

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Higher Education Committee

BILL: SB 2536

INTRODUCER: Senator Oelrich

SUBJECT: Commission on Independent Education

DATE: April 5, 2007 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harkey	Matthews	HE	Pre-meeting
2.			GO	
3.			HI	
4.				
5.				
6.				

I. Summary:

The bill makes the Commission for Independent Education (CIE) a separate budget entity not subject to oversight by the Department of Education (DOE), but housed in DOE for administrative purposes only. The bill:

- Expands the Commission from 7 to 9 members, adding a representative who is either an owner or employee of an independent non-accredited school licensed by the commission and two members who are either owners or employees of an independent college or school licensed by the commission, and by eliminating the representative from a religious college or school that meets the criteria of s. 1005.06(1)(f), F.S.;
- Clarifies the responsibilities of the executive director to supervise, direct, coordinate and administer all activities necessary to fulfill the commission’s statutory responsibilities and to hire staff necessary to assist in fulfilling these responsibilities;
- Eliminates the requirement that the commission’s rules be approved by the State Board of Education;
- Requires CIE to submit its annual budget to the Governor, and to annually report to the Legislature amounts received and all expenditures; and
- Requires the chief financial officer of DOE to pay out funds as directed by the executive director.

This bill amends sections 1005.21 and 1005.22 of the Florida Statutes.

II. Present Situation:

The Commission for Independent Education is created in the Department of Education in Part II of ch. 1005, F.S. The DOE serves as the administrative agent for the commission by providing payroll, procurement, legal, and other services. The commission must submit its annual budget to the State Board of Education.

The commission was created by the 2001 Legislature as a result of combining and transferring to a single board the powers and duties of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education. The Commission is comprised of seven members who are state residents and who are appointed by the Governor, as follows:

- Two representatives of independent colleges or universities licensed by the Commission;
- Two representatives of independent, nondegree-granting schools licensed by the Commission;
- One member from a public school district or community college who is an administrator of career and technical education;
- One representative of a religious college that meets the criteria of s. 1005.0(1)(f), F.S., and thus can operate without governmental oversight; and
- One lay member who is not affiliated with an independent postsecondary educational institution.

The members are subject to confirmation by the Senate.

For the independent postsecondary institutions under its jurisdiction, the Commission:

- Sets licensure standards;
- Reviews applications for and issues licenses;
- Monitors the consumer practices of these institutions; and
- Serves as a central agency for collecting and distributing information regarding these institutions.

Section 1005.35, F.S., directs the commission to annually establish a fee schedule to generate, from fees, the amount of revenue appropriated for its operation and requires the commission to submit its fee revenue through the DOE for deposit into the Institutional Assessment Trust Fund. The trust fund, established in s. 1010.83, F.S., consists of all fees and fines imposed upon nonpublic colleges and schools pursuant to chs. 1010 and 1005, F.S., including all fees collected from nonpublic colleges and schools for participation in the Student Protection Fund and the statewide course numbering system. The Department must maintain separate accounts for the operation of the commission, the Student Protection Fund, and the department.

III. Effect of Proposed Changes:

The bill makes the Commission for Independent Education a separate budget entity not subject to oversight by the DOE, but housed within the department for administrative purposes only. The bill requires CIE to submit its annual budget to the Governor.

The bill expands the membership of the commission from 7 to 9 members by adding a representative who is either an owner or employee of an independent non-accredited school licensed by the commission and two members who are either owners or employees of an independent college or school licensed by the commission, and by eliminating the representative from a religious college or school that meets the criteria of s. 1005.06(1)(f), FS.

The bill clarifies the responsibilities of the executive director, who serves at the pleasure of the commission, to supervise, direct, coordinate and administer all activities necessary to fulfill the commission's statutory responsibilities and to hire staff necessary to assist in fulfilling these responsibilities.

The bill eliminates the requirement that the commission's rules be approved by the State Board of Education and authorizes the commission to adopt rules pursuant to ss. 120.536(1) and 120.54, F.S., to administer the provisions of ch. 1005, F.S.

The bill requires the chief financial officer of DOE to pay out funds as directed by the executive director of the commission and requires CIE to annually report to the Legislature amounts received and all expenditures.

The bill deletes an obsolete reference to the Council for Education Policy Research and Improvement, which has not been in operation since 2005.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The DOE reports that the commission uses fee revenue, deposited into the Institutional Assessment Trust Fund, to pay its salaries and expenses. However, the DOE has indicated that its costs for administration of the commission would continue if the commission is a separate budget entity. The DOE's estimated 2006-2007 costs are shown in the chart below:

**Department of Education
Commission for Independent Education (CIE)
Analysis of Pro-rated and Direct Costs**

	2006-07 CIE	Support Function FTE	CIE FTE/Support FTE	2006-07 Budgeted Expenditures	2006-07 Prorated Cost of Support to CIE
Chief Education Financial Officer	16.00	2,637.50	0.6066%	872,402	5,292
Grants Management Services	16.00	2,637.50	0.6066%	3,199,240	19,407
Office of K-12 Budgets	16.00	1,255.00	1.2749%	1,057,070	13,477
Office of the Comptroller	16.00	2,637.50	0.6066%	3,388,316	20,554
Office of General Services	16.00	1,255.00	1.2749%	1,880,820	23,979
Office of Personnel Mgt	16.00	2,637.50	0.6066%	821,348	4,982
Human Relations	16.00	2,637.50	0.6066%	350,183	2,124
Chief Technology Officer	16.00	2,637.50	0.6066%	14,107,679	85,577
Sub-total Prorated Costs*				25,677,058	175,392.00
Commission on Independent Education	16.00	16.00	100.0000%	3,448,643	3,448,643
General Counsel Position and Related Cost	0.50	0.50	100.0000%	47,113	47,113
Sub-total Direct Costs				3,495,756	3,495,756
Total Cost				29,172,814	3,671,148

*This total is used in the analysis to reflect the administrative costs attributed to the Department of Education's budget because of support functions provided to the Commission for Independent Education. It is derived by applying the ratio of CIE employees to all full time equivalent employees of the department to the budgets of the offices that provide the listed support services.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

None.

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