CR 88-61e

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## CERTIFICATE

STATE OF WISCONSIN ) ) SS. EDUCATIONAL APPROVAL BOARD )

I, David R. Stucki, Executive Secretary of the Educational Approval Board and custodian of the official records of the board, certify that the Educational Approval Board duly approved and adopted on October 24, 1988, the annexed rules relating to application and renewal fees required of for-profit postsecondary schools.

I further certify that I have compared this copy with the original on file in the offices of this agency and that the same is a true copy of the original, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 310 Price Place, in the city of Madison, this 24th day of October, 1988.

David R. Stucki Executive Secretary Educational Approval Board

12-1-38

## ORDER OF THE EDUCATIONAL APPROVAL BOARD AMENDING RULES

- 1 The Educational Approval Board adopts an order to amend EAB 2.11 (2) (a) and (b), (3)
- 2 (intro.), (4) (c), (5) (a) 1. through 3., (6) and (7) (c) (intro.), relating to application and
- 3 renewal fees required of for-profit postsecondary schools.

## Analysis by the Educational Approval Board

Statutory Authority: s. 38.51 (3) and (10) (c), Stats., as affected by 1987 Wis. Act 27 Statutes Interpreted: s. 38.51 (10) (b) and (c), Stats., as affected by 1987 Wis. Act 27

1987 Wisconsin Act 27, which took effect on August 1, 1987, revised s. 38.51 (10) (c), Stats., to require that the Educational Approval Board set application fees at a level sufficient to cover all costs of examining and approving proprietary schools. The same statutory revisions also added a provision which instructed the board to consider establishing a variable fee structure based on the size of the proprietary school. Because the only fee which all schools pay during a year is the renewal application fee, the board determined that the most equitable means of considering school size was to make the second payment of the renewal application fee vary according to the adjusted gross annual revenues of a school. The board fixed the remaining fees at a level which the board estimated was sufficient to cover the average cost of handling each type of application.

The board first implemented the new fee structure through an emergency rule which was in effect from August 4, 1987, through January 1, 1988. The first permanent rule implementing the new fee structure took effect on February 1, 1988. The amendments contained in this order revise the fixed application fees contained in the February 1 rule.

The amendments to s. EAB 2.11 increase the following application fees:

Type of Application	Old Fee	New Fee
Initial School Approval	\$400	\$540
First Payment, Renewal of Approval	\$200	\$300
Non-Degree Course of Instruction	\$300	\$405
Associate Degree Course of Instruction	\$500	\$675
Other Degree Course of Instruction	\$1,200	\$1,620
Teaching Location	\$100	\$135
Change of Ownership	\$200	\$270

The revised fees represent a 50% increase in the first payment of the renewal application fee and a 35% increase in the other school application fees listed. If the board did not increase the listed fees, the second payment of the renewal fee would generate 49.3% of the costs incurred in examining and approving schools under s. 38.51 (10), Stats., during the 1988-89 fiscal year. With the increases, the second payment of the school renewal fee will generate 32.2% of the costs incurred.

The revised fees for renewal of school approval will apply to applications for renewal of approvals which expire on or after the effective date of the amended rules. All other increased fees will apply to applications received on or after the effective date of the amended rules.

- 1 SECTION 1. EAB 2.11 (2) (a) and (b) are amended to read:
- 2 (a) Any application for renewal of an approval which expires on or after Febru-
- 3 ary 1, 1988 the effective date of this section. [Revisor inserts actual effective date.]
- 4 (b) Any other applications received on or after February 1, 1988 the effective date
- of this section. [Revisor inserts actual effective date.]
- 6 **SECTION 2.** EAB 2.11 (3) (intro.) is amended to read:
- 7 (3) APPLICATION FEES FOR INITIAL SCHOOL APPROVAL. A school which is not
- 8 approved to operate or do business in this state and which is applying for approval
- 9 shall pay a fee of \$400 \$540, plus:
- 10 **SECTION 3.** EAB 2.11 (4) (c) is amended to read:
- 11 (c) A school requesting active status shall make a first payment, in the amount of
- 12 \$200 \$300, no later than the September 1 prior to the calendar year for which the
- school is applying for renewal of approval, and shall make a second payment, in the
- amount determined as provided in par. (g), no less than six months after the first pay-
- 15 ment was due.
- SECTION 4. EAB 2.11 (5) (a) 1. through 3. are amended to read:
- 17 1. \$300 \$405, if the course of instruction for which the school seeks approval does
- 18 not lead to a degree.
- 2. \$500 \$675, if the course of instruction for which the school seeks approval leads
- 20 to an associate degree.
- 3. \$1,200 \$1,620, if the course of instruction for which the school seeks approval
- 22 leads to a degree other than an associate degree.
- SECTION 5. EAB 2.11 (6) is amended to read:
- 24 (6) APPLICATION FEE FOR APPROVAL OF TEACHING LOCATIONS. A school
- shall pay an application a fee of \$100 \$135 when applying for approval of a teaching
- 26 location.

- 1 SECTION 6. EAB 2.11 (7) (c) (intro.) is amended to read:
- 2 (c) The prospective owner or owners shall submit to the board prior to the effective
- 3 date of the transfer an application reflecting the change of ownership or control. The
- 4 school shall submit with the application a fee of \$200 \$270, plus:

NOTE TO REVISOR: Please substitute the following for the note following s. EAB 2.11:

Note: A person may obtain any of the following forms by writing the Educational Approval Board at P. O. Box 7874, Madison, WI 53707-7874, or by telephoning (608) 266-1996.

Form EAB 1.01, Application, Initial School Approval, Wis. Stats. s. 38.51

Form EAB 1.07, Application, Renewal of School Approval, Wis. Stats. s. 38.51

Form EAB 1.08, Application, School Approval after a Change of Ownership, Wis. Stats. s. 38.51

Form EAB 1.09, Application for Approval, Teaching Location, Wis. Stats. s. 38.51

Form EAB 1.11, Application for Approval, Course of Instruction, Wis. Stats. s. 38.51

The rules contained in this order shall take effect on the first day of the month following publication in the administrative register, as provided in s. 227.22 (2) (intro.), Stats.

Dated: Oct. 24, 1988

Agency: Educational Approval Board

By:

David R. Stucki, Executive Secretary