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Action

Public Hearing

Proposed Addition to Title 5 of the California Code of Regulations Pertaining to Annual Accreditation Fees

Executive Summary: This agenda item proposes the addition of sections 80693 and 80694 to Title 5 of the California Code of Regulations pertaining to annual accreditation fees and contains a Supplement to the Initial Statement of Reasons originally submitted to the Office of Administrative Law.

Recommended Action: Staff recommends that the Commission adopt the proposed regulations pertaining to annual accreditation fees as well as approve the Supplement to the Initial Statement of Reasons to allow for issuance of a 15-Day Notice pursuant to Government Code section 11346.8(c).

Presenter: Philip Chen, Director, Fiscal and Business Services and Teri Clark, Director, Professional Services Division.

Strategic Plan Goal

I. Educator Quality

- ◆ Develop, maintain, and promote high quality authentic, consistent educator assessments and examinations that support development and certification of educators who have demonstrated the capacity to be effective practitioners.

Proposed Addition to Title 5 of the California Code of Regulations Pertaining to Annual Accreditation Fees

Introduction

Education Code (EC) section 44225 authorizes the Commission to adopt regulations. The proposed regulations implement, interpret, and make specific EC section 44374.5 that authorizes the Commission to implement an annual accreditation fee schedule for all institutions that are approved to operate educator preparation programs. This agenda item also contains a Supplement to the Initial Statement of Reasons pertaining to the proposed addition of 5 California Code of Regulations (CRR) sections 80693 and 80694.

Background

Senate Bill (SB) 858 (Chap. 32, Stats. 2014) amended EC section 44374.5, thereby authorizing the Commission to develop and implement an annual accreditation fee schedule. The purpose of the proposed annual accreditation fees is to implement a cost sharing plan for accreditation activities.

The Commission approved emergency regulations related to annual accreditation fees on June 20, 2014 at the regularly scheduled meeting. Following Commission approval, emergency regulations were submitted to the Office of Administrative Law (OAL). On July 11, 2014, OAL approved adding sections 80693 and 80694 to Title 5 of the California Code of Regulations (CCR) on an emergency basis. These emergency regulations became effective on August 7, 2014 and expire on January 8, 2015.

The purpose of the accreditation system is to ensure the quality of California educators. The Commission's accreditation system is the only quality control mechanism the state has over educator preparation programs and helps ensure the integrity of the credentials issued by the agency (reference EC sections 44370 and 44371). Failure by the Commission to perform its statutorily-mandated duties could result in the certification and placement of unqualified teachers in California's public schools.

The Commission's accreditation activities have historically been supported through credential fees paid by candidates. However, as a result of revenue reductions associated with declines in the number of credential candidates, increases in the number of programs that require accreditation, and increased travel expenses related to airfare, lodging, and per diem compensation for staff and volunteers, credential fees no longer fully support the Commission's accreditation activities.

Fee Evaluation Framework

In order to evaluate the various alternatives (fee options) for setting the annual accreditation fee, criteria was first established. The following section details the basis by which the Commission evaluated various fee options.

- *Administrative ease* – The ease by which a fee could be administered should be a factor in the evaluation of fee options. To reduce administrative costs that impact the ability of the Commission to fully utilize revenue to cover program review activities, the fee policy should not be overly burdensome for the Commission. An efficient fee policy should also have minimal administrative costs for program sponsors.
- *Non-regressive, non-progressive* – The inherent fairness of a fee should be a factor in the evaluation of fee options. The variety of institutions suggests a range of abilities to absorb the impact of the new fees.
- *Reflective of accreditation costs* – The extent to which a fee policy reflects the Commission’s costs associated with program review workload should be considered. Because the proposed statute allows for the fees to cover the “standard” costs of accreditation, the fee should consider standard costs associated with the accreditation function. This should include costs for travel by site visit volunteers, hotel and food costs, and other accreditation related costs.
- *Addresses Cash Flow Problems* – The Commission has struggled with cash flow problems in recent history. Fees could be scheduled so that they are due in the Fall months, providing some level of cash flow relief during the months that credential application revenues are low.

Composition and Overview of Annual Accreditation Fees

Using the criteria listed above, the proposed annual accreditation fee structure will be comprised of an institution fee and a program fee. Tables in Appendix A provide a breakdown of these fees. The institution fee is based on the average number of credential recommendations made by an institution over the most recent three-year period. Program fees are based on the number of Commission-approved educator preparation programs offered by an institution. The annual accreditation fee is used to cover the costs of ongoing reviews of existing educator preparation programs with program assessment and site visits utilizing the largest part of the accreditation budget. There are also other related activities (See Table B) required to maintain a high level of educator preparation in the state of California.

Institution Fee

A number of the accreditation activities are organized around the institution—providing technical assistance, supporting the preparation for a site visit, and the presentation of the team’s report to the Committee on Accreditation (COA). The work with an institution is slightly more complex when the institution has more candidates and recommends more individuals for credentials. Staff documented the total number of recommendations by each of the 261

entities over the past 3 years (2010-11, 2011-12, and 2012-13) to develop a 3-Year average number of recommendations. The 3-Year averages ranged from fewer than 10 to 2,538 individuals recommended with an average of 464 recommendations by institutions. Staff developed five tiers for institutions—the smallest (\$1,000) that recommends an average of 50 or fewer people for credentials annually, slightly larger institutions (\$1,400) that recommends an average of 51-100 people, a medium size institution (\$1,800) that recommends 101-300 people annually, the large institution (\$2,200) that recommends an average of 301 to 600 people annually and up to the largest institutions (\$2,500) that recommend over 600 individuals on average for credentials annually.

Program Fee

The amount of staff time and the number of reviewers needed to complete some of the accreditation activities varies depending on how many and what type of Commission-approved educator preparation programs an entity offers—reading Biennial Reports, reviewing Program Assessment submissions, and the size and length of the site visit. In addition to the number of programs that an institution offers, the amount of work and number of reviewers varies based on the type of educator preparation program. For the Cost Recovery and Initial Institutional/Program Fees, the types of educator preparation programs were organized into three groups: **Initial or Preliminary Preparation** programs (the largest and most complex type of program); **Second Tier or Specialist Preparation** programs (programs that an individual would complete to earn the second tier of a teaching or services credential or teacher preparation programs that allow an individual to add an additional authorization, e.g., a Bilingual Authorization or a Pupil Personnel Services Child Welfare and Attendance program; and the **Added Authorization Preparation** programs (smallest programs such as the Education Specialist Added Authorization in Autism Spectrum Disorder or a Teacher Librarian Special Class Authorization). For the Annual Accreditation Fee, the three groups of programs were assigned an annual fee based on the complexity of the review process needed for each type of program—Initial \$400, Second Tier \$300, and Added Authorization \$200.

The proposed Annual Accreditation Fee varies from the minimum of \$1,300 for an institution that recommends fewer than 50 individuals annually and sponsors only one Commission-approved educator preparation program to about \$10,000 for an institution that recommends over 600 candidates for credentials annually and sponsors more than 25 Commission-approved educator preparation programs.

Extraordinary Activity Fee

In addition to the program and institution fee, the proposed regulations also include an extraordinary activity fee of \$500 to be charged when an institution does not pay the total Annual Accreditation fee by November 1 of any given year. EC section 44374.5(b) includes the following language: “The commission may charge commission-approved entities a fee to recover the costs of accreditation activities in excess of the regularly scheduled data reports, program assessments, and accreditation site visits. This includes, but is not necessarily limited

to, accreditation revisits, addressing stipulations, or program assessment reviews beyond those supported within the standard costs of review.”

The purpose of this extraordinary activity fee is to recover the cost for additional staff time involved in collecting an overdue debt including tracking late payments, letters, emails, and phone calls to request payment by the institution. Since payments are due by a specific date, late payments mean that staff have to be redirected from other work to handle late payments. In some instances the payment may be made so late that the accreditation visit may incur charges that cannot be refunded (like hotel rooms and meeting rooms) if the site visit or other accreditation activities must be cancelled at the last minute due to non-payment. The extraordinary activity fee is not a fine.

Fee Schedule Due Dates

The September 1 due date provides the Commission with the needed cash flow relief during the months that credential application revenues are low and staff are more available for processing of invoices and payments. Additionally, the fall due date provides the Commission with a more specific budget outlook while planning for the travel-heavy spring accreditation activities, including site visits.

Necessity of Accreditation Activities and Budget Illustration

The Commission implements a seven-year accreditation cycle that includes three major components: 1) program assessment, 2) biennial reports, and 3) site visits. The accreditation system relies on educators (those who prepare educators and practicing educators) to review the educator preparation programs. The individuals who apply for this work are selected based on identified criteria. They complete training and then join the Board of Institutional Reviewers (BIR). In addition, training of BIR members and site visit team leads; regularly scheduled COA meetings; and ongoing program standards and accreditation framework review and revision are functions associated with the accreditation system. Costs are primarily incurred for components of the accreditation system that require the use of experts from the field to determine if the documentation provided by institutions regarding the quality of their program’s operations, faculty, and services for candidates are aligned to the requirements of the Commission’s adopted standards. Program Assessment and Site Visits account for more than half of the accreditation budget. Expenses include reimbursement for the travel of participants and staff who review documents and participate in the accreditation system. Biennial reports are reviewed by staff and are not included in the budget illustration because there are no volunteer costs incurred.

Program Assessment

Program assessment occurs in Year Four of the Seven Year accreditation cycle and is a review of all programs offered by an institution. Program assessment is used to assist the institution in preparing for the site visit in Year Six as well as providing information to the site visit team. Two qualified and trained education professionals review the program assessment documents in a

protected environment facilitated by Commission staff to determine if the programs are preliminarily aligned with the program standards.

Site Visit

The Commission's accreditation system includes a site visit in Year Six of the accreditation cycle. The focus of a site visit is mainly on the Common Standards, but may include any program areas identified in advance by the COA as a result of the program assessment process. The size of the site visit team is dependent upon the number of programs and size of the institution. Additional site visit team members may be required when a program at an institution has not completed the program assessment process (noted in the paragraph above) prior to the visit.

Table A illustrates the activities associated with accreditation as well as their frequency, projected 2014-15 fiscal year cost and the calculation used to determine the associated costs and total budget required. The volume of accreditation work is dependent on the size of the institution, the number of program completers annually, and the number and type of educator preparation programs the institution offers. A large institution with more completers requires a larger site visit team and more interviews at the site visit. An institution with more programs will need additional reviewers. The proposed fee considers both the size of the institution and the number and type of educator preparation programs it offers.

Based on the authorizing statute, the fee schedule items were determined by developing the best estimate of the costs for accreditation and developing fees that would appropriately reflect those costs, also focusing on a fair distribution of the fees, and ability to pay. The agenda items presented to the Commission in April (<http://www.ctc.ca.gov/commission/agendas/2014-04/2014-04-5A.pdf>) and June of 2014 (<http://www.ctc.ca.gov/commission/agendas/2014-06/2014-06-3A.pdf>) provide additional information on the background and basis for the fee structure.

It is important to note that the projected costs in Table A do not include staff time costs (salary or benefits) or any of the operating expenses of the Commission. For this reason the review of biennial reports is not included in the budget illustration below as Commission staff are responsible for reviewing biennial reports and providing feedback to the institutions.

Objectives and Anticipated Benefits of the Proposed Regulations

The objectives of the proposed regulations are to establish an annual accreditation fee schedule that will allow the Commission to continue to perform its statutorily-mandated accreditation duties.

The Commission anticipates that the proposed amendments will benefit the welfare of students attending public schools in the State of California by providing the monetary means to perform its statutorily-mandated accreditation duties, thereby ensuring high quality educator preparation for the instruction of California public school pupils.

The proposed regulations will promote fairness and prevent discrimination by specifying that the annual accreditation fees apply to all institutions offering Commission-approved educator preparation programs, regardless of agency type. The proposed regulations will also increase openness and transparency in government by clarifying the annual accreditation fees associated with the accreditation of institutions offering Commission-approved educator preparation programs. The Commission does not anticipate that the proposed regulations will result in the protection of public health and safety, worker safety, or the environment, the prevention of social inequity or an increase in openness and transparency in business.

The following table provides the anticipated budget illustrative for the 2014-15 fiscal year accreditation work. It is important to note that staff time and benefits are not included in the budget estimation.

Table A: Budget Illustration for Fiscal Year 2014-15

Activity	Frequency	Calculation	2014-15 Cost (est.)
<p>Accreditation Site Visits—Consultant, Team Lead and Team Members—travel, lodging and per diem for the accreditation site visit. Site visits take place at 32-43 institutions annually. The total number of individuals attending a site visit ranges from four (4) to twelve (12) individuals. Visits range from 3 days/2 nights to 4 days/3 nights depending on the complexity of the institution.</p>	Annual	<ul style="list-style-type: none"> – Indigo Cohort: 43 institutions – Average site visit team size, including staff: 7 – Estimate of \$1,100 per individual per visit 	\$331,000
<p>Pre-visits to institutions in preparation for Accreditation Site Visit—the Consultant and Team Lead travel to the institution to finalize the preparations for the site visit. The Pre-Visit is essential for the site visit to be completed within the current time frames (3-4 days/2-3 nights).</p>	Annual	<ul style="list-style-type: none"> – 43 team leads – 43 consultants – Travel and 1 night lodging: \$650 per person 	\$55,900
<p>Board of Institutional Reviewers (BIR) Training— This is the session of professional development provided to the institutional representatives that allows the educator to serve as a site visit team member or a Program Assessment reader. The training is five online modules and a 2 day in person training. The in person training is conducted twice annually with 24-30 individuals in attendance at each training.</p>	Annual	<ul style="list-style-type: none"> – 30 volunteers – Travel, lodging and per diem-2 nights: \$850 – 2 sessions annually 	\$51,000

Activity	Frequency	Calculation	2014-15 Cost (est.)
Site Visit Team Lead Training —To have well calibrated site visit teams, it is essential that the Team Lead understands his or her responsibilities, the accreditation process, and how to work with both the institution and the team members.	Annual	– 43 team leads attend 1 day training: \$500 per person	\$21,500
Program Assessment Reviews —approximately 200 programs begin Program Assessment annually. Each program submits documentation (narrative, course syllabi and key assessments) which is reviewed by a pair of individuals who are members of the BIR or who have the necessary experience and education to review documents.	Annual	– 200 programs – 2 readers per program – \$ 500 per reader	\$200,000
Revising Accreditation Framework —The work to review and revised the Accreditation System, focusing on strengthening and streamlining the system necessitates working with stakeholders. The strengthening and streamlining work aligns with goals the LAO has identified.	2014-15 & 2015-16	– 2 day stakeholder meeting. \$850 per person per meeting. – 40 people total	\$34,700
Revising Program Standards —Policy work to review and update program standards for one or more of the types of credentials. The content area varies by year, but review and update work needs to take place annually	Annual	– Stakeholders meetings. \$900 per person per meeting. – 56 people total	\$50,400
Committee on Accreditation Meetings —The 12 member COA meets six times annually. The meetings are 1-2 days in length. The costs are the travel, lodging, and per diem for the 12 members.	6 times a year	– 12 members – 6 meetings annually – \$900 per COA member	\$64,800
Team Leads to present at the COA —when the Accreditation Site Visit report is presented to the COA, the Team Lead represents the site visit team. If the team found any standards to be not fully met or proposed stipulations, the Team Lead needs to be in attendance at the COA meeting.	32-43 visits annually	– About ½ the visits have stipulations, so estimate 20 team leads to present at the COA meeting – \$ 500 per team lead	\$10,000
Total			\$819,300

The participant reliant accreditation activities, as well as the specified extraordinary accreditation activities, strain the Commission's budget. In the 2012-13 fiscal year, the Commission suspended all scheduled site visits due to the redirection of funds to cover the costs associated with new institutional/program approval and the specified extraordinary accreditation activities. The purpose of the proposed regulations is to ensure that the Commission has the monetary means to perform its statutorily-mandated accreditation duties by allowing the recovery of costs associated with new institutional/program approval and extraordinary accreditation activities pursuant to EC section 44374.5.

Supplement to Initial Statement of Reasons

This Supplement to the Initial Statement of Reasons provides additional rationale pertaining to the proposed addition of 5 California Code of Regulations (CCR) section 80694 in order to clarify how the fee structure was developed. No changes are being made to actual regulatory language.

How the Fee Structure was Developed

The Governor's proposed budget for 2014-15 estimated that an additional \$650,000 would be necessary to support costs for various accreditation activities, beginning with the 2014-15 year. SB 858 amended EC section 44374.5 to allow the Commission to collect the additional income necessary to support mandated accreditation activities. These costs would be collected through requiring an Annual Accreditation Fee. A description of the accreditation activities and costs, not including staff salary and benefits, is provided in Table A above.

Staff presented the approaches to the various fee options described above to the Commission at its April 2014 meeting (<http://www.ctc.ca.gov/commission/agendas/2014-04/2014-04-5A.pdf>). The Commission concurred that the Annual Accreditation Fee structure should have minimal administrative costs for the Commission and the institutions, should be as non-regressive, non-progressive as possible, take into consideration the costs of completing accreditation activities, and if possible be due to the Commission during the time of year when the credential recommendation volume is low so that staff is available to process the payments.

Developing a fee structure with low administrative costs led staff to propose an annual fee that is calculated on a specific date—the last day of the fiscal year for the next fiscal year—based on the size and number of educator preparation programs offered by the Commission-approved entity. At the time the fee structure was developed, 261 entities were approved by the Commission to offer one or more educator preparation programs (23 California State Universities, 8 University of California campuses, 56 private colleges or universities, and 165 Local Education Agencies or other sponsors). Staff developed an Excel® spreadsheet with each institution, the average number of recommendations submitted over the past 3 years, and the Commission-approved programs offered by the institution. Staff used the amount in the Governor's proposed budget (\$650,000) and worked with the spreadsheet to develop a fee structure that met the framework identified by the Commission at its April 2014 meeting and

took into consideration the amount of work, including volunteer and staff travel, for each of the accreditation activities.

Summary of Proposed Amendments to Regulations

Subarticle 4.

Proposed new subarticle to Chapter 5, Article 3 of Title 5 of the CCR in order to clarify, interpret, and make specific the annual accreditation fees per EC section 44374.5 amended as a result of SB 858.

§80693 and Introduction: Proposed new section to provide definitions for the terms associated with the annual accreditation fees.

(a): *Proposed language provides the definition for “Institution fee.”*

(b): *Proposed language provides the definition for “Program fee.”*

(c): *Proposed language provides the definition for “Total annual accreditation fee.”*

(d): *Proposed language provides the definition for “Initial Preparation programs.”*

(e): *Proposed language provides the definition for “Second Tier and Specialist programs.”*

(f): *Proposed language provides the definition for “Added Authorization and Special Class/Teaching Authorization programs.”*

(g): *Proposed language provides the definition for “Intern programs.”*

(h): *Proposed language provides the definition for “Inactive programs” and incorporates by reference Chapter Three of the Accreditation Handbook.*

(i): *Proposed language provides the definition for “Recommendation.”*

(j): *Proposed language provides the definition for “Extraordinary activity fee.”*

(k): *Proposed language provides the definition for “Actual costs.”*

Note: Cites the relevant Education Code authority and references for the proposed addition of 5 CCR §80693.

§80694 and Introduction: Proposed new section to clarify the annual accreditation fees.

(a): *Proposed new subsection to establish the total annual accreditation fee structure, as defined in §80693(c) and includes language specifying when the fees must be submitted to the Commission (reference EC §44374.5).*

(b): Proposed language establishes the deadline for fee submission and prefaces the subsections that establish the extraordinary activity fee and suspension of credential recommendation ability.

(b)(1): Proposed language establishes the extraordinary activity fee for late submission of annual accreditation fees as defined in §80691(f).

(b)(2): Proposed language establishes that institutions shall not recommend for credentials until all fees are submitted.

(b)(2)(A): Proposed language establishes when the suspension of the institution's ability to make recommendations commences.

(c): Proposed language prefaces the subsections that establish the institution fee tiers for the 2014-15 fiscal year.

(c)(1) – (c)(5): Proposed language establishes the institution fee tiers for the 2014-15 fiscal year, depending on the number of recommendations submitted by each institution.

(d): Proposed language establishes the manner in which the Commission shall review and adjust the Institution Fee in subsequent fiscal years (reference EC §44374.5 (a)).

(e): Proposed language prefaces the subsections that establish the program fee for the 2014-15 fiscal year for each program type.

(e)(1) – (e)(5): Proposed language establishes the program fees for the 2014-15 fiscal year.

(f): Proposed language establishes the manner in which the Executive Director shall calculate the Program Fee in subsequent fiscal years (reference EC §44374.5 (a)).

(g): Proposed language establishes when the Commission shall determine and notify the Legislature and Department of Finance should a change in fees occur (reference EC §44374.5 (a)).

(h): Proposed language establishes when the Commission shall post the Annual Accreditation fees and the calculation of the fees on the Commission website.

Note: Cites the relevant Education Code authority and references for the proposed addition of 5 CCR §80694.

Documents Incorporated by Reference:

Accreditation Handbook Chapter Three, Institutional and Program Approval (rev. 2013):

<http://www.ctc.ca.gov/educator-prep/accred-handbook/AH-Chapter-03.pdf>

Documents Relied Upon in Preparing Regulations:

April 2014 Commission Agenda Item 5A:

<http://www.ctc.ca.gov/commission/agendas/2014-04/2014-04-5A.pdf>

June 2014 Commission Agenda Item 3A:

<http://www.ctc.ca.gov/commission/agendas/2014-06/2014-06-3A.pdf>

Disclosures Regarding the Proposed Actions

The Commission has made the following initial determinations:

Mandate to local agencies or school districts: None.

These proposed regulations will not impose a mandate on local agencies or school districts that must be reimbursed in accordance with Part 7 (commencing with section 17500) of the Government Code.

Other non-discretionary costs or savings imposed upon local agencies: None.

Cost or savings to any state agency: In the 2014-2015 fiscal year costs of \$2,550 to \$11,600 will be incurred by California State University and University of California systems. These costs are associated with the average number of credential candidates recommended over the most recent three year period combined with the per program cost for each Commission-approved educator preparation program a university operates. Due to the variables in the calculation the fees are subject to change annually depending on the number of recommendations and operating programs.

Costs associated with accreditation activities are highly complex and vary depending on the scope of review required and the number of reviewers needed to accomplish the activity. There are currently 23 California State Universities (CSU) offering approximately 19 programs per entity (447 CSU programs) and 8 Universities of California (UC) offering approximately 10 programs per entity (79 UC programs) for a total of approximately 526 programs. There are also currently 56 private institutions of higher education offering approximately 8 programs per entity (473 programs) and 165 school districts and county offices of education offering approximately two programs per entity for a total of approximately 347 programs. In addition to the varying numbers of programs at each institution, each program has a varying level of complexity and number of standards per program. Finally, the number of candidates recommended per program fluctuates greatly and is difficult to predict.

CSUs, UCs, private institutions, school districts, and county offices of education are not required by statute or regulations to offer Commission-approved programs. Further, the annual accreditation fees are not intended to be punitive in nature. The fees are proposed as a means for the Commission to recover incurred costs associated with the accreditation activities as provided in EC section 44374.5(a).

Cost or savings in federal funding to the state: None.

Significant effect on housing costs: None.

Significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states: None.

These proposed regulations will not impose a mandate on local agencies or school districts that must be reimbursed in accordance with Part 7 (commencing with section 17500) of the Government Code.

Cost impacts on a representative private person or business: There are currently 56 private colleges and universities offering approximately eight programs per institution for a total of approximately 473 programs. The 2014-15 annual accreditation fees for private institutions ranges between \$1,000 and \$10,650 dependent upon the average number of credential recommendations and number of Commission-approved educator preparation programs being offered by the institution. Refer to the *Cost or savings to any state agency* section on page 11 for additional information on the calculation of the fees.

The Commission is not aware of any cost impacts that a representative private person would necessarily incur in reasonable compliance with the proposed action.

Statement of the Results of the Economic Impact Assessment [Govt. Code § 11346.5(a)(10)]: The Commission concludes that it is (1) unlikely that the proposal will create any jobs within the State of California; 2) unlikely that the proposal will eliminate any jobs within the State of California; 3) unlikely that the proposal will create any new businesses with the State of California; 4) unlikely that the proposal will eliminate any existing businesses within the State of California; and 5) unlikely the proposal would cause the expansion of businesses currently doing business within the State of California.

Benefits of the Proposed Action: The Commission anticipates that the proposed amendments will benefit the welfare of students attending public schools in the State of California by providing the monetary means to perform its statutorily-mandated accreditation duties, thereby ensuring high quality educator preparation for the instruction of California public school pupils.

Effect on small businesses: The proposed regulations will not have a significant adverse economic impact upon business. The proposed regulations apply only to institutions electing to offer Commission-approved and accredited educator programs.

Notice of Proposed Rulemaking Mailing List and Responses

Mailing List

- Members of the Commission on Teacher Credentialing

- California County Superintendents of Schools
- Credential Analysts at the California County Superintendents of Schools Offices
- Superintendents of Selected California School Districts
- Deans and Directors at the California Institutions of Higher Education with Commission-approved programs
- Credential Analysts at the California Institutions of Higher Education with Commission-approved programs
- Presidents of Selected Professional Educational Associations

Also placed on the Internet at: <http://www.ctc.ca.gov>.

Tally of Responses

As of Thursday, September 25, 2014 the Commission had received the following written response in opposition of the proposed additions to 5 CCR sections 80693 and 80694:

Support

0 organizational opinions
0 personal opinions

Opposition

1 organizational opinions
0 personal opinions

Total Responses: 1

Response Representing Organizations in Opposition of the additions:

1. Shana Matamala, Associate Dean, California Baptist University

Comments: California Baptist University does not agree with the proposed regulations for the following reasons:

This potentially could decrease program options made available to candidates as smaller institutions evaluate programs vs. cost effectiveness. Further down the line resulting in a shortage of highly qualified teachers in specialized areas.

Response: Institutions routinely assess whether to offer a particular program based on a number of factors including cost to operate. Annual accreditation fees would be one factor in an institution's decision whether to operate a program. The Commission cannot mandate which programs an institution may choose to sponsor as the choice is a local decision. In the future, should a shortage of highly qualified teachers in specialized areas become an issue the Commission is able to amend the fee structure as specified in the proposed regulations [reference subsections (d), (g), and (f) of section 80694].

Comment: Universities experienced a similar fiscal impact due to the decrease in student enrollment that CTC also experienced over the last several years. This resulted in the same cash flow relief needed to support programs and staff. Because both parties have been affected by a

decrease in funding, it does not seem reasonable that the needed relief be absorbed by universities.

Response: SB 858 amended Education Code section 44374.5 which provides the Commission with the authority to charge fees to cover the standard costs of reviewing existing educator preparation programs.

Comment: While this may be a long term benefit to students in public schools to ensure high quality teacher preparation programs, it could result in a negative consequence as a financial impact to teacher candidates facing an increased tuition along with a decrease in state and/or federal funding opportunities.

Response: Education Code section 44371 mandates the responsibilities of the accreditation system. The manner in which an institution chooses to absorb the annual accreditation fee cost is outside the jurisdiction of the Commission.

Comment: With regard to promoting fairness and preventing discrimination, all universities do not receive the same state funding.

Private universities are enrollment driven and many are much smaller than the CSU and UC systems. The fee structure does not take into account the discrepancy of the differences in allotted budgets between the larger and smaller universities.

Response: The fee structure, as outlined in the regulations, provides multiple measures to include fairness to all program sponsors that accounts for differences in enrollment. The annual accreditation fee calculation utilizes a two part fee structure. The Institution fee is divided across five tiers based upon the average number of credential recommendations a program sponsor makes over the most recent three year period. Programs with a lower enrollment of candidates will also have a lower number of recommendations which is then reflected in the determination of which tier the institution will be placed. Conversely programs with large numbers of candidates will typically have a higher number of credential recommendations which will then be reflected in their tier placement. The second part of the annual fee structure, the program fee, also provides a tiered structure to promote fairness.

Comment: Short of a state-wide ballot measure, what funding options can the Governor reallocate? Similar to LCAP funding for K-12, this proposal also earmarks K-12 benefits. Could support possibly come from this type of funding?

Response: Local control funding formula (LCFF) (referenced as LCAP in the commenter's text) is related to the General Fund. The Commission is a special fund agency and does not receive money from the General Fund. Additionally, the credential application fee is set in Education Code and cannot be changed without legislation. Funding is not available to the Commission.

Staff Recommendations

Staff recommends that the Commission adopt the proposed addition of Subarticle 4 and §§80693 and 80694 to Chapter 5, Article 3 of Title 5 of the California Code of Regulations pertaining to cost recovery fees for accreditation activities. Staff also recommends approval of the Supplement to the Initial Statement of Reasons to allow for issuance of a 15-Day Notice pursuant to Government Code §11346.8(c).

**CALIFORNIA CODE OF REGULATIONS
TITLE 5. EDUCATION
DIVISION 8. COMMISSION ON TEACHER CREDENTIALING
CHAPTER 5. APPROVED PROGRAMS
ARTICLE 3. OTHER PROGRAM APPROVAL PROCEDURES**

Subarticle 4. Annual Accreditation Fees

§80693. Definitions.

As used in this subarticle, the following terms shall have the meanings as set forth below:

- (a) "Institution fee" is part one of the total annual accreditation fee charged to an institution, as defined in section 80691(e), based on the average number of credential recommendations over the prior three fiscal years.
- (b) "Program fee" is part two of the total annual accreditation fee charged to an institution, as defined in section 80691(e), based on the number of Commission-approved educator programs offered by the institution.
- (c) "Total annual accreditation fee" is comprised of the institution fee and program fee, as defined in subsections (a) and (b), and represents the total amount due to the Commission annually.
- (d) "Initial Preparation programs" are programs that provide the coursework and field experiences for individuals earning an initial teaching or services credential.
- (e) "Second Tier and Specialist programs" apply the knowledge and skills from the preliminary program in an on-the-job mentored and supported assignment. Second tier preparation programs are such that allow the individual to earn the clear teaching or services credential. Specialist programs are programs through which a credentialed teacher may earn an authorization to teach in an additional area.

- (f) “Added Authorization and Special Class/Teaching Authorization programs” are programs that an educator may complete to add an additional authorization that is closely related to the authorization held.
- (g) “Intern programs” are a path to initial preparation program completion that allows an individual the ability to complete their preparation coursework concurrent in a paid position, upon completion of the required minimum preservice preparation as described in program standards.
- (h) “Inactive programs” refer to Commission-approved educator preparation programs that have not withdrawn but are no longer accepting new candidates as detailed in the Accreditation Handbook Chapter Three, Institutional and Program Approval (rev. 2013), available on the Commission’s website and hereby incorporated by reference.
- (i) “Recommendation” refers to the process of recommending candidates to receive a credential. Institutions must recommend their candidates, as specified in Education Code section 44227(b), to receive a credential after completing an approved program as part of the credential issuing process.
- (j) “Extraordinary activity fee” refers to the fee charged to institutions that have not submitted the annual accreditation fee by the established due date.
- (k) “Actual costs” may include costs for travel, per diem and incidentals for site visit volunteers and Commission staff, reimbursement of substitute teachers, room rentals, equipment, communication, staff time, accounting and legal services to support accreditation, supplies and statewide indirect costs.

Note: Authority cited: Section 44225, and 44227 Education Code. Reference: Sections 44225(h), 44370, 44371, 44372, 44373(c) and 44374, Education Code.

§80694. Annual Accreditation Fees

- (a) The total annual accreditation fee, as defined in section 80693(c) shall be submitted to the Commission by September 1 of each year.
- (b) An institution’s failure to submit the total annual accreditation fee by November 1 annually shall result in:
 - (1) An extraordinary activity fee of \$500 to be paid in addition to the total annual accreditation fee.
 - (2) The suspension of the institution’s ability to make recommendations for credentials until all fees are paid in full.

- (A) The suspension shall commence immediately upon the Commission's sending written notice that the total annual accreditation fee was not fully paid by November 1 each year.
- (c) For fiscal year 2014-15 the institution fee, as defined in section 80693(a), shall be as follows:
- (1) 0-50 recommendations: \$1,000.
 - (2) 51-100 recommendations: \$1,400.
 - (3) 101-300 recommendations: \$1,800.
 - (4) 301-600 recommendations: \$2,200.
 - (5) Over 600 recommendations: \$2,500.
- (d) In subsequent fiscal years, the Commission shall adjust the Institution Fee specified in section 80694 (c) each year by the Implicit Price Deflator for State and Local Government, rounded to the nearest ten dollars.
- (e) For fiscal year 2014-15 the program fee shall be as follows for each program:
- (1) Initial Preparation program: \$400
 - (2) Intern program: \$150
 - (3) Second Tier and Specialist program: \$300
 - (4) Added Authorization and Special Class/Teaching Authorization program: \$200
 - (5) Inactive program: \$50
- (f) In subsequent fiscal years, the Executive Director shall determine the program fee by calculating the actual costs of accreditation activities in the prior fiscal year and apportioning the actual costs at the same ratio as in fiscal year 2014-15, rounded to the nearest whole dollar.
- (g) The Commission shall determine whether a change in fees will be necessary and provide notification should changes be necessary, to the Legislature and Department of Finance, on or before July 1 of each year. Adjustments contained in subsections (d) and (f) are not a change in fees.

(h) The Commission shall post on its website the total annual accreditation fee for each Commission-approved institution, and how it was determined, on or before August 1st each year.

Note: Authority cited: Section 44225, Education Code. Reference: Sections 44225(h), 44371, 44372, 44373(c), 44374 and 44374.5, Education Code.

Appendix A

Institution Fee: Average Number of Candidate Recommendations (over 3 years)				
Tier	Recommendations	# of Sponsors in Tier	Fee per institution	Potential Revenue
1	0-50	152	\$1,000	\$152,000
2	51-100	32	\$1,400	\$44,800
3	101-300	26	\$1,800	\$46,800
4	301-600	21	\$2,200	\$46,200
5	Over 600	20	\$2,500	\$50,000

Program Fees	
Type of Educator Preparation Program	Program Fee
Initial Preparation programs —usually those with 12 or more Program Standards	\$400
Intern Programs —If an institution offers an educator preparation program (preliminary teaching or administrative services programs) in both a traditional and an intern delivery model, there is an additional \$150 annual fee.	\$150
Second Level/Specialist programs —usually those with 6 -11 Program Standards	\$300
Added Authorization or Special Class/Teaching Authorization programs —usually those with fewer than 6 Program Standards	\$200
Inactive programs – If an institution elects to declare a Commission-approved educator preparation program Inactive a \$50 annual fee will be assessed for each inactive program.	\$50

Educator Preparation Types of Programs	
	Type of Program
Teacher Preparation Programs (33)	
Preliminary Multiple Subject Teaching Credential	Initial Preparation
Preliminary Single Subject Teaching Credential	Initial Preparation
General Education Induction	Second Tier/Specialist
General Education Clear	Second Tier/Specialist
Preliminary Education Specialist-Mild to Moderate Disabilities	Initial Preparation
Preliminary Education Specialist-Moderate to Severe Disabilities	Initial Preparation
Preliminary Education Specialist-Early Childhood Special Education	Initial Preparation
Preliminary Education Specialist-Deaf and Hard of Hearing	Initial Preparation
Preliminary Education Specialist-Physical and Health Impairments	Initial Preparation
Preliminary Education Specialist-Visual Impairments	Initial Preparation
Preliminary Education Specialist-Language and Academic Development	Initial Preparation
Clear Education Specialist Induction	Second Tier/Specialist
Added Authorization in Special Education-Autism Spectrum Disorder	Added Authorization
Added Authorization in Special Education-Deaf-Blind	Added Authorization
Added Authorization in Special Education-Early Childhood Special Education	Added Authorization

Educator Preparation Types of Programs	
	Type of Program
Added Authorization in Special Education-Emotional Disturbance	Added Authorization
Added Authorization in Special Education-Orthopedic Impairments	Added Authorization
Added Authorization in Special Education-Other Health Impairments	Added Authorization
Added Authorization in Special Education-Resource Specialist	Added Authorization
Added Authorization in Special Education-Traumatic Brain Injury	Added Authorization
California Teachers of English Learners (CTEL)	Second Tier/Specialist
Bilingual Authorization	Second Tier/Specialist
Agriculture Specialist	Second Tier/Specialist
Reading and Literacy Added Authorization (Certificate)	Added Authorization
Reading and Literacy Leadership Specialist	Added Authorization
Mathematics Instructional Added Authorization	Added Authorization
Mathematics Instructional Leadership Specialist	Added Authorization
Adapted Physical Education	Second Tier/Specialist
Early Childhood Specialist	Second Tier/Specialist
Designated Subjects: Career Technical Education	Initial Preparation
Designated Subjects: Adult Education	Initial Preparation
Designated Subjects: Special Subjects	Second Tier/Specialist
Designated Subjects: Supervision and Coordination	Second Tier/Specialist
Services Preparation Programs (14)	
Preliminary Administrative Services	Initial Preparation
Administrative Services Induction	Second Tier/Specialist
Pupil Personnel Services: School Psychology	Initial Preparation
Pupil Personnel Services: School Counseling	Initial Preparation
Pupil Personnel Services: School Social Work	Initial Preparation
Pupil Personnel Services: Child Welfare and Attendance	Second Tier/Specialist
Teacher Librarian	Second Tier/Specialist
Teacher Librarian Special Teaching Authorization	Added Authorization
School Nurse	Second Tier/Specialist
School Nurse-Special Teaching Authorization in Health	Added Authorization
Speech-Language Pathology	Initial Preparation
Speech-Language Pathology Special Class Authorization	Added Authorization
Clinical or Other Rehabilitative: Orientation and Mobility	Initial Preparation
Clinical or Other Rehabilitative: Audiology	Second Tier/Specialist