

Clearinghouse Rule 95-006



CERTIFICATE

STATE OF WISCONSIN }
 } SS.
EDUCATIONAL APPROVAL BOARD }

I, Claudia Berry Miran, Legal Counsel of the Educational Approval Board and deputy custodian of the official records of the board, certify that the Educational Approval Board duly approved and adopted on January 26, 1996, the annexed rules relating to fees which the board charges to schools requesting approval under § 38.51 (10), Stats.

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 signed this document at 310 Price Place, in the city of Madison, this 26th day of January 1996.

Claudia Berry Miran
Legal Counsel
Educational Approval Board

95-006
4-1-96

ORDER OF THE EDUCATIONAL APPROVAL BOARD

REPEALING, RENUMBERING, AMENDING AND CREATING RULES

1 The Wisconsin Educational Approval Board adopts an order to repeal §§ EAB 5.11 (9) (f)
2 through (i), (10) (e), and (10) (g) through (i); to renumber and amend §§ EAB 5.11 (9) (j) and
3 (10) (j); to amend §§ EAB 5.11 (1) (a) through (d), (3) (i), (4) (a) 1 through 3, (4) (b) (intro.), (5)
4 (a), (5) (b) (intro.), (7) (c), (9) (a) through (e), and (10) (a) through (d); to repeal and recreate
5 § EAB 5.11 (2) and (10) (f); and to create §§ 5.11 (4) (a) 4 and 5, (4) (c), (5) (a) 4 and 5, (5) (c),
6 and (7) (d), relating to fees which the board charges to schools requesting approval under § 38.51
7 (10), Stats.

Analysis by the Educational Approval Board

Statutory Authority: §§ 38.51 (3) and (10) (c) and 227.11 (2), Stats.

Statutes Interpreted: § 38.51 (10) (c), Stats.

This order revises the application, amendment and late fees contained in § EAB 5.11, Wis. Adm. Code, which interprets § 38.51 (10) (c), Stats.

Under the provisions of § 38.51 (10) (c), Stats., fees paid by schools must cover all costs for examination and approval (licensing) of such schools. The fee schedule in permanent rule at the time this order was prepared included a number of fixed application and amendment fees which did not differentiate between types of degree programs above the associate degree level, because the agency has dealt with few schools offering programs at the baccalaureate level and above.

However, as the result of narrowed exceptions to the licensing requirement after the passage of 1993 Wisconsin Act 61, the agency is now dealing with numerous educational institutions which offer baccalaureate and higher degrees, and must adjust the application fees to accommodate the additional level of program complexity.

In addition, the agency has now had three years' experience in charging fees for review of revised programs, for review of amendments to applications, and for late renewal applications and payments. This experience has clarified how review activities relate to actual effort and costs, and the revisions to fee amounts reflect that experience. EAB continues to believe that schools creating a workload bear primary responsibility for providing the resources to cover the workload, and the increased charges for school and program applications and for application amendments reflect the agency's attempt to assess charges to responsible schools rather than relying on the second renewal payment from all schools.

The amendments to § EAB 5.11 increase most school and program application and amendment fees. They also make the following changes to fees assessed for filing and amending applications:

1. The changes to sub. (2) restate the initial application fee as a total fee for the school and one program of a particular type. The present sub. (2) only lists the school application fee, and refers applicants to sub. (4) for the program fee. We have found that schools applying for initial approval often overlook the relationship between sub. (2) and sub. (4) and only pay the school application fee instead of paying the school and program fee both.

2. In sub. (4), (5), (9) and (10), one fee level for programs above the associate degree level has been split into separate levels for baccalaureate, master's and doctoral programs.
3. The fee reduction granted by sub. (4) (b) and (5) (b) is reduced from 50% to 25% in sub. (4) (b) and to 10% in sub. (5) (b). Analysis of costs and workload indicates that reliance on program review by another state agency only cut actual costs by a maximum of 25%.
4. The amending fees for noncomplying school and program applications have been split into three categories (amendments for documents only, revisions to program content, substantial revisions to program content), and have been restated as a percentage of the base application fee rather than as a flat dollar amount.

The table below shows the changes in fees by category. For ease of comparison, the table provides actual dollar amounts for amending fees rather than the percentages actually stated in the changes.

<u>Type of Application</u>	<u>Old Fee</u>	<u>New Fee</u>
Initial School Approval		
School with one nondegree program	\$1,300	\$1,500
School with one associate degree program	\$1,900	\$2,000
School with one baccalaureate program	\$2,800	\$2,800
School with one master's program	\$2,800	\$3,400
School with one doctoral program	\$2,800	\$4,600

<u>Type of Application</u>	<u>Old Fee</u>	<u>New Fee</u>
Late Renewal Application or Payment	\$50, plus 1.5% of any payment due, for each month or part of month the application or payment is past due	Greater of \$50 or 1.5% of any pay- ment due, for each month or part of month the application or payment is past due
New or Substantially Revised Program		
Nondegree	\$600	\$900
Associate Degree	\$1,200	\$1,400
Baccalaureate	\$2,100	\$2,300
Master's	\$2,100	\$2,800
Doctoral	\$2,100	\$3,800
Revised Program		
Nondegree	\$200	\$400
Associate Degree	\$400	\$600
Baccalaureate	\$700	\$1,300
Master's	\$700	\$1,600
Doctoral	\$700	\$2,300
Change of Ownership or Control	\$400	\$600
Amending an Incomplete Application		
Initial School		
School with one nondegree program	\$130	\$150
School with one associate degree program	\$190	\$200
School with one baccalaureate program	\$280	\$280
School with one master's program	\$280	\$340
School with one doctoral program	\$280	\$460
Renewal	\$25	\$50

<u>Type of Application</u>	<u>Old Fee</u>	<u>New Fee</u>
Amending an Incomplete Application		
(continued)		
New or Substantially Revised Program		
Nondegree program	\$60	\$90
Associate degree program	\$120	\$140
Baccalaureate program	\$210	\$230
Master's program	\$210	\$280
Doctoral program	\$210	\$380
Revised program		
Nondegree program	\$20	\$40
Associate degree program	\$30	\$60
Baccalaureate program	\$70	\$130
Master's program	\$70	\$160
Doctoral program	\$70	\$230
Change of ownership	\$40	\$60
Amending Only Documents in a Noncomplying Application		
Initial School		
School with one nondegree program	\$325	\$375
School with one associate degree program	\$475	\$500
School with one baccalaureate program	\$700	\$700
School with one master's program	\$700	\$850
School with one doctoral program	\$700	\$1,150
Renewal	\$50	\$100
New or Substantially Revised Program		
Nondegree program	\$150	\$225
Associate degree program	\$300	\$350
Baccalaureate program	\$525	\$575
Master's program	\$525	\$700
Doctoral program	\$525	\$950

Type of Application**Old Fee****New Fee****Amending Only Documents in a Noncomplying Application**

(continued)

Revised Program

Nondegree program	\$100	\$100
Associate degree program	\$150	\$150
Baccalaureate program	\$175	\$325
Master's program	\$175	\$400
Doctoral program	\$175	\$575

Change of Ownership

\$100	\$150
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**Amending a Noncomplying Application by
Making Substantial Revisions to Program Content
(includes fee for document revisions as well)**

Initial School

School with one nondegree program	\$325	\$750
School with one associate degree program	\$475	\$1,000
School with one baccalaureate program	\$700	\$1,400
School with one master's program	\$700	\$1,700
School with one doctoral program	\$700	\$2,300

New or Substantially Revised Program

Nondegree program	\$150	\$450
Associate degree program	\$300	\$700
Baccalaureate program	\$525	\$1,150
Master's program	\$525	\$1,400
Doctoral program	\$525	\$1,900

Revised Program

Nondegree program	\$100	\$200
Associate degree program	\$150	\$300
Baccalaureate program	\$175	\$650
Master's program	\$175	\$800
Doctoral program	\$175	\$1,150

<u>Type of Application</u>	<u>Old Fee</u>	<u>New Fee</u>
Amending a Noncomplying Application by Making Nonsubstantial Revisions to Program Content (includes fee for document revisions as well)		
Initial School		
School with one nondegree program	\$325	\$600
School with one associate degree program	\$475	\$800
School with one baccalaureate program	\$700	\$1,120
School with one master's program	\$700	\$1,360
School with one doctoral program	\$700	\$1,840
New or Substantially Revised Program		
Nondegree program	\$150	\$360
Associate degree program	\$300	\$560
Baccalaureate program	\$525	\$920
Master's program	\$525	\$1,120
Doctoral program	\$525	\$1,520
Revised Program		
Nondegree program	\$100	\$160
Associate degree program	\$150	\$240
Baccalaureate program	\$175	\$520
Master's program	\$175	\$640
Doctoral program	\$175	\$920

The revised fees will apply to new or amended applications for renewal of approval which expires on or after December 1, 1995, to any late applications or payments for renewal of approval received on or after September 1, 1995, and to any other applications or amended application materials received on or after the effective date of the rule.

The order also creates new provisions permitting a reduction ranging from 10% to 50% in the school or program application fee under certain circumstances. Under the provisions, a school and the program in question must meet **all** of the following conditions in order to qualify for the reduced fee:

1. The school making application for approval of the program is incorporated in a state other than Wisconsin, has its main campus outside Wisconsin, and offers in Wisconsin only programs leading to a baccalaureate or higher degree.
2. The school presents written evidence of authorization from its home state to offer the program and degree which it desires to offer to Wisconsin residents.
3. The school presents written evidence of authorization from states in which the school is authorized to offer the program and degree.
4. The school presents written evidence that it is accredited by an accrediting agency recognized by the U. S. Department of Education to offer the program and degree which it desires to offer to Wisconsin residents.
5. The school presents written evidence that its home state gives similar Wisconsin schools at least an equivalent fee reduction in comparable licensing and oversight fees.

Provisions 1 through 4 are similar to ones contained in an emergency rule which the agency adopted on December 2, 1994, and which were in effect until May 1, 1995. Provision 5 was added at the direction of the Senate Education and Financial Institutions Committee after legislative review of the rule.

1 **SECTION 1.** EAB 5.11 (1) (a) through (d) are amended to read:

1 (a) Any application, and any amended application materials, for renewal of an approval
2 which expires on or after December 1, ~~1992~~ 1995.

3 (b) Any other applications received on or after ~~July 1, 1992~~ the effective date of this
4 section. [Revisor inserts effective date.]

5 (c) Any late applications or payments for renewal of approval received on or after ~~July 1,~~
6 ~~1992~~ September 1, 1995.

7 (d) Any other amended application materials received on or after ~~July 1, 1992~~ the effective
8 date of this section. [Revisor inserts effective date.]

9 **SECTION 2.** EAB 5.11 (2) is repealed and recreated to read:

10 (2) FEES FOR INITIAL SCHOOL APPROVAL. (a) A school which is not approved to
11 operate or do business in this state and which is applying for approval shall pay a fee of:

12 1. \$1,500, if the school is applying for approval of one program which does not lead to a
13 degree.

14 2. \$2,000, if the school is applying for approval of one program which leads to an
15 associate degree.

16 3. \$2,800, if the school is applying for approval of one program which leads to a
17 baccalaureate degree.

18 4. \$3,400, if the school is applying for approval of one program which leads to a
19 master's degree.

20 5. \$4,600, if the school is applying for approval of one program which leads to a
21 doctoral degree.

1 (b) If the school is applying for approval of more than one program, the school shall pay
2 the highest applicable fee specified in par. (a), plus the fee specified in sub. (4) for each
3 additional program for which the school requests approval.

4 (c) If the school is applying for approval of teaching locations in addition to the main
5 location listed on the application for approval, the school shall pay, in addition to the fee
6 specified in par. (a), the fee specified in sub. (6) for each teaching location.

7 (d) The board shall reduce the fees specified in par. (a) by 50% of the program fee
8 specified in sub. (4) (a) for a program of the same level if all of the following conditions are met:

9 1. The school making application for approval of the program is incorporated in a state
10 other than Wisconsin, has its main campus outside Wisconsin, and offers in Wisconsin only
11 programs leading to a baccalaureate or higher degree.

12 2. The school presents written evidence of authorization from its home state to offer the
13 program and degree which it desires to offer to Wisconsin residents. The evidence which the
14 school submits to meet this requirement shall include unabridged copies of all findings and
15 program reviews which the home state authorizing agency completed regarding the program.

16 3. If the school is requesting authorization to enroll Wisconsin residents in a program
17 which it offers in a state other than its home state, the school presents written evidence of
18 program and degree authorization from the state in which the program is offered. The evidence
19 which the school submits to meet this requirement shall include unabridged copies of all findings
20 and program reviews which the state authorizing agency completed regarding the program.

21 4. The school presents written evidence that it is accredited by an accrediting agency
22 recognized by the U. S. Department of Education to offer the program and degree which it
23 desires to offer to Wisconsin residents. The evidence which the school submits to meet this

1 requirement shall include unabridged copies of all self-studies which the school submitted to the
2 accrediting agency and unabridged copies of all findings and reviews which the accrediting agen-
3 cy completed regarding the program.

4 5. The school presents written evidence that its home state gives similar Wisconsin
5 schools at least an equivalent fee reduction in comparable licensing and oversight fees. The
6 evidence which the school submits to meet this requirement shall include a copy of the
7 applicable statutory and regulatory language from the home state.

8 **SECTION 3.** EAB 5.11 (3) (i) is amended to read:

9 (i) A school which submits an application for renewal of approval or makes the first
10 payment required under par. (c) or (d) after September 1, or which makes the second payment
11 required under par. (c) or (d) after March 1, shall pay, for each month or part of a month the
12 application or payment is late, a fee of \$50 ~~plus or~~ 1.5% of any late first or second payment,
13 whichever is greater, in addition to the fees specified in par. (c) or (d). ~~During the period from~~
14 ~~July 1, 1992, through January 1, 1993, the total late fee payable by a school shall not exceed~~
15 ~~\$400.~~

16 **SECTION 4.** EAB 5.11 (4) (a) 1 through 3 are amended to read:

17 (a) When applying for approval of a new or substantially revised program, a school shall
18 pay the following fee:

- 19 1. ~~\$600~~ \$900, if the program for which the school seeks approval does not lead to a
20 degree.
- 21 2. ~~\$1,200~~ \$1,400, if the program for which the school seeks approval leads to an
22 associate degree.

1 3. ~~\$2,100~~ \$2,300, if the program for which the school seeks approval leads to a degree
2 ~~other than an associate~~ baccalaureate degree.

3 **SECTION 5.** EAB 5.11 (4) (a) 4 and 5 are created to read:

4 4. \$2,800, if the program for which the school seeks approval leads to a master's degree.

5 5. \$3,800, if the program for which the school seeks approval leads to a doctoral degree.

6 **SECTION 6.** EAB 5.11 (4) (b) (intro.) is amended to read:

7 (b) The board shall reduce the fees specified in par. (a) by ~~50%~~ 25% if the program for
8 which the school requests approval meets all of the following conditions:

9 **SECTION 7.** EAB 5.11 (4) (c) is created to read:

10 (c) The board shall reduce the fees specified in par. (a) by 50% if all of the following
11 conditions are met:

12 1. The school making application for approval of the program is incorporated in a state
13 other than Wisconsin, has its main campus outside Wisconsin, and offers in Wisconsin only
14 programs leading to a baccalaureate or higher degree.

15 2. The school presents written evidence of authorization from its home state to offer the
16 program and degree which it desires to offer to Wisconsin residents. The evidence which the
17 school submits to meet this requirement shall include unabridged copies of all findings and
18 program reviews which the home state authorizing agency completed regarding the program.

19 3. If the school is requesting authorization to enroll Wisconsin residents in a program
20 which it offers in a state other than its home state, the school presents written evidence of
21 program and degree authorization from the state in which the program is offered. The evidence
22 which the school submits to meet this requirement shall include unabridged copies of all findings
23 and program reviews which the state authorizing agency completed regarding the program.

1 4. The school presents written evidence that it is accredited by an accrediting agency
2 recognized by the U. S. Department of Education to offer the program and degree which it
3 desires to offer to Wisconsin residents. The evidence which the school submits to meet this
4 requirement shall include unabridged copies of all self-studies which the school submitted to the
5 accrediting agency and unabridged copies of all findings and reviews which the accrediting agen-
6 cy completed regarding the program.

7 5. The school presents written evidence that its home state gives similar
8 Wisconsin schools at least an equivalent fee reduction in comparable licensing and oversight
9 fees. The evidence which the school submits to meet this requirement shall include a copy of the
10 applicable statutory and regulatory language from the home state.

11 **SECTION 8.** EAB 5.11 (5) (a) is amended to read:

12 (a) When applying for approval of a revised program, a school shall pay the following fee:

- 13 1. ~~\$200~~ \$400, if the program for which the school seeks approval does not lead to a
14 degree.
- 15 2. ~~\$400~~ \$600, if the program for which the school seeks approval leads to an associate
16 degree.
- 17 3. ~~\$700~~ \$1,300, if the program for which the school seeks approval leads to a degree
18 ~~other than an associate~~ baccalaureate degree.

19 **SECTION 9.** EAB 5.11 (5) (a) 4 and 5 are created to read:

- 20 4. \$1,600, if the program for which the school seeks approval leads to a master's degree.
- 21 5. \$2,300, if the program for which the school seeks approval leads to a doctoral degree.

22 **SECTION 10.** EAB 5.11 (5) (b) (intro.) is amended to read:

1 (b) The board shall reduce the fees specified in par. (a) by ~~50%~~ 10% if the program for
2 which the school requests approval meets all of the following conditions:

3 **SECTION 11.** EAB 5.11 (5) (c) is created to read:

4 (c) The board shall reduce the fees specified in par. (a) by 10% if all of the following
5 conditions are met:

6 1. The school making application for approval of the program is incorporated in a state
7 other than Wisconsin, has its main campus outside Wisconsin, and offers in Wisconsin only
8 programs leading to a baccalaureate or higher degree.

9 2. The school presents written evidence of authorization from its home state to offer the
10 program and degree which it desires to offer to Wisconsin residents. The evidence which the
11 school submits to meet this requirement shall include unabridged copies of all findings and
12 program reviews which the home state authorizing agency completed regarding the program.

13 3. If the school is requesting authorization to enroll Wisconsin residents in a program
14 which it offers in a state other than its home state, the school presents written evidence of
15 program and degree authorization from the state in which the program is offered. The evidence
16 which the school submits to meet this requirement shall include unabridged copies of all findings
17 and program reviews which the state authorizing agency completed regarding the program.

18 4. The school presents written evidence that it is accredited by an accrediting agency
19 recognized by the U. S. Department of Education to offer the program and degree which it
20 desires to offer to Wisconsin residents. The evidence which the school submits to meet this
21 requirement shall include unabridged copies of all self-studies which the school submitted to the
22 accrediting agency and unabridged copies of all findings and reviews which the accrediting agen-
23 cy completed regarding the program.

1 5. The school presents written evidence that its home state gives similar
2 Wisconsin schools at least an equivalent fee reduction in comparable licensing and oversight
3 fees. The evidence which the school submits to meet this requirement shall include a copy of the
4 applicable statutory and regulatory language from the home state.

5 **SECTION 12.** EAB 5.11 (7) (c) is amended to read:

6 (c) The school shall submit to the board within ten business days after the change
7 of ownership or control an application reflecting the change of ownership or control and a fee of
8 ~~\$400, plus:~~

9 ~~1. A fee, as provided in sub. (4), for each new program listed on the application;~~

10 ~~2. A fee, as provided in sub. (5), for each revised program listed on the application; and~~

11 ~~3. A fee, as provided in sub. (6) for each teaching location listed on the application which,~~
12 ~~at the time the school files the application, is not approved by the board as a teaching location of~~
13 ~~the school \$600.~~

14 **SECTION 13.** Section EAB 5.11 (7) (e) is created to read:

15 (e) If a school makes any changes to programs or locations of the school as a result of the
16 change of ownership, the school shall submit an application separate from the change of owner-
17 ship application for each changed program or location and shall pay the fees required under this
18 section.

19 **SECTION 14.** EAB 5.11 (9) (a) through (e) are amended to read:

20 (a) For an application for initial school approval, ~~\$70~~ 10% of the fee specified in sub. (2)

21 (a).

22 (b) For an application for renewal of school approval, ~~\$25~~ \$50.

1 (c) For an application for approval of a new or substantially revised program ~~which does~~
2 ~~not lead to a degree, \$60~~ 10% of the fee specified in sub. (4) (a).

3 (d) For an application for approval of a ~~new or substantially revised program which leads~~
4 ~~to an associate degree, \$120~~ 10% of the fee specified in sub. (5) (a).

5 (e) For an application for approval of a ~~new or substantially revised program which leads~~
6 ~~to a degree other than an associate degree~~ teaching location, \$210 10% of the fee specified in
7 sub. (6).

8 **SECTION 15.** EAB 5.11 (9) (f) through (i) are repealed.

9 **SECTION 16.** EAB 5.11 (9) (j) is renumbered EAB 5.11 (9) (f) and is amended to read:

10 (f) For an application for approval after a change of ownership or control, ~~\$40 plus the~~
11 ~~fee specified in this subsection for each program for which the school seeks approval~~ 10% of the
12 fee specified in sub. (7) (c).

13 **SECTION 17.** EAB 5.11 (10) (a) through (d) are amended to read:

14 (a) For an application for initial school approval, ~~\$175~~ :

15 1. 25% of the fee specified in sub. (2) (a) if the amendment applies only to forms or
16 documents and does not make any revisions to program content.

17 2. 50% of the fee specified in sub. (2) (a) if the amendments involve revisions to
18 program content which would be considered substantial under section EAB 1.485.

19 3. 40% of the fee specified in sub. (2) (a) if the amendments involve revisions to
20 program content which would not be considered substantial under section EAB 1.485.

21 (b) For an application for renewal of school approval, ~~\$50~~ \$100.

22 (c) For an application for approval of a new or substantially revised program ~~which does~~
23 ~~not lead to a degree, \$150.~~

1 1. 25% of the fee specified in sub. (4) (a) if the amendment applies only to forms or
2 documents and does not make any revisions to program content.

3 2. 50% of the fee specified in sub. (4) (a) if the amendments involve revisions to
4 program content which would be considered substantial under section EAB 1.485.

5 3. 40% of the fee specified in sub. (4) (a) if the amendments involve revisions to
6 program content which would not be considered substantial under section EAB 1.485.

7 (d) For an application for approval of a ~~new or substantially~~ revised program which leads
8 ~~to an associate degree, \$300:~~

9 1. 25% of the fee specified in sub. (5) (a) if the amendment applies only to forms or
10 documents and does not make any revisions to program content.

11 2. 50% of the fee specified in sub. (5) (a) if the amendments involve revisions to
12 program content which would be considered substantial under section EAB 1.485.

13 3. 40% of the fee specified in sub. (5) (a) if the amendments involve revisions to
14 program content which would not be considered substantial under section EAB 1.485.

15 **SECTION 18.** EAB 5.11 (10) (e) is repealed.

16 **SECTION 19.** EAB 5.11 (10) (f) is repealed and recreated to read:

17 (f) If the amendment includes both revisions to forms or documents and revisions to
18 program content, the school shall pay only the appropriate fee for revisions to program content.

19 **SECTION 20.** EAB 5.11 (10) (g) through (i) are repealed.

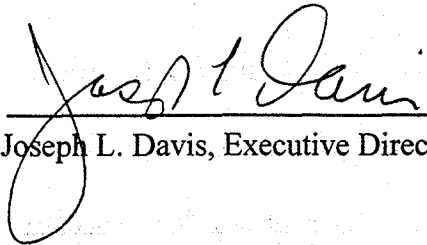
20 **SECTION 21.** EAB 5.11 (10) (j) is renumbered EAB 5.11 (10) (e) and is amended to
21 read:

1 (e) For an application for approval after a change of ownership or control, ~~\$100 plus the~~
2 ~~fee specified in this paragraph for each program for which the school seeks approval~~ 25% of the
3 fee specified in sub. (7) (c).

The rules contained in this order shall take effect on the first day of the month following publica-
tion in final form in the administrative register, as provided by § 227.22 (intro.), Stats.

Dated: January 26, 1996

Agency: Educational Approval Board

By: 
Joseph L. Davis, Executive Director