
4A

Action

Fiscal Policy and Planning Committee

Commission on Teacher Credentialing Budget

Executive Summary: This agenda item updates the Commission on the fiscal outlook of the Commission on Teacher Credentialing and presents options to address the fiscal pressures that are projected to impact the operations of the Commission on Teacher Credentialing.

Recommended Action: That the Commission approve a plan to address the fiscal pressures that are projected to impact the Commission's operations.

Presenters: Crista Hill, Director, Administrative Services Division - Fiscal and Business Services Section, Patty Wohl, Director, Certification, Assignment and Waivers Division, Teri Clark, Director, Professional Services Division, and Nanette Rufo, Director, Division of Professional Practices

Strategic Plan Goal:

Continue to refine the coordination between Commissioners and staff in carrying out the Commission's duties, roles and responsibilities.

- ◆ Conduct periodic review of the efficiency of the day-to-day operations and financial accountability of the Commission

Commission on Teacher Credentialing Budget

Introduction

In September 2011, the Commission staff met with Department of Finance (Finance) to discuss the fiscal status of the Commission as part of the normal budget development process. At this meeting, Finance expressed concern about the ability of the Commission's funds, the Teacher Credentials Fund (TCF) and the Test Development Administration Account (TDAA), to support the expenditures of the agency. To inform decisions the Administration will need to make for the Commission's 2012-13 budget, Finance asked the Commission to identify fiscal priorities and options to rebalance expenditures and revenues and to provide that information to Finance in November 2011.

At the October 5-6, 2011 Commission Meeting, Commission staff provided an update on the Commission's budget as part of the Overview of the Budget Process and the Commission on Teacher Credentialing Budget agenda item (<http://www.ctc.ca.gov/commission/agendas/2011-10/2011-10-5A.pdf>). As part of the item, staff identified a variety of cost pressures the Commission faces in the current year and will face in the budget year along with possible options the Commission could consider to address the projected fiscal pressures. The Commission directed staff to come back at the November Commission meeting with options for discussion and possible action. This item outlines options for the Commission to consider to address the existing structural imbalance and create greater long-range fiscal stability. Because the Administration will need to make key budget decisions prior to December 2011, it is important for the Commission to take action on its budget priorities at the November 2011 meeting. If the Commission is not able to determine a plan at this meeting, the agency's budget priorities could be set without the Commission's input.

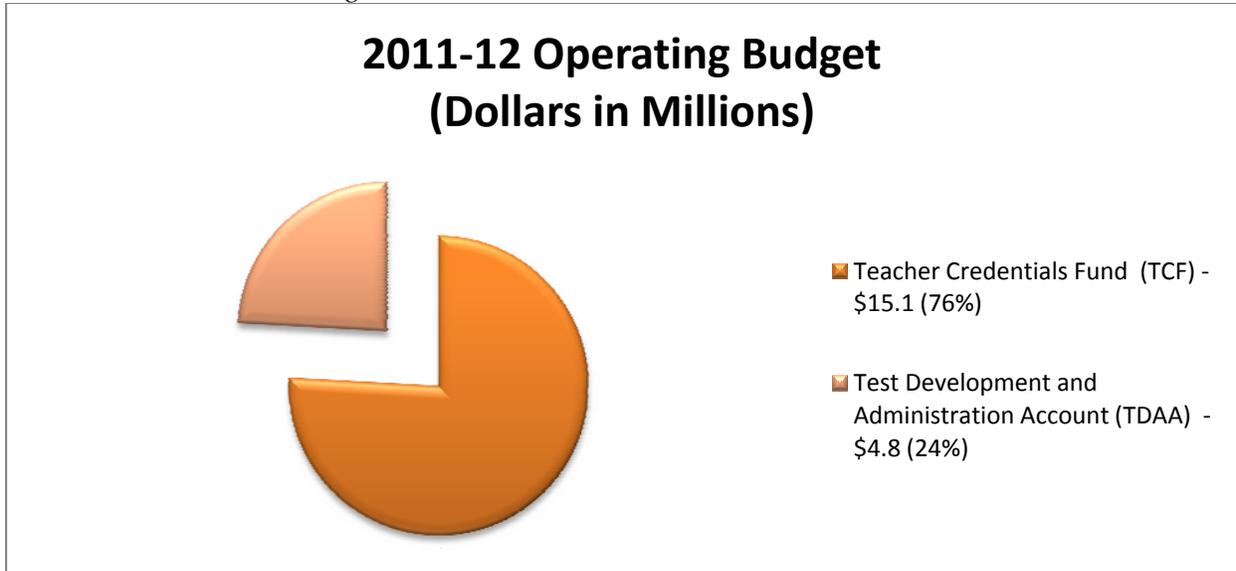
Background

The purpose of the Commission is to ensure integrity and high quality in the preparation, conduct and professional growth of the educators who serve California's public schools. Its work reflects both statutory mandates that govern the Commission and research on professional practices. The core functions of the agency include serving as a state standards board for educator preparation for the public schools of California, licensing and credentialing of professional educators in the State, and the enforcement of professional practices of educators, including the discipline of credential holders in the State of California.

The Commission's functions are supported by revenues generated through credential fees and fees paid by individuals who take the exams required for credentials. Currently, approximately 76% of the Commission's \$20.2 million 2011-12 operating budget is supported by credential fees, which are the revenue source for the TCF. (The credential fee, established annually in the Budget Act, has been below the statutory limit of \$70 since 1998 and has been at \$55 since 2000.) The remaining 24% is supported by educator exam fees, which fund the TDAA. The Commission receives no General Fund monies to support its operating budget. The Commission

receives \$26.2 million in General Fund Proposition 98 (local assistance) funds that are passed through to Local Education Agencies to support teacher development programs.

Table 1: Commission Budget



2011-12 Budget Appropriation and budgeted Expenditures by Category:

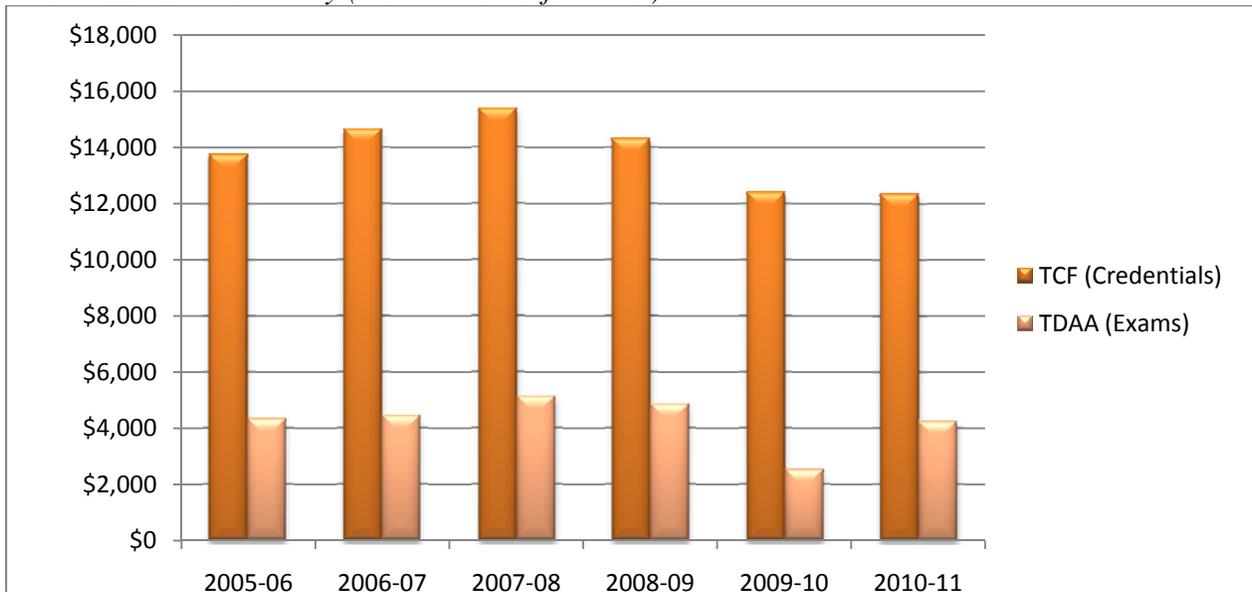
The Budget Act appropriation is allocated across divisions to support the functions of the agency. The following table reflects the positions and main categories of expenditure budgeted for each Division for FY 2011-12, including local assistance dollars that are allocated to local entities for the teacher development programs administered by the Commission. Approximately 65% of the Commission’s operating budget is allocated to personnel services. Included in the Support Budget of \$20.2 million is \$308,000 in Federal funds that is passed through to Local Education Agencies for assignment monitoring. This pass through in essence, reduces the Commission’s actual support budget to \$19.9 million.

CATEGORY	CAW	PSD	DPP	ADMIN	TOTAL
Authorized Positions	68.4	35.0	29.0	33.0	165.4
Support Budget - Personal Services	\$4,350,072	\$3,157,814	\$2,243,307	\$3,105,807	\$12,857,000
Support Budget- OE&E	1,643,845	2,761,720	1,447,067	1,509,816	7,362,448
Total Support Budget (Daily Operations)	\$5,993,917	\$5,919,534	\$3,690,374	\$4,615,623	\$20,219,448
Local Assistance	0	26,191,000	0	0	26,191,000
Total Program Costs	\$5,993,917	\$32,110,534	\$3,690,374	\$4,615,623	\$46,410,448

Declining Revenues

Year to year revenues for both funds are sensitive to changes in demand for credentials or exam registrations. Revenues in both funds declined between 2006-07 and 2009-10, primarily due to declines in credential applications and lower teacher preparation enrollments, resulting in fewer candidates taking exams. Because of this volatility, the Commission has historically maintained a reserve in each fund of not more than 10% that is available for unanticipated costs that cannot be absorbed within the Budget Act appropriation in any given year. (The reserve is the difference between the fund balance and the appropriation.) A sufficient reserve helps protect the General Fund by ensuring that the Commission can operate without an emergency General Fund appropriation. Provided below is a summary of the revenues received for the 2005-06 through estimated 2010-11.

Table 2: Revenue History (in thousands of dollars)



Since FY 2007-08 the Commission has seen a decline in TCF revenues of approximately 20%, due in part to declines in the number of credential applications and a reduction in the number of emergency permit documents issued. Enrollment declines in teacher preparation programs suggest the declining revenue trend could continue for the planning horizon. Based on past-year trends and first quarter data for FY 2011-12 the decline in revenues is projected to be 6% from FY 2010-11. By the end of FY 2011-12 there would be a projected decrease of approximately 20% in the revenue stream for the TCF since FY 2009-10. While it is difficult to project with accuracy what the revenues could be for 2012-13, current trends suggest that it is reasonable to project a continued decrease of 3%. The Fund Condition Statements on page FPPC 4A-4 show the current projected revenues for both funds through 2013-14. For reference, the History of the Positions, Revenues/Expenditures, and Fee Structure is provided in Appendix A.

**FUND CONDITION SUMMARY
TEACHER CREDENTIALS FUND**

	2010-11 (Actual)	2011-12 (Estimated)	2012-13 ^{2/} (Proposed)	2013-14 ^{2/} (Proposed)
Beginning Balance	\$3,373,000	\$1,340,000	\$317,000	-4,385,000
Revenues	12,344,000	11,685,000	11,673,000	11,673,000
TDAA Transfer	0	2,400,000	0	0
Expenditures/ Appropriation	-14,377,000	-15,108,000	-16,375,000	-16,375,000
Ending Balance	<u>\$1,340,000</u>	<u>\$317,000</u>	<u>\$-4,385,000</u>	<u>\$-9,087,000</u> ^{1/}
Reserve %	9.3%	2.1%	-26.8%	-55.5%

^{1/} This assumes the Commission fully expends all resources each fiscal year. Historically, this has not occurred.

^{2/} Assumes a 6% decrease in revenue from FY 2010-11, based on 1st quarter data from Certification, Assignment and Waivers Division. FY 2012-13 assumes a 3% decrease in credential revenue from FY 2011-12.

TEST DEVELOPMENT AND ADMINISTRATION ACCOUNT

	2010-11 (Actual)	2011-12 (Estimated)	2012-13 (Proposed)	2013-14 (Proposed)
Beginning Balance	\$5,270,000	\$4,705,000	\$1,742,000	454,000
Revenues	4,245,000	4,118,000	3,707,000	3,707,000
TCF Transfer	0	-2,400,000	0	0
Expenditures/ Appropriation	-4,810,000	-4,681,000	-4,995,000	-4,995,000
Ending Balance	<u>\$4,705,000</u>	<u>\$1,742,000</u>	<u>\$454,000</u>	<u>\$-834,000</u>
Reserve %	97.8%	37.2%	9.1%	-16.7%

Increasing Costs

Despite the implementation of a number of operational efficiencies over the past several years, the cost of doing business has increased significantly for the Commission over the past 11 years, particularly those costs over which the Commission has little control, including central administrative services costs (the Commission’s ProRata share of the state’s overhead expenses), data processing services, general price increases, costs associated with Department of Justice discipline reviews, facility operations, employee compensation, retirements (leave payouts upon retirement), and health benefit adjustments. These “non-discretionary” costs constitute 23% of the total operating budget and have risen 63% since 2007-08.

Operating Expenses - Not Under Commission Control						
	2007-08	2008-09	2009-10	2010-11	<i>2011-12</i>	<i>2012-13</i>
Department of Justice - OAH	1,161,254	908,458	1,274,998	1,255,529	<i>1,260,000</i>	<i>1,260,000</i>
Rent	566,754	588,031	599,575	649,823	<i>697,284</i>	<i>700,000</i>
DGS Contracted Fiscal Services	200,000	153,000	191,000	200,000	<i>200,000</i>	<i>192,000</i>
ProRata	640,806	677,725	1,080,180	919,545	<i>1,232,388</i>	<i>2,591,211</i>
Consolidated Data Center	40,770	68,880	101,313	115,659	<i>110,000</i>	<i>110,000</i>
Department of General Services	160,442	426,422	358,663	396,963	<i>396,000</i>	<i>396,000</i>
Communications	129,970	100,700	122,029	151,508	<i>157,000</i>	<i>157,000</i>
Information Technology	853,109	1,718,052	743,809	1,174,242	<i>558,600</i>	<i>600,000</i>
Totals	3,753,105	4,641,268	4,471,567	4,863,269	<i>4,611,272</i>	<i>6,006,211</i>

Italics indicate projections

To offset these rising costs, the Commission has reduced costs and implemented efficiencies. In addition to obvious efficiencies such as reductions in travel, supplies, and equipment, the Commission has, since 2005, made considerable effort to reduce costs through procedural efficiencies that include:

- Implementation of a credential processing system that resulted in the automation of many credential procedures, reducing staff costs associated with reviewing routine credential applications while also reducing application processing time. Through re-engineering the business process, and rewriting the automated application, the Commission now processes credential applications and renewals more quickly and efficiently, has improved customer service, and is able to more accurately forecast and report critical business data. This system has increased electronic filing of applications to 82%; allowing the Commission to make more effective use of its staffing resources.

- Department-wide cellular phone reductions (-\$13,000 annually)
- Reduced postage by distributing materials via email, posting on Internet, or hand-delivering most materials (-\$10,621 annually)
- The elimination of printed documents credential documents (including credentials, Certificates of Clearance, application for character and ID Clearance (-\$1,719,000)
- The elimination of printed manuals, reports, newsletters, and discipline alerts (-\$54,000)
- Transition to paperless agendas for the Committee on Credentials and the Commission and reduced staff travel through webinar-based technical assistance (-\$14,362 annually)
- Transition to a paperless legislative bill subscription (-\$13,000)
- Authority reduction for the facility lease payment reduction (-\$180,000)
- Reduced overtime and temporary staff costs (-\$354,414 annually)

These efficiencies have enabled the Commission to reduce its controllable costs by approximately 62% since 2007-08 as is demonstrated in the table below.

Operating Expenses - Under Commission Control						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
General Expense	297,239	351,187	320,258	314,447	311,550	310,000
Printing	133,797	46,364	31,268	34,983	32,850	33,000
Postage	304,994	102,495	34,719	32,174	32,000	32,000
Travel-in-state	272,403	295,543	299,032	309,637	305,150	305,000
Travel-out-of-state	12,513	20,428	21,624	0	0	0
Training	78,461	79,137	88,120	54,988	69,500	70,000
Equipment	216,859	134,870	59,184	157,255	0	60,000
External Contracts ¹	1,004,040	1,549,680	997,026	380,950	1,518,050	Unknown
Totals	2,320,306	2,579,704	1,851,231	1,284,434	2,269,100	810,000

¹Includes the Credential Web Improvement Project (CWIP), Examination Development, and office equipment maintenance contracts.

Another area where costs have risen over recent years is in personnel costs. Provided in the table below are the budgeted and actual positions, salaries and wages and benefit costs from 2007-08 through projected 2012-13. Personnel costs have risen over 9% since 2007-08 while the actual number of individuals employed by the Commission has decreased.

Personnel Expenses						
	2007-08	2008-09	2009-10¹	2010-11¹	2011-12¹	2012-13
Budgeted Positions	170.9	167.9	167.1	166.4	165.4	165.4
Actual Positions	163.7	157.7	165.1	152.2	139.4	
Salaries & Wages	9,570,295	9,191,274	8,673,082	9,321,886	9,775,248	10,146,631
Benefits	3,255,070	3,300,752	3,278,990	3,727,011	3,421,000	3,551,000
Totals	12,825,365	12,492,026	11,952,072	13,048,897	13,196,248	13,697,631

¹State employees were furloughed one, two or three days a month depending on bargaining unit. The final furloughs ended in April 2011

In essence, the Commission has been treading water over the past five years, keeping up with rising costs by reducing discretionary expenditures. Although some additional operational efficiencies could be achieved, the trend lines of reduced revenues and rising nondiscretionary costs suggest that efficiencies alone cannot continue to offset rising nondiscretionary costs without severely impeding the Commission's ability to carry out its core functions.

In addition, the Commission anticipates significant costs in the current year and budget year associated with employee retirements, pending litigation, audit-related costs, and salary savings mandated in the state budget. Because the reserves in the Teachers Credentials Fund (TCF) are so low, it is projected that an approximately \$2.4 million transfer will be necessary from the TDAA in order to address the fiscal pressures that are projected to impact the TCF. In an effort to reduce the amount of that transfer, Commission management has already taken steps to reduce current year expenditures. Hiring and promotions will be focused in the Division of Professional Practices and expenditures will be focused in the essential mission critical responsibilities. At this time, it is projected that there will be a deficit of \$4.3 million in the Teacher Credentials Fund (TCF) for the budget year FY 2012-13. The magnitude of this projected deficit could severely impact the core functions of the agency.

Solutions

While the current year problem may be addressed by a combination of expenditure reductions and a loan from the TDAA, the fiscal outlook suggests that a long-term solution is essential to ensure the stability of the agency and preserve the integrity of the state's existing credentialing system. While the Commission could, and arguably should, continue to identify and implement more efficient ways of doing business, at some point, those efficiencies may not be sufficient to maintain the core functions of credentialing, standard and exams, and educator discipline without aligning the Commission's fee structure to the costs of providing those activities.

Statutory Guidance

Current law requires the Commission to levy fees for the issuance and renewal of teaching and service credentials and specifies that in no case shall a fee exceed seventy dollars (\$70) without express legislative approval. (Education Code §44235)

Under current law, the Commission may establish and collect fees to recover its costs for the development and administration of any subject matter examination adopted by the Commission, unless the costs are recovered by appropriations from another source of funds. (EC §44235.3)

Current law also requires, as part of the annual budget review process, the Department of Finance to recommend to the Legislature an appropriate credential fee sufficient to generate revenues necessary to support the operating budget of the Commission plus a prudent reserve of not less than 10%. Current law specifies that reserve shall not exceed 10%, as determined by the Department of Finance pursuant to subdivision (b) of Section 44234. (EC §44234 and §44235)

Analysis of options

The revenue and expenditure projections suggest that the Teachers Credential Fund could have a \$9.1 million deficit in 2012-13 and the Test Development and Administration Account could have a projected deficit of \$0.8 million. The Governor's proposed budget for the upcoming

fiscal year will need to address the projected deficits in both funds. Based on the Commission's discussion at its October 2011 meeting, the following options are presented for the Commission's consideration. While some options may increase revenues, they may not, by themselves, be a sufficient solution to address the fiscal health of the Commission. Other options may bring political challenges that could reduce their viability. In the end, it is likely that some combination of expenditure reductions and revenue increases will be necessary to stabilize the agency.

Reduce Services

The Commission could choose to reduce services. Currently, 82% of applications are processed on-line and the Certification Division is meeting the statutory requirement to process credential applications within 50 business days. In addition to processing credential applications, the CAW staff provides telephone services to the public during afternoon hours, responds to emails, provides technical assistance to employers, and monitors misassignments. While it may be possible to leave vacancies unfilled, reduced staffing levels would likely lead to an increase in the number of days required to process credentials, potentially putting the Commission out of compliance with the law. The reduction would also limit access by institutions of higher education, local educational agencies, and the public to technical assistance relating to the credential process. Because the Commission has maintained service reductions achieved in prior years, it is unlikely this option would result in significant savings.

Move some activities to a cost recovery or fee for service model

Charge educators for costs associated with fitness review. Currently, the cost of discipline is paid through credential fees and spread among all educators who hold credentials. The Commission may wish to seek legislation to establish a fee structure for individuals that require a professional fitness review to recover the cost of supporting the discipline functions at the Commission. It is important to understand that although the Commission opens a large number of files or cases annually, the number of individuals for which discipline is taken is much lower. Legally, fees could only be charged to individuals where the Commission actually takes adverse actions. It is unclear if fees charged to these individuals could actually be collected, and there would likely be some implementation costs associated with collection activities.

Commission staff reviewed the fee structure established by a variety of boards in California, including the Board of Accountancy, Board of Professional Engineers and Land Surveyors, Board of Vocational Nursing and Psychology Technicians, Board of Behavioral Sciences, and Speech Language Pathology and Audiology Board to determine if they charged for disciplinary investigations. Only the Board of Accountancy charges fees for disciplinary investigations. Some of the organizations contacted charge fines for various violations and others do not charge for the cost of disciplinary investigations or have set fines.

On average the Division of Professional Practices takes adverse action on approximately 700 individuals each year. Although the amount of revenue that could be generated is unknown, it seems unlikely that sufficient revenue could be generated to make the entire Division's nearly \$4 million annual operating budget self-sufficient.

Charge for accreditation. Currently, the cost of accreditation is paid through the credential fee and spread among all educators who hold credentials. Under this option, the Commission could establish a fee structure similar to NCATE for institutions to pay for accreditation functions. To provide the Commission with information on the costs to complete the various activities within the Professional Services Division please refer to Appendix E.

Depending on the size of the visit and the number of programs being accredited the cost to support accreditation annually range from \$270,000-\$350,000, not including staff costs. It is important to note that a majority of the entities approved to offer educator preparation in California are state supported sponsors (California State Universities, local school districts and county offices of education, and the University of California) and shifting the entire of cost accreditation activities to these entities could lower the pressure on the Commission, but would still be a cost to the state of California. Appendix E provides the estimated cost per visit as ranging from \$5,000-\$14,000.

Charge for accreditation/program review services above the standard process. Currently, the cost of revisits and follow-up responsibilities are paid through the credential fee and spread among all individuals who hold California credentials. Under this option, the Commission could establish a fee structure to charge institutions that require additional services above the standard accreditation process.

Depending on the number of revisits and additional accreditation services for a given year this could range between \$7,000-\$15,000, not including staff costs. The staff time for an accreditation revisit varies from 6 – 12 days of consultant time, with limited support staff and administrator time supporting the revisit. The cost per re-visit ranges from \$1,500 - \$5,000 depending on the size of the revisit team.

Return to a full cost-recovery model for examinations

As was discussed earlier in this agenda item, the Test Development and Administration Account (TDAA) has historically generated revenue for approximately 24% of the Commission's activities and expenditures. The TDAA appropriation for 2012-13 is currently \$ 4.99 million and the expected revenues should exceed this to allow a prudent reserve. If the expected revenue is \$5.1 million the TDAA would have sufficient funds for the agency's expenses and a reserve. The Commission staff reviews the examination revenue structure for the exam program annually with information on the projected volume of examinees.

For 2011-12, the Commission approved a fee structure for its examinations that was based on a business model for setting fees, not taking into account the actual expenses for the examination program. This was a change from the previous years' models for establishing examination fees. Prior to 2011-12 the Commission had established a TDAA fee structure that aligned expected revenues with expected expenditures/appropriation. When the "Administration Only" exam contract was executed with Evaluation Systems group of Pearson, Inc., in 2010 (<http://www.ctc.ca.gov/commission/agendas/2010-08/2010-08-4A.pdf>), the fees to the contractor were significantly reduced for each of the exams administered as part of the new mega-contract. Based on direction from the Executive Director, the action item presented to the Commission, proposed a fee model intended to share this savings with candidates. The fee model adopted by

the Commission changed from a full cost-recovery model to a business model to keep the percentage of the fee going to the Commission from rising in comparison to the contractor's fee. It was expected that this would result in a slightly reduced level of revenues for the exam program. The reduced revenue was not expected to create a problem in 2011-12, because the reserve in the TDAA at that time was quite high (over 90%). However, the decline in the volume of examinations has continued, resulting in revenues coming in below expectations and reducing the anticipated reserve. Given that the TCF requires a loan from the TDAA to complete the 2011-12 year, it appears that the business model for exam fees is problematic because it reduces the Commission's flexibility to effectively manage its resources to meet its obligations.

Based on current costs for the Commission to manage the examinations programs and oversee the work of the contractor, an adjustment in examinee fees is necessary to ensure the stability of the fund and the exam program. In the current year there is a structural imbalance in the fund, in that expenditures exceed revenues. There is a sizable fund balance/savings account that is being utilized to make up the difference in revenues and expenditures. Additionally, a transfer of approximately \$2.4 million from the TDAA to the TCF will be needed in the current year to address fiscal pressures in the credentials fund. This transfer would require notification of the Joint Legislative Budget Committee and would need to be approved by the Department of Finance.

For 2012-13 the cost to run the examination program is projected to be approximately \$5.2 million. With the current examination fee structure, the Commission is projected to receive approximately \$3.7 million in revenues in 2012-13. This is a projected difference of \$1.5 million dollars from the projected expenditures of \$5.2 million. As a result of the projected transfer of \$2.4 million from the TDAA account to the TCF account in the current year, it is projected that there will not be enough in the TDAA fund balance to offset the current projected revenues in 2012-13.

Examination Program^{2/}	Current Exam Fee	10% Increase in Exam Cost	20% Increase in Exam Cost	25% Increase in Exam Cost	
CBEST^{1/}					
CBEST – Paper Based Test	Candidate Fee	41.00	41.00	41.00	41.00
	CTC Revenue	12.00	12.00	12.00	12.00
CBEST – Computer Based Test	Candidate Fee	101.00	111.00	121.00	126.00
	CTC Revenue	12.00	22.00	32.00	37.00
RICA^{3/}					
Written Examination (Computer Based Test)	Candidate Fee	165.00	182.00	198.00	206.00
	CTC Revenue	61.00	78.00	94.00	102.00
Video Performance Assessment	Candidate Fee	130.00	182.00	198.00	206.00
	CTC Revenue	61.00	113.00	129.00	137.00
CTEL Computer Based Test	Candidate Fee	238.00	262.00	286.00	298.00
	CTC Revenue	48.00	72.00	96.00	108.00
CSET	Candidate Fee	198.00	218.00	238.00	248.00
	CTC Revenue	93.00	59.00	70.00	76.00
CPACE^{4/}	Candidate Fee	385.00	424.00	462.00	481.00
	CTC Revenue	98.00	139.00	177.00	196.00
Total Revenue Collected (Dollars in Millions)		\$3.7	\$4.6	\$5.5	\$6.0

^{1/} The fee for CBEST is set at \$41 in law. The current CBEST CBT examinee fee is \$41 + a \$64 service fee

^{2/} The fees for the contractor would not change, as this is set from the competitively bid contract awarded to Evaluation Systems, group of Pearson, Inc.

^{3/} Currently the RICA video and written examinations have different fees. These proposals include both examinations having the same registration fee.

^{4/} CPACE is an examination that waives a preparation program. The prior examination, SLLA, cost \$485.00 so it would be possible that a greater increase in the fee for CPACE is warranted.

Increase Credential Fees to adequately fund the Teacher Credentials Fund

The current credential fee structure has been in place for more than a decade. During the 1990s, the TCF built up a healthy reserve fueled by significant growth in credential applications due in part to the implementation of the state’s Class Size Reduction (CSR) program and student population growth. In 1998, the Legislature reduced the credential fee from \$70 to \$60 in order to bring the fund’s reserve under the 10 percent statutory cap. Two years later, the Legislature again reduced the fee to its present level of \$55 for a five-year credential¹. Since that time, state and federal policies aimed at reducing the number of under qualified teachers have had the effect of reducing the yearly volume of emergency permit applications; the state’s economic constraints led many districts to layoff teachers and discontinue CSR participation, shrinking the demand for new teachers and resulting in declining enrollment in teacher preparation programs. While there were associated decreases in the Commission’s credential processing workload, there were increases in workload associated with shortened credential processing timelines, new standards

¹ Currently, the Commission’s fee structure allows new teachers to distribute the cost of the initial credential over a year or more. Half the fee (\$27.50) is paid when the Certificate of Clearance is applied for—prior to or early in the teacher preparation program—and the remainder of the fee is paid when the individual is recommended for the Preliminary credential.

development associated with student academic content reforms and credential reforms of the late 1990s and early 2000s, and as noted previously, rising prices for the goods and services purchased by the Commission to carry out its work. Simply put, the \$55 fee established in 2000 does not “buy” as much today as it did in 2000.

Historical Credential Fees and the CPI Index

Date	Credential Fee	Notes	Equivalent Fee in 2010 Dollars*
7/1/1980	\$30.00	\$10 increase from prior year	\$79.40
12/1/1981	\$40.00	\$10 increase from prior year	\$95.40
7/1/1983	\$35.00	\$5 decrease from 1981	\$76.60
7/1/1984	\$40.00	\$5 increase from prior year	\$83.90
1/1/1987	\$50.00	\$10 increase from 1983	\$96.00
7/1/1988	\$60.00	\$10 increase from prior year	\$111.00
9/1/1992	\$65.00	\$5 increase from 1988	\$101.00
1/1/1995	\$70.00	\$5 increase from 1992	\$100.00
10/1/1998	\$60.00	\$10 decrease to reduce reserves	\$80.30
7/1/2000	\$55.00	\$5 decrease from 1998	\$73.60

* Based on Consumer Price Index

At \$11 per year, California’s credential fee is lower than the cost of credentials in all but a handful of other states. Appendix B provides a complete summary of the states where staff was able to locate comparable fee information. It is important to note that in some states the licensing entity also receives General Fund support, which allows them to set a lower credential application fee. In some states the services supported by the license fee varies – in some states the fee supports accreditation and discipline activities in addition to licensing (as it does in California) while in others a different agency or funding system focuses on these activities.

The Commission’s educator credential fees are also lower than the licensure fees charged for most other professions in California (See Appendix C). This data reflects the license fee, renewal period, average salary, level of education required, and if fingerprints are required as part of the licensing process. Summarized in the table below, is the equivalent five year and annual license fee for these professions, along with the average annual salary.

License Fees for Selected California Professions and Average Annual Salary

California Profession ^{1/}	5 year License Fee	Annual Fee	Average Annual Salary
Funeral Director	\$ 1,000.00	\$200.00	\$49,000
Acupuncturist	812.50	162.50	65,000
Architects	750.00	150.00	42,159
Licensed Clinical Social Worker	640.00	128.00	53,046
Tattoo Artist	525.00	105.00	40,000
Occupational Therapist	375.00	75.00	78,227
Vocational nurse	375.00	75.00	44,052
Engineers, Surveyors, Geologists	325.00	65.00	59,761
Accountant	250.00	50.00	46,885
Veterinary Technicians	250.00	50.00	27,164
Dental Hygienist	200.00	40.00	66,245
Optician	187.50	37.50	42,958
Barber	125.00	25.00	29,705
Security Guard	125.00	25.00	29,511
Teaching/Administration	55.00	11.00	59,825
Locksmith	50.00	10.00	45,000
Pest Control-Applicator	50.00	10.00	27,684

^{1/} Information on all professions, except for education, was accessed through the Department of Consumer Affairs web page, http://www.dca.ca.gov/about_dca/aboutwho.shtml#whoa

Below are various options that could increase the TCF revenue:

Option 1: Maintain existing credential structure with incremental increases. This option would maintain a structure familiar to holders and applicants by maintaining the discount provided to student teachers and other candidates who must get a Certificate of Clearance prior to earning the preliminary credential.

Option 1 : Keep the existing structure in place which offers first-time applicants a 50% fee for the Certificate of Clearance (COC) and the remaining 50% is paid at the time the Preliminary (First time) credential is issued.						
First Time Applicant	COC	\$30.00	\$32.50	\$35.00	\$37.50	\$40.00
	First Credential	\$30.00	\$32.50	\$35.00	\$37.20	\$40.00
Renewing educator-every 5 years		\$60.00	\$65.00	\$70.00	\$75.00	\$80.00
Total Projected Revenue (Dollars in Millions)		\$12.0	\$13.0	\$14.0	\$15.0	\$16.0

Option 2: Establish a flat credential fee, regardless of type. Similar to option 1, this would have administrative ease, but would have the greatest impact on candidates who are completing their preparation programs because they would no longer get the discount for their Certificate of Clearance. Currently, these candidates essentially get both the COC and their first credential for the price of one document. Assuming the projected volume of credential applications is 212,400 in 2012-13, every five dollar increase in the credential fee could increase revenues to the TCF by \$1,062,000. Absent any other solution, to address the projected \$4.3 million deficit in 2012-13, the net increase of the fee would need to be at least \$20 from the present \$55 fee and would require a statutory change. Revenues generated by this option would be offset by implementation costs, which would require modification to the Commission’s automated credential processing system. Given that there are only about 16,000 COCs issued in a year, it is unlikely this option would generate sufficient resources.

Option 2: All documents are charged a flat fee, regardless of type.					
All Documents	\$60.00	\$65.00	\$70.00	\$75.00	\$80.00
Total Projected Revenue (Dollars in Millions)	\$13.2	\$14.3	\$15.4	\$16.5	\$17.6

Option 3: Establish differential credential fees. Under current law, credential holders at the top end of the wage scale pay the same \$55 fee as beginning teachers. A tiered structure offers the possibility of charging more for service credentials or more for subsequent credentials and renewals than would be charged to first-time applicants. While this option could reduce the net increase that would be charged to lower wage earners, the revenue generated would be partially offset by increased administrative costs including upgrades to the Commission’s automated credential processing systems and staff training. The Commission’s system for recommending and processing credentials and collecting payment is currently structured for only one fee, except for half fees for Certificates of Clearance. The system would require modifications to charge different fees for different types of documents. Renewals make up approximately half of the applications the Commission receives. In order to make a comparable amount of revenue, renewals would have to increase by approximately \$40 each to make up for not increasing initial applications. In 2010-11, there were 109,000 renewals, which at a \$40 increase would generate an additional \$4.36 million dollars.

Fees could also be assessed on those who have not renewed a document on time. In looking at the table on license fees for other professions in California, in many instances an additional fee is charged when the license is renewed after it has expired. The Commission has about 600 licenses a year that are not renewed on time. The Commission could consider charging a late fee for the renewal of an expired license. At \$25 for each late renewal, annually \$15,000 would be generated. With a \$50 late fee, annually \$30,000 would be generated. This fee increase does not appear to generate significant dollars.

Generally, fees are charged based on the staffing resources required to complete that work. Some states have chosen to charge more for Out-of-State (OOS) and Out-of-country (OOC) applications because they typically require more research and work to determine the candidate has met state requirements. California processes about 4,000 OOS and OOC applications per

year. Even if the Commission charged double for these applications (\$110 per application), this option would only generate approximately \$220,000 dollars per year. This revenue would be offset by the additional costs to reprogram the database system to accept different application fees based on credential type and could deter educators from outside the state from pursuing a California credential.

Option 4: Adjust the credential fee for the effects of inflation. As noted earlier, it could be argued that at least 60% of the Commission’s increased expenditures is accounted for by rising prices of goods and services (including services provided by the state). This option would provide a counterbalance to those inflationary cost pressures. An option within this option would be to restore the fee to the statutory cap of \$70 and work with Finance to allow future increases to be adjusted by an inflation index. This process could allow for more reliable revenue forecasting and more consistent budgets over the long term. Some agencies, including school districts and community college districts use an inflation index as an objective metric for adjusting fees for the effects of inflation. This approach is used by various state agencies as an objective metric for determining the annual fees. Recent legislation for example (SB 774, Hancock, Chap. 245, Stats. 2011), authorizes California community college districts to adjust parking fees by the Implicit Price Deflator for State and Local Government Purchases of Goods and Services. This measure of inflation is used to calculate increases to school district revenue limits and cost of listing adjustments for community college districts. If the credential fee were tied to inflation, adjustments would be automatic and more predictable for candidates and holders and would avoid large periodic increases.

Option 4: Restore the fee to a selected year and adjust for inflation. In addition, use the CPI to automatically adjust the fees in the future.		1995	1998	2000
Fee, at that time		\$70.00	\$60.00	\$55.00
Fee, in 2010 Dollars		\$100.00	\$80.00	\$75.00
First Time Applicant	COC	0	\$40.00	\$75.00
	First Credential	0	\$80.00	\$75.00
Renewing educator-every 5 years		\$100.00	\$80.00	\$75.00
Total Projected Revenue (Dollars in Millions)		\$18.1	\$16.9	\$16.5

Conclusion and Recommendations

In recent years, the Commission has been able to respond to increasing costs and declining revenues by reducing expenditures and by adjusting exam fees to ensure the fees cover the cost of those exam programs. The revenue and expenditure projections for the TCF and the TDAA suggest that these strategies are no longer sufficient. Some revenue enhancements will be necessary to address the projected \$9.1 million deficit in the TCF and the \$0.8 million deficit in the TDAA in 2012-13 and beyond.

Given that the Governor must submit his 2012-13 Proposed Budget to the Legislature by January 10, 2012, the Department of Finance must complete its work on the Commission’s budget by early December. It is therefore important that the Commission determine, to the extent possible, those options that will best meet its priorities and obligations to public school teachers and

pupils. Returning to a full cost-recovery model for the exams program and restoring the credential fee to \$70 may be a reasonable solution.

Staff recommends that the Commission direct the Executive Director to work with the Department of Finance to convey those priorities for the 2012-13 fiscal year and further recommends that the Commission direct staff to develop an action item for a future meeting that presents an examination fee structure for FY 2012-13 that is sufficient to fund the examination related activities and functions of the Commission.

Appendix A

History of Positions and Revenue/Expenditures:

The following table reflects the history of the actual filled positions compared to the budgeted positions, actual revenues/expenditures and the fee structure established to support the Commission on Teacher Credentialing from 2005-2011.

The actual revenues and expenditures have adjusted over the years for various reasons. Some examples include in the early 2000's when the General Fund was plentiful and the Commission was authorized General Fund (GF) dollars for staff costs to support the Teacher Development Programs. This funding was shifted to the TCF/TDAA when GF revenues started to decline. The Teacher Credentialing Support Improvement Project (TCSIP) was initially funded with GF dollars however once again funding for this project was shifted to the TCF/TDAA as a result of a decline in GF resources. In 2005, the Commission funds were under distress due to the reductions in revenues as a result of the elimination of class size reduction and the transition away from emergency permits and waivers which were issued on annual basis. As a result of the decline in revenues, in 2005 the Commission proposed several efficiencies that were approved by the Legislature that resulted in reductions in costs. The revenues received in a given fiscal year are generally utilized in the year in which they are received. In the event that does not occur, the balance is held in the respective account and earns interest similar to a savings account.

REVENUES/EXPENDITURES	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 ^{2/}
TEACHER CREDENTIALS FUND (TCF)							
<i>ACTUAL</i> TCF - REVENUES	13,759	14,644	15,375	14,309	12,392	12,344	14,085
<i>ACTUAL</i> TCF - EXPENDITURES	11,448	15,335	14,696	14,445	13,683	14,377	15,108
<i>ACTUAL</i> REVENUE/EXPENDITURE DIFFERENCE	2,311	-691	679	-136	-1,291	-2,033	-1,023
<i>BUDGETED</i> EXPENDITURES	12,253	15,369	15,273	15,379	14,195	14,455	15,108
<i>BUDGETED/ACTUAL</i> EXPENDITURES DIFFERENCE	-805	-34	-577	-934	-512	-78	--
TEST DEVELOPMENT AND ADMINISTRATION ACCOUNT – TCF							
<i>ACTUAL</i> TDAA - REVENUES	4,343	4,447	5,116	4,852	2,511	4,245	1,718
<i>ACTUAL</i> TDAA - EXPENDITURES	2,818	4,606	3,979	4,722	4,497	4,810	4,681
<i>ACTUAL</i> REVENUE/EXPENDITURE DIFFERENCE	1,525	-159	1,137	130	-1,986	-565	-2,963
<i>BUDGETED</i> EXPENDITURES	3,751 ^{1/}	4,792	4,265	5,096	5,373	4,862	681
<i>BUDGETED/ACTUAL BUDGETED</i> EXPENDITURES DIFFERENCE	-933	-186	-286	-374	-876	-52	--
POSITIONS							
Certification, Assignment and Waivers Division	58.8	60.6	69.6	65.1	68.3	62.0	68.4
Professional Services Division	25.1	30.8	29.2	31.8	31.0	30.3	35.0
Professional Practices Division	27.0	27.9	30.1	29.4	31.1	27.6	29.0
Administration Division	29.5	32.1	34.8	31.4	34.7	32.3	33.0
Office of Policy and Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Actual Filled Positions	140.4	151.4	163.7	157.7	165.1	152.2	165.4
Authorized/Budgeted Positions	160.5	165.9	170.9	167.9	167.1	166.4	165.4
Salary Savings	-20.1	-14.5	-7.2	-10.2	-2.0	-14.2	--

^{1/} This reflects the total budgeted positions for FY 2011-12. The actual positions filled will not be available until June 30, 2012. However as of October 2011, the Commission does have 16 vacancies or approx. 10 percent reduction in the workforce.

^{2/} This reflects the estimated totals for revenues and expenditures for FY 2011-12, assuming a transfer of \$2.4 million from the TDAA.

History of the Fee Structure:

This reflects the history of the fee structure that supports the operations of the Commission on Teacher Credentialing from 2005-2011.

CREDENTIAL FEES ^{1/}	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	55.00	55.00	55.00	55.00	55.00	55.00	55.00
^{1/} 1995-98 Fee \$70, 98-00 Fee \$60, 00-01 Fee \$55							
EXAMINATION FEES ^{1/}	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
CBEST (Paper Based) ^{2/}	41.00						
* CTC Management Fee	6.84	6.84	9.00	9.00	9.00	10.00	12.00
* Vendor Fee to Administer the Exam	34.16	34.16	32.00	32.00	32.00	31.00	29.00
CBEST (Computer Based)						105.00	101.00
* CTC Management Fee						10.00	12.00
* Vendor Fee to Administer the Exam						95.00	89.00
RICA WRITTEN (Paper Based)	140.00	140.00	130.00	130.00	130.00	130.00	
* CTC Management Fee	42.00	42.00	60.00	60.00	60.00	61.00	
* Vendor Fee to Administer the Exam	98.00	98.00	70.00	70.00	70.00	69.00	
RICA WRITTEN (Computer Based)							165.00
* CTC Management Fee							61.00
* Vendor Fee to Administer the Exam							104.00
RICA VIDEO	232.00	232.00	130.00	130.00	130.00	130.00	130.00
* CTC Management Fee	37.00	37.00	60.00	60.00	60.00	61.00	61.00
* Vendor Fee to Administer the Exam	195.00	195.00	70.00	70.00	70.00	69.00	69.00
MSAT							
* CTC Management Fee							
* Vendor Fee to Administer the Exam							
CSET	222.00	222.00	210.00	210.00	210.00	210.00	198.00
* CTC Management Fee	42.00	42.00	81.00	81.00	81.00	82.00	48.00
* Vendor Fee to Administer the Exam	180.00	180.00	129.00	129.00	129.00	128.00	190.00
CLAD	294.00	294.00					
* CTC Management Fee	44.00	44.00					
* Vendor Fee to Administer the Exam	250.00	250.00					
BCLAD	289.00	289.00					
* CTC Management Fee	44.00	44.00					
* Vendor Fee to Administer the Exam	245.00	245.00					
CTEL FEE (Paper Based)	294.00	294.00	294.00	294.00	294.00	303.00	
* CTC Management Fee	44.00	44.00	44.00	44.00	44.00	44.00	
* Vendor Fee to Administer the Exam	250.00	250.00	250.00	250.00	250.00	259.00	
CTEL FEE (Computer Based)							238.00
* CTC Management Fee							48.00

* Vendor Fee to Administer the Exam		190.00
CSPACE Fee (Previously SLLA)	485.00	383.00
* CTC Management Fee	0.00	98.00
* Vendor Fee to Administer the Exam	485.00	285.00

Appendix B

It is important to note the following when reviewing this information:

- Some states also receive General Fund support – thus a lower credential application fee
- The services supported by the credential fee varies by state – some support accreditation and discipline, others do not.

STATE	TEACHING CREDENTIALS						LATE FEE
	INITIAL			RENEWAL			
	FEE	YRS	\$ / YR	FEE	YRS	\$ / YR	
Alabama	\$30.00	5	\$6.00	\$30.00	5	\$6.00	
Alaska	\$125.00	3	\$41.67	\$125.00	5-Prof 10-Master	\$25.00 \$12.50	
Arizona	\$60.00	3	\$20.00	\$20.00	6	\$3.33	
Arkansas	\$100.00	5	\$20.00	\$100.00	5	\$20.00	
Colorado	\$80.00	5	\$16.00	\$ 80.00	5-Prof 7- Master	\$16.00 \$11.43	
Connecticut	\$200.00-Initial	3	\$66.67	\$200.00	3	\$66.67	
	\$250.00-Prov	8	\$31.25	N/A			
	\$375.00-Prof	5	\$75.00	None	5	\$0.00	
Delaware							
District of Columbia	\$50.00-REG I	2	\$25.00	\$ 50.00	4	\$12.50	
	\$50.00-REG II	4	\$12.50				
Florida	\$75/area-Temp	3	\$ 25/area	\$75.00	5	\$15.00	\$ 30.00
	\$75/area-Prof	5	\$15/area				
Georgia ¹	\$20.00	5	\$4.00	\$20.00	5	\$4.00	
Hawaii	\$48.00 – Prov	1	\$48.00	N/A	-	-	\$ 25.00
	\$240.00 – Standard	5	\$48.00	\$240.00	5	\$48.00	
	\$240.00 – Advanced	10	\$24.00	\$240.00	10	\$24.00	
Idaho	\$75.00-Interim	3	\$25.00	\$ 75.00	5	\$15.00	
	\$75.00-Initial	5	\$15.00				
Illinois	\$30.00	4	\$7.50	\$ 30.00-Standard	5	\$6.00	
				\$30.00-Master	10	\$3.00	
Indiana	\$35.00	2	\$17.50	\$ 35.00	5	\$7.00	
				\$35.00	10	\$3.50	
Iowa	\$85.00	2	\$42.50	\$ 85.00	5	\$17.00	\$25.00/mo to \$150.00 max
Kansas	\$54.00	2	\$27.00	\$ 54.00	5	\$10.80	
				\$54.00	10	\$5.40	
Kentucky	\$50.00	5	\$10.00	\$ 50.00	5	\$10.00	
Louisiana	\$50.00	3	\$16.67	\$ 25.00	5	\$5.00	
Maine	\$100.00 + \$35.00 each add'l auth	2	\$50.00 + \$17.50 each add'l auth	\$100.00	5	\$20.00	
Maryland	\$10.00	5	\$2.00	\$ 10.00	5	\$2.00	
	\$100.00-Primary \$25.00-add'l areas	5	\$20.00 + \$5.00 each	\$100.00-Primary \$25.00 each add'l	5	\$20.00 + \$5.00	

Massachusetts			addt'l area	area		each addt'l area	
Michigan	\$160.00 (MI) \$210.00 (OOS) \$50.00 addt'l auths	3 3	\$53.33 \$70.00 \$16.67 each addt'l auth	\$100.00-Prov \$50.00-Continuing	3 5	\$53.33 \$10.00	
Minnesota	\$64.40	2	\$32.20	\$64.40	5	\$12.88	
Missouri	\$50.00 (OOS only) \$35.00 addt'l upgrade fee for OOS w/4+ yrs exp	4	\$12.50- \$21.25	N/A			
Montana	\$36.00	5	\$7.20	\$30.00	5	\$6.00	
Nebraska	\$55.00 (all schools) \$40.00 (NPS only)	5 5	\$11.00 \$8.00	\$55.00 (all schools) \$40.00 (NPS only)	10 10	\$5.50 \$4.00	
Nevada				\$161.00 \$ 50.00 (addt'l auths)			
New Hampshire	\$130.00			\$130.00			
New Jersey	\$170.00 (initial CE includes fee for prov or standard Prov)	- 2	NA (included in CE fee)	N/A \$ 70.00	2	\$35.00	
New Mexico	\$ 125.00 (Initial)	5	\$25.00	\$95.00 \$95.00	5 9	\$19.00 \$10.56	\$30.00
New York	\$ 50.00 IHE Rec \$100.00 DOE eval	5 5	\$10.00 \$20.00	N/A N/A			
North Carolina	\$55.00 (NC) \$ 85.00 (OOS)	3 3	\$18.33 \$28.33	\$ 55.00	5	\$11.00	
North Dakota	\$ 100 (ND) \$275 (OOS)	2 2	\$50.00 \$137.50	\$50.00 \$70.00 \$125.00	2 2 5	\$25.00 \$35.00 (OOS) \$25.00	
Ohio	\$160.00 (OH) \$210.00 (OOS)	4 4	\$40.00 \$52.50	\$ 80.00 (renewal) \$100.00 (upgrade) \$200.00 (renewal)	2 5 5	\$40.00 \$25.00 \$40.00	
Oklahoma	\$ 50.00	5	\$10.00	\$ 50.00	5	\$10.00	
Oregon	\$100.00 (OR) \$120.00 (OOS)	3 3	\$33.33 \$40.00	\$100.00 \$100.00	3 5	\$33.33 \$20.00	\$25.00/mo to \$200 max
Pennsylvania	\$100.00 (PA) \$160.00 (OOS)	6 6	\$16.67 \$26.67	\$100.00 (upgrade Level I to Level II)	N/A		
Rhode Island	\$ 50.00 (Cert of Eligibility) \$500.00 professional \$100.00 professional \$40.00 transitional	3 2 1 1	\$16.67 \$250.00 \$100.00 \$40.00	\$25.00 per endorsed area	5	\$5.00-?	\$100.00 Expired more than one year
South Carolina	\$105.00	3	\$35.00	\$105.00	5	\$21.00	
South Dakota	\$ 18.00 \$ 36.00 \$ 60.00	1 5 10	\$18.00 \$7.20 \$6.00	\$ 18.00 \$ 36.00 \$ 60.00	1 5 10	\$18.00 \$7.20 \$6.00	
Tennessee	\$ 0.00						

Texas	\$ 75.00 (TX) \$175.00 (OOS)	5 5	\$15.00 \$35.00	\$ 20.00	5	\$4.00	\$ 10.00
Utah	\$ 60.00 (UT) \$ 90.00 (OOS)	3 3	\$20.00 \$30.00	\$75.00 \$75.00	5 7	\$15.00 \$10.71	\$30.00 (not employed 3 out of past 5 yrs)
Vermont	\$ 160.00	3	\$53.33	\$120.00 (Level I) \$280.00 (Level II)	3 7	\$40.00 \$40.00	
Washington ¹²	\$ 88.00 Residency \$ 78.00 Professional	7 5	\$44.00 - \$12.71 \$15.60	\$ 63.00 \$ 78.00	2 5	\$31.50 \$15.60	
West Virginia	\$ 25.00	3	\$8.33	\$ 25.00	5	\$5.00	
Wisconsin	\$100.00 (WI) \$150.00 (OOS)	5 5	\$20.00 \$30.00	\$100.00	5	\$20.00	
Wyoming	\$150.00 (WY) \$200.00 (OOS)	5 5	\$30.00 \$40.00	\$200.00	5	\$40.00	\$10.00

OUT-OF-STATE FEES

¹ General state funds support the agency and individuals only pay a fee if not employed in GA

¹² Residency Certificate is valid for up to seven years; individual must serve (teach/admin/other services) two consecutive years in WA to upgrade to the professional certificate.

Appendix C

Selected California Professions' Licensing Information and Fees

Profession	License		Average Salary	Education	Examination Fees	Fingerprints Required	Notes	Board
	Fee	Renewal						
Accountant	\$ 100	2 years	\$ 46,885	Bachelor's degree	\$ 743.20	Yes	+ Ethics exam	Board of Accountancy
Acupuncturists	\$325	2 years	\$ 65,000	Complete accredited program	\$ 550	Yes	\$ 25 late fee	Acupuncture Board
Architects	\$ 300	2 years	\$ 42,159 \$ 45,974	Bachelor's degree Master's degree	\$310	No	\$ 210 ARE \$ 100 CSE	California Architects Board
Barber	\$ 50	2 years	\$29,705	Technical certificate	\$ 75	No	\$25 late fee	Board of Barbering and Cosmetology
Dental Hygienist	\$ 80	2 years	\$66,245	Associate's degree	\$ 525	Yes	\$40 late fee, if over 30 days	Dental Board of California
Engineers, Surveyors, Geologists	\$ 125	2 years	\$ 59,761	Bachelor's degree	\$ 100	No	\$ 275 initial	Board for Professional Engineers, Land Surveyors, and Geologists
Funeral Director	\$ 200	1 year	\$ 49,000	Associate's degree	\$ 100	Yes	100 late fee	Cemetery and Funeral Bureau
Licensed Clinical Social Worker	\$ 110	2 years	\$ 53,046	Master's degree	\$ 200	Yes	+ \$ 75 ASW annual license	Board of Behavior Sciences
Locksmith	\$20	2 years	\$ 45,000	Technical certificate	NA	Yes	\$ 10 late fee	Bureau of Security and Investigative Services
Occupational Therapist	\$ 150	2 years	\$78,227	Master's degree	\$ 625	Yes		Board of Occupational Therapy
Optician	\$ 75	2 years	\$42,958	Associate's degree		Yes		Medical Board of California
Pest Control-Applicator	\$ 10	1 year	\$ 27,684	None	\$ 15	Yes	\$ 5 late fee	Structural Pest Control Board
Security Guard	\$ 35	2 years	\$ 29,511	None	NA	Yes	\$50 initial app., No firearms	Bureau of Security and Investigative Services
Tattoo	\$ 105	1 year	\$ 40,000	None	NA	No		County Health Department Depts.
Veterinary Technicians	\$100	2 years	\$ 27,164	Technical or Associate's degree	\$ 150	Yes	\$ 25 late fee	Veterinary Medical Board
Vocational nurse	\$ 150	2 years	\$ 44,052	Technical certificate	\$ 200	Yes	155 renewal, for continuing education	Bureau of Vocational Nurses and Psychiatric Technicians
Teaching	\$ 55	5 years	\$ 35,760 entry \$ 59,825 avg	Bachelor's degree plus credential program	Varies	Yes		Commission on Teacher Credentialing

^{1/} Information on all professions, except for education, was accessed through the Department of Consumer Affairs web page, http://www.dca.ca.gov/about_dca/aboutwho.shtml#whoa

Appendix D

Required Examination Fees for Teachers

	Basic Skills ^{1/}	Subject Matter ^{2/}	RICA ^{3/}	Total Fees
Multiple Subject	\$0, \$41, \$62 or \$101	\$238 - \$288	\$130-165	\$ 368 - \$ 554
Single Subject	\$0, \$41, or \$101	\$0- \$198	NA	\$0 - \$ 299
Education Specialist	\$0, \$41, or \$101	\$0- \$198	\$130-165	\$ 130 - \$ 464

^{1/} Basic Skills may be satisfied by passage of the California State University's EAP (taken in the high school junior year) or the EPT and ELM (CSU entrance exams), a paper-based exam, the CSET Writing Skills exam or a computer-based exam.

^{2/} Subject matter may be satisfied by completion of an approved program for single subject or Education Specialist candidates. Multiple Subject candidates must pass the CSET:MS exam. Fee varies depending on how many subtests are taken at one sitting.

^{3/} RICA may be taken as a written or video examination. Written, computer-based is \$165 and Video examination is \$130.

Appendix E- Professional Services Division Activities

	Work	Volunteers	Time	OE & E	Staff	Total Staff Days
Advisory Panel Work: General planning: 2 day meeting for a 20 member panel is ~ \$10,000	Administrative Services (2010-11 & 2011-12)	23 member panel	5 two-day and 1 one-day= 11 meeting days	\$ 64,000	2 consultants 1 administrator 1 CAW staff	22 x 4 = 88 days
	Teaching English Learners (2010-11 & 2011-12)	26 member panel	7 two-day= 14 meeting days	\$ 91,000	2 consultants 1 administrator 2 CAW staff	28 x 5 = 140 days
	Teacher Librarian (2010-11)	14 member panel	4 two-day = 8 meeting days	\$ 28,000	1 consultants 1 administrator 1 CAW staff	16 x 3 = 48 days
	Teacher Preparation Advisory Panel (TAP) (2011-12 & 2012-13)	30 member panel	5 two-day = 8 meeting days (2011-12)	\$75,000	2 consultants 1 administrator 2 CAW staff, plus	22 x 5 = 110 days
Accreditation	Site Visits (41 visits @ \$5,000-\$14,000 per visit)	Teams range from 3-10 BIR members	3 days/2 nights to 4 days/3 nights	\$ 277,000	1-2 per visit, Preparation: 8-16 days per visit, visit, and follow up	52 x 12 days = 624 days
	Two Month Out Pre-visit	Team lead	2 days/1 night	\$ 36,000	1-2 staff	
	Program Assessment (8 x)	Pairs of BIR members read each document	2 days/ 1 night	\$ 60,000	2 consultants 1 analyst	8 x 3 x 3= 72 days
	Initial Program Review (8 x)		2 days/1 night	\$ 50,000	2 consultants 1 analyst	8 x 3 x 3= 72 days
	COA Meetings	12 members	7 meetings= 13 total days	\$ 40,000	2 consultants 1 administrator 1 analyst	26 x 4= 104 days
Examination Development and Validation	Costs associated with development and administration of exams are covered by testing contractors and are paid for by the fees examinees pay for their exams. The Commission spends approximately \$600,000 annually for revalidation efforts.					
Teacher Development Programs: PTTP and Intern	Flexible funding per state budget, so reduced staff time for 2011-12. Emails and phone conversations with approved programs. No volunteer travel and extremely limited staff travel.					

Credentials Applications Received

