation purposes.
- C. 7. The organization policies related to fees and other financial obligations of candidates, conflicts of interest, non-discrimination and sexual harassment are clearly stated.
- C. 8. The organization has an independent governing board or similar authority that, consistent with its legal and fiduciary authority, exercises appropriate oversight over organizational integrity, policies, staffing and ongoing operations.
- C. 9. The primary administrator responsible for the educator preparation program shall possess a post baccalaureate degree or credential and experience in education. In addition, the institution has a sufficient number of other qualified administrators, including a chief financial officer, to provide effective educational leadership and management.