

**TOPIC:                   DEGREE AUTHORIZATION ACT: RECOMMENDATION TO  
REVISE THE FEE SCHEDULE**

**PREPARED BY:       HEATHER DELANGE, ACADEMIC POLICY OFFICER**

**I.       SUMMARY**

This Action Agenda Item recommends the approval of a new fee schedule for the private, degree-granting colleges and universities as well as the seminaries and religious training institutions that are authorized to operate in Colorado by the Colorado Commission on Higher Education (CCHE) under the Degree Authorization Act.

**II.       BACKGROUND**

Colorado Revised Statutes, 23-2-104.5(1) gives authority to the CCHE to establish fees to be paid by a private college or university or seminary or religious training institution for the administration of the article. The amount of fees shall reflect the direct and indirect costs of administering the article. Staff proposed, and the CCHE approved, the current fee schedule at the November 1, 2012 CCHE meeting.

**III.       STAFF ANALYSIS**

The 2012 Revisions to the Degree Authorization Act included a provision that the fees required under this Act need to be sufficient to fund the administration of the Act. The fees we have collected since 2012 have not been sufficient to cover costs. Due to this shortfall, Department staff has revised the tier levels and structure of the fee schedule initially adopted in November 2012. Given the varying enrollment levels of institutions authorized under the Degree Authorization Act, the additional tiers (Attachment A) provide more equity to those institutions that have fewer enrollments.

The various fees are based on:

- Student enrollment at the various institutions annually
- An estimate of the time and resources required to process institutional applications
- An estimate of the time for educator preparation site visits
- External review of courses for participation in gtPathways

Private colleges and universities report student enrollment (headcount) in February of each year. Once collected, staff prepares a report from which annual invoices are created based on the enrollment data submitted by the institutions to the Student Unit Record Database System. Up to this point, the fees collected by the Department do not cover the costs of administering the Degree Authorization Act.

The educator preparation fees shown in Attachment A, provide a range of the reauthorization costs for those approved educator preparation programs that are up for reauthorization in FY 2015. Pursuant to 23-2-104.5(2), the commission may establish a fee to be paid to the department by a private college or university that is authorized pursuant to the Degree Authorization Act and that applies for approval of an educator preparation program per C.R.S., §23-1-121. The amount of the fee shall reflect the direct and indirect costs of the department in administering the provisions of C.R.S. § 23-2-121.

The changes to the current schedule, illustrated in Attachment A, include:

- Increased initial application fees. The current fee schedule did not allow staff to appropriately compensate the evaluation team;
- Increased annual fee for those institutions that have either not reached the full authorization level or have been placed on probation;
- Additional tier levels to provide a more equitable and methodical approach to the variously sized authorized institutions. The CCHE has the authority to reduce or increase fees based on the size of the review;
- The educator preparation fees are not changing. These fees are directly related to the activities and direct and indirect costs of the site visits. However in Attachment A, staff has provided an estimated range of costs for the direct and indirect costs of conducting an educator preparation review;
- The gtPathways fees are not changing. At this time, only one private university has submitted courses for inclusion in gtPathways;
- The student transcript fee is not changing.

#### **IV. STAFF RECOMMENDATIONS**

**Staff recommends that the Commission approve the proposed revised fee schedule under the Degree Authorization Act.**

#### **STATUTORY AUTHORITY**

C.R.S. §23-2-104.5 Fees - public hearing

(1) The commission shall establish fees to be paid by a private college or university or seminary or religious training institution for the administration of this article. The amount of the fees shall reflect the direct and indirect costs of administering this article. The commission shall propose, as part of the department's annual budget request, an adjustment in the amount of the fees that it is authorized to collect pursuant to this section. The budget request and the adjusted fees shall reflect the direct and indirect costs of administering this article.

(2) The commission may establish a fee to be paid to the department by a private college or university that is authorized pursuant to the DAA and that applies for approval of an educator preparation program per C.R.S., §23-1-121. The amount of the fee shall reflect the direct and indirect costs of the department in administering the provisions of C.R.S. § 23-2-121.

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## **ATTACHMENT**

Attachment A: Proposed Fee Schedule