

COMMISSION ON TEACHER CREDENTIALING

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OFFICE OF THE EXECUTIVE DIRECTOR
(916) 445-0184

01-0003

DATE: February 16, 2001

TO: All Individuals and Groups Interested in the Activities of the Commission on Teacher Credentialing

FROM: Sam W. Swofford, Ed.D.
Executive Director

SUBJECT: Proposed Amendment to Section 80487 of Title 5, California Code of Regulations, Pertaining to the CBEST Fees

Notice of Public Hearing is Hereby Given:

In accordance with Commission policy, proposed Title 5 Regulations are being distributed prior to the public hearing. A copy of the proposed regulations is attached. The added text is underlined, while the ~~deleted~~ text is lined-through. The public hearing is scheduled on:

April 12, 2001
11 a.m.
California Commission on Teacher Credentialing
1900 Capitol Avenue
Sacramento, California 95814

Statement of Reasons

The CBEST Requirement

California Education Code/44252(b), which became effective on February 1, 1983, establishes a proficiency requirement in reading comprehension, writing competence, and knowledge of mathematics for nearly all California credentials and permits issued by the Commission. Verifying this proficiency is also required as a condition for public school employment in certain instances, and an assessment of this is often needed for enrollment in professional education programs. The California Basic Educational Skills Test (CBEST) was developed to satisfy this requirement.

The Commission is responsible for the development and administration of the CBEST examination, and contracts with experienced testing agencies to perform many of the related

responsibilities. The Commission must recover the related costs of the examination from the CBEST test fee: the fee examinees pay to sit for the test. Currently, there are no other sources of revenue. In January 1994, the Commission established the CBEST fee at \$40, and this fee has remained unchanged since then. Effective January 1, 2002, Education Code /44252.5 will allow the Commission to set the fee at an amount needed to recover the costs of test administration and development. *The purpose for the proposed amendment to Title 5, /80487 is to implement the law by allowing the Commission the ability to establish the CBEST fee at a sufficient amount to support the examination process.*

Costs and Revenue Related to the CBEST

CBEST Development Costs

The continued development of the CBEST involves many activities, and the revenues from the CBEST fees must support all of these. To determine the timeliness and reliability of the examination to the education profession, the Commission must complete a validity study every five years. Many times this re—evaluation results in the need for new test items and new scoring standards. In addition to the impact of the validity study, new test items must be developed periodically to maintain the integrity of the CBEST. The new test items are developed by the CBEST contractor in conjunction with the Commission and the CBEST Content Advisory Committees in mathematics and in reading and writing. These committees, established by the Commission, are composed of teachers, school administrators, and teacher educators knowledgeable in the respective content area. They review each proposed item to determine that appropriate skills are measured and the item is clearly worded. Each item that survives this scrutiny is then reviewed by the Commission's Bias Review Committee to detect and eliminate any question that is potentially culturally biased or offensive. Each writing prompt is also reviewed to establish the scoring criteria needed to maintain consistency in grading this portion of the CBEST. The contractor must then field—test the new items and either create new test forms or incorporate these items in existing ones so each individual is examined on all appropriate skills.

CBEST Administration Costs

The CBEST contractor currently administers the CBEST 6 times a year in 25 areas in California and 5 areas in Oregon, a state that also utilizes the CBEST to verify basic skills proficiency for their public school certification. It is also offered once a year in five geographical locations outside of California and Oregon. The contract for 2001—2004 has extended the test areas in California to 35 for most test dates and increased the test sites outside of California and Oregon to 10, annually. For each test administration, the contractor is responsible for assuring the security of the testing process and materials; producing all program communications, registration bulletins, and other supporting materials; registering candidates; administering the CBEST; scoring and reporting scores to candidates and the Commission; and producing statistical and other reports.

The costs related to administration of the CBEST are based on the number of individuals registering to take the examination. The Commission must reimburse the contractor a specific amount for those that take the examination and 90% of that amount for individuals who are considered absentees, that is, candidates who register for the CBEST and who do not withdraw by the regular registration deadline or attend the administration. The absentee rate is approximately eight percent (8%), and their CBEST fee is not refunded. (Because of this, when determining revenue, the absentees are considered equivalent to the examinees, but when determining the expenditures, the absentees are treated separately based on the 90% charge.) As

an example, during the 1999—2000 test administration year, 99,301 individuals registered for the CBEST, with 91,950 examinees and 7,351 absentees. The amount paid to the contractor for these individuals was \$3,353,260.25, at \$33.97 per examinee and \$31.25 per absentee.

New CBEST Enhancements

The Legislature has supported the concept of a basic skills test, specifically the CBEST, for almost 20 years and continues to give its support. Assembly Bill 1282 (Jackson), Chaptered October 10, 1999 (Chapter 704), which became effective on January 1, 2000, added /44252.9 that requires the Commission to increase the availability of the CBEST and improve exam—related services, both in consultation with the Department of Finance. The additional test sites in the basic package of the 2001—2004 contract will aide in meeting this goal. Also added in the basic package is a better communication structure for the examinees with the contractor, enhancements to the registration process including web—based registration services, and more timely score reporting.

CBEST Revenue

The \$40 CBEST fee is the only source of revenue to fund the development, administration, improvement, and other related costs of the CBEST examination. This revenue fluctuates based on the number of individuals registering for the exam. This number has oscillated from approximately 77,000 in 1995—1996, to 119,109 in 1996—1997, to 101,528 in 1998—1999. Because of this, the Commission is proposing that the regulation not specify a specific dollar amount for the CBEST fee, but one that can quickly respond to the budgetary needs of the CBEST program in a fair manner to the public.

The oscillation in examinee volumes is created by numerous, unpredictable influences that establish no secure way of estimating the number of CBEST examinees. Because there is an increasing student population and a high attrition rate of educators as the 1940—1950 baby boomers retire, predicting an overall increase in the number of CBEST examinees is appropriate. Unfortunately, the solvency of the CBEST funding structure depends upon more precise projections each year. A five—percent deviation in the revenue would have a strong impact on the fund.

A number of unrelated factors have an impact on the number of CBEST registrants. Legislation, the economy, fuel costs, weather conditions elsewhere in the country, unrest in other countries, advertisements promoting the teaching profession, and other issues impact the number of individuals who wish to enter education, and in turn, take the CBEST. The impact of Legislation on the number of examinees and the CBEST fund is unpredictable. It resulted in a marked increase in 1996—1997 with class—size reduction and may currently be creating another less dramatic increase with the additional funding for internship programs. The state economy is another unpredictable factor. In times of strong economic growth, more teachers who need the CBEST maybe relocate in California. When economic prosperity dwindles, families may leave California, reducing the student population and the need for new teachers.

Future CBEST Enhancements, Revenues, and Expenditures

Future CBEST Enhancements

Recent CBEST Legislation, found in /44252.9, requires the Commission to make improvements to increase access to the state basic skills proficiency test, and ... improve exam-related services provided to candidates. The recent CBEST contract initiates a number of improvements previously discussed and meets the goals of /44252.9. But, as with all certification examinations,

the Commission wishes to continue to make the CBEST testing experience more amicable and successful. One enhancement that the Commission is already exploring is providing computer-administered testing. A feasibility study regarding administering the CBEST via secure computers at multiple sites throughout California and, possibly, the entire United States will soon be initiated. If it is determined that the CBEST would be compromised if offered in this fashion, the Commission would like to explore the possibility of having the exam administered year-round at secure examination centers or, at a minimum, increasing the number of annual testing administrations. Other possible enhancements may include a toll-free number for examinees who wish to contact the testing agency and the creation of a preparation guide available free to examinees on the CBEST website. With each enhancement, the Commission will need to revisit the CBEST fee to determine if the added cost will allow the fund to remain solvent.

Future CBEST Revenues and Expenditures

The following CBEST revenue projections will illustrate an area of vulnerability for the CBEST funds. They are based on an estimate of 103,000 registrants in 2001—02, 105,000 in 2002—03, and 107,000 in 2003—04, of whom 92 percent become examinees and 8 percent become absentees. The current contractor charges related to registrants are on a sliding scale based on the number of actual examinees. For example, if there are from 90,001-95,000 examinees, the charge is \$34.49 per examinee. For 95,001-100,000 examinees, the charge is \$34.16.

The following table (Table 1) shows the projected costs based on the number of registrants, test development, validity study, and Commission operating costs. The resulting costs related to the registrants might vary, and the other costs are stable. Using 103,000 registrants in 2001—02, 105,000 in 2002—03, and 107,000 in 2003—04, the total anticipated costs during the next three years will be approximately \$12,218,000. This number of individuals registering for the CBEST, at \$40 each, will result in revenue of \$12,600,000. This will allow \$382,000 for improvements and any unexpected costs occurring over the next three years.

Table 1
Estimated Costs for 2001-2004

<i>Expenditures</i>	<i>Registrants</i>	<i>Contractor Charge</i>	<i>Contractor Charge</i>	<i>Non—Contractual Costs</i>	<i>Totals*</i>
Contractor Charges for: Examinees	Number of Examinees	Charge per Examinee	Annual Cost		
2001—2002	94,760	\$34.49	3,268,272.40		
2002—2003	96,600	\$34.16	3,299,856.00		
2003—2004	98,440	\$34.16	3,362,710.40		
total					\$9,931,000
for: Absentees	Absentees	per Absentee	Annual		
2001—2002	8,240	\$31.04	\$255,769.60		
2002—2003	8,400	\$30.74	258,216.00		
2003—2004	8,560	\$30.74	263,134.40		
total					\$777,000
Test Development			Life of Contract		
total			\$250,000		\$250,000
Non—Contractual Costs					
Validity Study				\$360,000	
Salary, Benefits, Operating Expenses, and Equipment				\$900,000	
total					\$1,260,000
TOTAL CBEST COSTS FOR 2001—2004					\$12,218,000

* The figures in this column are rounded to the nearest thousand.

As above, the following estimations are based on a CBEST fee of \$40 per individual registering for the examination. If the projections are underestimated and 105% of the projected number register, the total costs would be \$12,718,000, total revenues would be \$13,230,000, and the resulting amount available for enhancements and unforeseen costs would be \$512,000. If the projected numbers are over-estimated, then any of the following scenarios may occur. If only 95% of the projected number of individuals register for the examination, then the total costs will be \$11,749,000, the revenue will be \$11,970,000, and the resulting amount available will be \$221,000. If 90% registered, then the amount available will be \$37,000. These figures are compared in the following Table 2.

Table 2
Comparison of on the CBEST Costs, Revenues, and Amounts Available for Various
Projected Numbers of Individuals Registering for the CBEST
during 2001-2004

<i>Current Projection*</i>	<i>Revenue</i>	<i>Costs</i>	<i>Available Amounts</i>
105%	\$13,230,000	\$12,718,000	\$512,000
100%	\$12,600,000	\$12,218,000	\$382,000
95%	\$11,970,000	\$11,749,000	\$221,000
90%	\$11,340,000	\$11,303,000	\$37,000

* 100% equals 103,000 registrants in 2001—02, 105,000 in 2002—03, and 107,000 in 2003—04

To put the available amounts into perspective, an enhancement to add a seventh administration date at six metropolitan sites in California would cost approximately \$293,000. A CBEST preparation guide enhancement available free on-line would cost approximately \$85,000. At the current \$40 CBEST fee, if the number of individuals registering for the exam greatly exceeds the projected figures, as it did in the class-size reduction era, a reduction in the \$40 fee may be considered. If the numbers minimally exceed the projected figures, the Commission could possibly implement several enhancements and retain a modest amount to cover unforeseen costs. If the registrant volumes only reach the projected numbers or fall to 95% of these numbers, the Commission would need to weigh the benefits of any enhancements against the possibility of raising the CBEST fee a minimum amount. If the number of registrants reaches close to 90% or less of the anticipated figures, then the Commission would be forced to raise the CBEST fee to remain solvent.

If the number of individuals who register for the examination does reach the point where a change in the fee is required, the following Table 3 indicates the possible results.

Table 3
Available Amount after Deducting the CBEST Costs from Revenues Based on Possible
CBEST Fees and Various Numbers of Registrants during 2001-2004

<i>Current Projection*</i>	<i>\$39 Fee</i>	<i>\$40 Fee</i>	<i>\$41 Fee</i>	<i>\$42 Fee</i>
105%	\$182,000	512,000	843,000	1,174,000
100%	\$67,000	382,000	697,000	1,012,000
95%	-\$78,000	221,000	520,000	820,000
90%	-\$246,000	37,000	321,000	604,000

* The 100% figure equals 103,000 registrants in 2001—02, 105,000 in 2002—03, and 107,000 in 2003—04. Also, please note that, other than the \$40 fee column, the amounts do not take into consideration that the fee for the June- December 2000 examinations must be \$40. This was not incorporated because the figures are not a constant percent at each administration date, usually lesser during the summer months.

Conclusion

As mentioned earlier, the CBEST revenue is based solely on the number of individuals that register for the examination, a number that has proven difficult to project because it is influenced by numerous outside forces. Because of the difficulty in making precise predictions of the amount of available revenues sufficient to cover expenses, the Commission is amending Title 5, 80487 to allow the Commission to establish the fee in a timely manner to react to such

fluctuation. Any possible fee increase or decrease will be presented at a public meeting that will be well noticed. The Commission will only make the final decision regarding the fee after soliciting public comment at the meeting.

Documents Relied Upon in Preparing Regulations

- ¥ Report on the California Basis Educational Skills Test (CBEST): July 1995 — June 1999
- ¥ CBEST Statistics

Documents Incorporated by Reference

None.

Office of Administrative Law s Identification Number

The Office of Administrative Law s identification number for this proposal is Z-01-0213-02.

Written Comment Period

Any interested person, or his or her authorized representative, may submit written comments by fax, through the mail, or by e-mail on the proposed action. The written comment period closes at 5:00 p.m. on April 11, 2001. Comments must be received by that time or may be submitted at the public hearing. You may fax your response to (916) 323-4508; write to the California Commission on Teacher Credentialing, attention Yvonne Novelli, 1900 Capitol Avenue, Sacramento, CA 95814; or submit an e-mail at <ynovelli@ctc.ca.gov>.

Any written comments received 14 days prior to the public hearing will be reproduced by the Commission's staff for each Commissioner as a courtesy to the person submitting the comments and will be included in the written agenda prepared for and presented to the full Commission at the hearing.

Public Hearing

Oral comments on the proposed action will be taken at the public hearing. We would appreciate 14 days advance notice in order to schedule sufficient time on the agenda for all speakers. Please contact Yvonne Novelli at (916) 323-6512 regarding this.

Any person wishing to submit written comments at the public hearing may do so. It is requested, but not required, that persons submitting such comments provide fifty copies to be distributed to the Commissioners and interested members of the public. All written statements submitted at the hearing will, however, be given full consideration regardless of the number of copies submitted.

Modification of Proposed Action

If the Commission proposes to modify the action hereby proposed, the modifications (other than non-substantial or solely grammatical modifications) will be made available for public comment for at least 15 days before they are adopted.

Availability of Final Statement of Reasons

The Final Statement of Reasons is submitted to the Office of Administrative Law as part of the final rulemaking package, after the public hearing. When it is available, it will be placed on the Commission's web-site at <<http://www.ctc.ca.gov>> or you may obtain a copy by contacting Yvonne Novelli at (916) 323-6512.

Contact Person/Further Information

Inquiries concerning the proposed action may be directed to Yvonne Novelli, at (916) 323-6512 or to Bob Carlson at (916) 327-8663. Yvonne Novelli can respond to questions concerning the substance of the proposed regulation. Upon request, a copy of the express terms of the proposed action and a copy of the initial statement of reasons will be made available. This information is also available on the Commission's web-site at <<http://www.ctc.ca.gov>>. In addition, all the information on which this proposal is based (the rulemaking file) is available at the Commission office for inspection and copying.

Attachments

Division VIII of Title 5 of the California Code of Regulations**Proposed Amendment to Section 80487
Pertaining to the CBEST Fee****INITIAL PROPOSED REGULATIONS**

Section 80487. Fees.

- (a) For the purpose of this section, credential means any certificate, permit, authorization, or other certification document, which the Commission is empowered to issue.
- (1) The fee for the issuance, reissuance, or renewal of credential shall be sixty-five dollars unless otherwise established by law. Effective January 1, 1995, this fee shall be seventy dollars.
 - (2) The fee for a duplicate credential shall be one-half the fee specified in (a)(1) or the credential fee established by law.
 - (3) Two hundred fifty dollars for a Board of Examiners' fee as provided in Section 80076.
 - (4) Thirty dollars for an examination processing fee as provided in Section 80077.
 - (5) **Pursuant to Education Code Section 44252.5, the fee for the state basic skills assessment examination pursuant to Education Code Section 44252.5 proficiency test shall be forty dollars for test dates through January 1, 2002, and, for test dates after January 1, 2002, shall be established and periodically reviewed by the Commission in a public meeting.**
 - (6) Fourteen dollars, or the actual fee if different from this amount, to reimburse the Commission for the actual amount charged by the Federal Bureau of Investigation for furnishing its summary criminal history information applicable to all credentials.
 - (7) Sixteen dollars and fifty cents, or the actual fee if it is different from this amount, to reimburse the Commission for the fee charged by the California State Department of Justice, Criminal Identification and Investigation Bureau, for furnishing its summary criminal history information on applicants for credentials.
 - (8) Thirty-eight dollars for each unit of the Bilingual-Crosscultural Competency Certificate examination if taken separately or a fee of one hundred dollars for the entire examination, (all three units of the examination) if taken at the same time. For persons who take only one section of the Language portion of the examination, a fee of thirty-five dollars will be charged.
 - (9) A fee of one hundred dollars for the full language Development Specialist examination; thirty-five dollars for Part I, and seventy-five dollars for Part II, if taken separately.
 - (10) A fee of one hundred dollars for the full Bilingual Certificate of Assessment Competence examination: a fee of thirty-seven dollars for either the oral production or case study section, and twenty-nine dollars for either the multiple choice or audio transcription section if taken separately.
 - (11) The fee for the Certificate of Clearance as specified in Section 80028 shall be one-half the fee in (a)(1) or the credential fee established by law.
- (b) Except for the fee specified in (a)(5), (a)(8), (a)(9), and (a)(10), the fees shall accompany the application for issuance, reissuance or renewal, or the request for a duplicate credential; the fees

- shall be deemed earned upon receipt and shall not be refunded even though the applicant does not qualify for the credential or subsequently finds a reportedly lost or destroyed document.
- (c) The fee for examination administered by a contractor on behalf of the Commission, specifically (a)(5), (a)(8), (a)(9), and (a)(10), shall be paid directly to the testing contractor unless otherwise specified by contract.
 - (d) The applicant shall receive either a credential or an evaluation which sets forth the requirements which have not been met.
 - (e) Where an applicant has all the qualifications for a credential at the time the application therefor is submitted, but where required verification or documentation has been delayed, no new or additional fee shall be charged if such required verification or documentation is submitted within one year.
 - (f) Where applicable, each application for a credential shall be accompanied by an examination processing fee pursuant to Section 80077 of these regulations.
 - (g) The fee for a county or district to file a copy of a county-issued or district-issued certificate of completion of staff development in specially designed academic instruction delivered in English and/or in English language development in a self-contained classroom pursuant to Education Code section 44253.10(f)(2), including issuing a duplicate if requested, is twelve dollars (\$12). Each certificate must be accompanied by the form Request to File Certificate of Completion of Staff Development (form 41-CCSD, rev. 1/97). To request a duplicate of the certificate, the person to whom the original certificate was issued must submit the form Request for Duplicate Certificate of Completion of Staff Development (form 41-CCSD-DUP, rev. 1/97) to the Commission.

NOTE: Authority cited: Sections 44225 and 44252.5, Education Code. Reference: Sections 44235, 44252.5, 44253.5, 44253.10, 44280, 44289, 44298, 44332.5(b), 44339, 44340, 44341, 44352, 52134 and 52178, Education Code; and Section 11105(e), Penal Code.

STATE OF CALIFORNIA

GRAY DAVIS, Governor

CALIFORNIA COMMISSION ON TEACHER CREDENTIALING

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Attn.: *Yvonne Novelli*
Program Analyst

Title: Fees
Section No.: 80487

Response to the Attached Title 5 Regulations

So that the Commission on Teacher Credentialing can more clearly estimate the general field response to the attached Title 5 regulations, please submit this response form to the Commission, attention Yvonne Novelli, at the above address or fax to her attention at (916) 323-4508. Respond by 5:00 pm on April 11, 2001, in order that the material can be presented at the April 12, 2001 public hearing.

- 1. **Yes**, I agree with the proposed Title 5 regulation. Please count me in favor of this regulation.
- 2. **No**, I do not agree with the proposed Title 5 Regulation for the following reasons: (If additional space is needed, use the reverse side of this sheet.)
- 3. Personal opinion of the undersigned. and/or
- 4. Organizational opinion representing: _____
(Circle One) School District, County Schools, College, University, Professional Organization, Other
- 5. I shall be at the public hearing, place my name on the list for making a presentation to the Commission.
- 6. No, I will not make a presentation to the Commission at the public hearing.

Signature: _____ Date: _____

Printed Name: _____

Title: _____ Phone: _____

Employer/Organization: _____

Mailing Address: _____

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