
4G

Information/Action

Educator Preparation Committee

An Update on Changes to CAEP's Annual Dues Formula

Executive Summary: This agenda item presents information on the annual dues that the Council on the Accreditation of Educator Preparation (CAEP) charges the Commission; provides information on recent changes to the formula for determining the dues; and asks the Commission if the annual dues should be included in the Cost Recovery Fee process.

Recommended Action: That the Commission direct staff to begin the regulatory process to incorporate the CAEP joint visit fees into the fee structure for extraordinary fees subject to cost recovery.

Presenters: Cheryl Hickey, Administrator, and Teri Clark, Director, Professional Services Division

Strategic Plan Goal

IV. Operational Effectiveness

- b) Align human and financial resources with Commission priorities and offer staff opportunities for development to maximize professional engagement and performance.

September 2017

An Update on Changes to CAEP's Annual Dues Formula

Introduction

This agenda item presents information on changes to the annual fee formula for determining the dues that the Council for the Accreditation of Educator Preparation (CAEP) charges the Commission and asks the Commission if it wishes to direct staff to begin the regulatory process to include the CAEP joint visit fee in the regulations for extraordinary accreditation fees. Through the Commission, California has a partnership agreement with CAEP. Both the Commission and CAEP-accredited institutions pay annual dues to CAEP. The revised CAEP fee structure is explained in a letter from Dr. Christopher Koch, CAEP President, provided in [Appendix A](#) of this agenda item.

Background

Historically the Commission has partnered with national accreditors that review and accredit educator preparation programs. California had an agreement with the National Council for Accreditation of Teacher Education (NCATE) for many years. NCATE was the initial national educator preparation accreditor approved by the U.S. Department of Education. The Commission and NCATE participated in joint accreditation site visits where the two teams worked together to meet the requirements for both accrediting agencies during one site visit. A second national accreditor also focused on educator preparation was the Teacher Education Accreditation Council (TEAC), and California had a partnership agreement with TEAC starting in 2010. TEAC and NCATE unified in 2013 to become CAEP, a single national accreditor focusing on educator preparation.

CAEP Dues Structure, Beginning in 2017-18

In 2016, CAEP undertook an examination of its fee formula for states. Below is an excerpt from an email from Matt Vanover, CAEP's Director of External Affairs:

New State Dues

CAEP is the sole accrediting body for educator preparation providers and its services are administered on a cost-recovery basis, including site visits.

In 2016, the CAEP Board adopted a more equitable dues structure that would also better reflect the costs associated with the overall accreditation process, including the cost recovery of the necessary infrastructure that is in place to support accreditation, before, during and after the process.

The new dues structure resulted in a reduction of at least \$8,000 in dues charged to California, from dues of \$25,815 in FY17 to \$17,550 in FY18, based on joint visits.

Each CAEP accreditation review costs on average between approximately \$10,000-\$12,000, based on various factors, including the size of the Educator Preparation Provider (EPP), the number of programs, complexity of the visit and other variables. CAEP recovers these costs in the fees it charges EPPs and state partners.

The fees do not include travel by the site review team, or other expenses associated with the site visit.

The fees do include site review training, access to the Accreditation Information Management System, production of the offsite and onsite reports, management of the actual review, CAEP staff review of documents and support of the site team, as well as accreditation council actions, and additional infrastructure that supports the accreditation process.

In the cases of CAEP only reviews and concurrent reviews, the entirety of the fee is charged to the EPP undergoing the site review. There is no charge to the state because the state does not access the accreditation infrastructure. Concurrent visits are conducted independently with some logistical coordination, however, state teams work separately from CAEP teams and state reviewers do not access CAEP resources for these visits and their determinations.

When a state chooses a joint review, and a state representative becomes part of the team directly involved in the site review process, fees for the visit are split between the state and the EPP. During joint reviews, the state's dues are increased by \$2500 per EPP, spread out over 7 years. The fee charged to the EPP for a joint review is reduced accordingly, thereby splitting the overall fee between the state and the EPP. CAEP's cost recovery amount remains the same, regardless of which system of review is chosen.

The state is assessed the additional \$2500 for the costs associated with its involvement in the review and its use of CAEP's accreditation infrastructure.

CAEP Fee Structure

As the excerpt above noted, the new fee structure results in an overall decrease in CAEP fees to California of over \$8,000. Nevertheless, the new fee formula itself raises some questions for the Commission to consider.

The fee formula contains three distinct components: 1) fees based on fixed costs; 2) fees based on the percentage of CAEP accredited institutions as measured by the total number of CAEP accredited institutions nationally; and 3) a joint visit fee.

With respect to the first component of the fee structure, all states pay a fixed cost of \$2,750 annually. According to CAEP, this fee covers the spring meeting and CAEP conference and includes one complimentary conference registration fee.

The second component of the fee structure is based upon the percentage of all CAEP institutions from that state. At the time CAEP developed the letter describing the CAEP annual dues, California had 22 CAEP institutions, which represents 2.44% of all CAEP institutions nationally. Therefore, for this portion of the formula California is being charged \$7,690 annually, which is equivalent to 2.44% of CAEP's fixed costs.

Lastly, the new fee structure includes a third component of a joint visit fee. CAEP charges institutions for their site visits, amortized across the seven years of the accreditation cycle. Under the current CAEP fee structure for institutions in states that host joint CAEP visits, CAEP increases the annual fee to the state by \$2,500 per CAEP institution over the seven year accreditation cycle and reduces the fee to each institution by \$2,500 across the seven years of the accreditation cycle. In states that host concurrent CAEP and state accreditation site visits, rather than joint accreditation visits, the institution is charged the \$2,500 and the state is not. California conducts joint CAEP visits.

Extraordinary Accreditation Fees

The 2013-14 California state budget gave the Commission authority to collect fees for accreditation activities that are above or beyond the routinely-scheduled accreditation activities. The Commission originally promulgated emergency regulations to implement the extraordinary fee schedule and then completed the regulatory process for these fees. Changes to the fee structure to be aligned with the Commission's revised accreditation processes were approved by the Commission in June 2017 and are currently awaiting approval by the Office of Administrative Law.

Extraordinary accreditation fees are levied on an institution when the institution asks or is required to complete any accreditation activity that is outside the routinely-scheduled activities. The legislature has indicated that institutions should pay for accreditation activities that are above and beyond those activities required of all educator preparation institutions. An argument could be made that participating in a joint CAEP visit above and beyond the routinely-scheduled accreditation activity in that it is not an activity required of all entities that sponsor educator preparation in California. Seeking CAEP accreditation is voluntary on the part of an educator preparation institution.

The Commission staff informed the Deans of all California's CAEP accredited institution of the inclusion of the joint visit fee and requested their opinion on what impact that fee would have on their decision to continue to participate in CAEP and which agency they believed should cover the cost of the additional fee. While the number of respondents was small, nearly all Deans that responded indicated that their institution would continue to participate in CAEP accreditation, but that the Commission should cover the additional cost.

The state's participation in a partnership agreement for accreditation of educator preparation with CAEP suggests that the Commission should continue assuming the first two components of the CAEP fee structure (\$2,750 + \$7,690). However, the joint visit fee of \$2,500 per institution over 7 years (for a total of \$7,900) falls within the category of an extraordinary fee because no institution is required to participate in CAEP and seeking national accreditation while seeking state accreditation is a voluntary activity.

Given that this joint visit fee is outside the regular and routine accreditation activities of the Commission's accreditation system, the Commission could direct staff to develop proposed regulatory language to define the joint CAEP visit and resulting costs of \$2,500 per institution as an extraordinary accreditation activity subject to cost recovery. The result of such a policy change would be that the CAEP-accredited institutions would assume the cost of the joint visit, which is currently assumed by the Commission, by reimbursing the Commission the \$2,500 fee across the seven years of an accreditation cycle through the extraordinary fee process. This process would be implemented by amending the Title 5 regulations that govern the extraordinary accreditation fees.

Staff Recommendation

That the Commission direct staff to begin the regulatory process to include the \$2,500 per CAEP institution, across seven years of the accreditation cycle, as an extraordinary accreditation fee.

Next Steps

Based on the Commission's discussion, staff would prepare a future agenda item for the Commission's consideration and possible action.

Appendix A Letter from CAEP

December 5, 2016

Mary Vixie Sandy
Executive Director
Commission on Teacher Credentialing
1900 Capitol Avenue
Sacramento, CA 95811

Dear Executive Director Vixie Sandy,

CAEP greatly values its partnership with California in promoting excellence and continuous improvement in educator preparation by combining the benefits of meeting national standards with those of maintaining state program approval.

In addition to my thanks for our continued partnership, I would like to provide you information on a new state dues structure, which we believe is more equitable. The CAEP board adopted this state dues structure in June 2016, and it takes effect on July 1, 2017.

CAEP incurs annual expenses to provide services to our state partners. Currently, our total state budget is \$450,000, which includes *fixed* (\$135,000) and *proportional* (\$315,000) expenses.

States pay *fixed* costs of \$2,750 annually to covers expenses for the CAEP state spring meeting and CAEP conference registration. Each state also pays a *percentage* of total costs, which is based on the proportion of the state's total number of educator preparation providers (EPPs), to *all* CAEP accredited EPPs. States that elect to perform joint reviews will be assessed a *variable* amount of \$2,500 per joint review. The total joint review fees (\$2,500 x number of joint reviews), then, will be evenly invoiced over seven years reflecting CAEP's seven year accreditation cycle.

California: Joint Visits

California has 22 CAEP EPPs, or 2.44% of total CAEP EPPs.

The proportional amount will be set at 2.44% of \$315,000, or ~\$7,690.

The joint visit fee for 22 joint visits x \$2,500 = \$55,000/7years = ~\$7,900.

Therefore, the total fees for California will be:

\$2,750 (fixed) + \$7,690 (proportional) + \$7,900 (variable joint visit fee) = \$18,340.

By June 2017, we will send fiscal year 2018 invoices, reflecting this new equitable and flexible state dues structure, to states. If you have any specific questions about the new state dues, please contact Thanh Tran, CAEP's CFO, at [Thanh.Tran@caepnet.org].

I have attached a list of specific benefits to states with partnership agreements with CAEP; I believe together we can make a difference. As a former state superintendent of education, I understand and appreciate the challenges related to ensuring teachers and administrators learn the skills and knowledge necessary to provide a high-quality education for all students.

I look forward to continuing a strong relationship. If you have any questions or comments about the support CAEP gives your state, please do not hesitate to reach out to me directly at [Christopher.Koch@caepnet.org].

Thank you for your leadership on behalf of our nation's children.

Sincerely,

Christopher A. Koch, Ed.D.
President

Appendix B Benefits of CAEP Membership

State partnership agreements are responsive to each **state's individual needs** and policies. They are designed to promote excellence and continuous improvement in educator preparation, while **saving both states' and providers' time and expense** by **eliminating duplication** of effort.

| Quality Assurance Benefits |
|--|
| <p>CAEP is a nationally recognized, independent accreditor, providing an objective look at educator preparation providers (EPPs)</p> <ul style="list-style-type: none"> • CAEP expands state capacity and supports effective use of state funds by eliminating duplication of training and accreditation efforts. • CAEP provides <i>Program Review with National Recognition</i> and <i>Program Review with Feedback</i> options to be used in states' program decisions. • The CAEP Accreditation process focuses on accountability and continuous improvement. It also furnishes the structure for EPPs to be reflective and responsive to their impact on P-12 student learners. • CAEP supports states by identifying weak or failing programs. CAEP provides partners access to best practices and current knowledge of quality programs nationally. • CAEP provides data and opportunities to participate in research on teacher and education quality. • CAEP secures site visitors that are diverse, highly trained through CAEPs national site visitor training, and bound by a code of conduct, with regard to confidentiality and conflicts of interest. Site visitors are geographically diverse, spread throughout the country. |
| Technology and Training Benefits |
| <p>Data Collection: access and support through the Accreditation Information Management System (AIMS)</p> <ul style="list-style-type: none"> • CAEP provides a state specific data collection interface in AIMS for each state. • CAEP provides the technical infrastructure for the entire accreditation process, including program review, for each state. • CAEP provides states with access to their EPPs' information and receive relevant notifications. • CAEP provides access to data and reports for EPPs that may be used within their own state for program approval processes. |
| <p>Accreditation training for state staff</p> <ul style="list-style-type: none"> • CAEP will collaborate with the state authority to cost effectively plan, design, and implement a range of supplemental training opportunities for state reviewers and/or EPPs on a cost recovery basis. • CAEP provides state representatives access to online training and provides complimentary registration for one state representative at either the spring or fall CAEP conference. |
| CAEP State Partnership Community Benefits |
| <p>CAEP brings together state partners at an annual State Clinic to learn from each other, share best practices, and receive updates and current information on accreditation, national recognition, and program review options; CAEP provides complimentary travel and lodging for one state representative.</p> |

Update April 2017