

May 3, 2007

MEMORANDUM

To: Dr. Layton R. McCurdy, Chairman, and Members, Commission on Higher Education

From: Dr. Bettie Rose Horne, Chair, and Members, Committee on Academic Affairs and Licensing

**Consideration of Request for Initial License to Recruit in South Carolina
Capella University, Minneapolis, MN**

Summary

Capella University <www.capella.edu> requests approval to recruit South Carolina residents into its distance learning programs leading to the B.S. degree in (1) Business and (2) Information Technology; the Master of Business Administration; the M.S. degree in (1) Education, (2) Human Services, (3) Information Technology, (4) Organization and Management, (5) Psychology, (6) and Public Safety; the Ph.D. degree in (1) Education, (2) Human Services, (3) Information Technology, (4) Organization and Management, (5) Psychology (6) Public Safety; and the Doctorate degree in Psychology.

Capella University provides exclusively online post-secondary education and is wholly owned by Capella Education Company, a Minnesota corporation. Its stock is traded on the NASDAQ market under the ticker symbol CPLA.

In 1993 Stephen Shank and Dr. Harold Abel founded The Graduate School of America (TGSA), and in 1999 renamed the institution Capella University. Other historical milestones are listed on the web site of Capella at http://www.capella.edu/about_capella/history.aspx.

The Minnesota Higher Education Services Offices approves Capella University to offer bachelor's, master's, and doctorate degrees. More than a dozen other states license/approve Capella to offer its programs to their residents. The Higher Learning Commission of the North

Central Association of Colleges and Schools has accredited Capella since 1997. The Council for Accreditation of Counseling and Related Educational Programs (CACREP) accredits the programs leading to the M.S. in Human Services with specializations in (1) Mental Health Counseling and (2) Marital, Couple, and Family Counseling/Therapy.

The South Carolina Department of Labor, Licensing and Regulation (LLR), Board of Examiners in Psychology, has accepted an application for licensure in clinical psychology from a graduate of the program leading to the Psy.D. in Counseling Psychology. LLR, Board of Examiners for Licensure of Professional Counselors, Marriage, and Family Therapists and Psycho-Educational Specialists, has confirmed that students who complete the program leading to the M.S. in Human Services, Marital, Couple, and Family Counseling/Therapy or the program leading to the M.S. in Human Services, Mental Health Counseling, are not eligible for licensure as a professional counselor. Capella University officials have agreed to disclose this information to SC residents before they enroll in the program and obtain written acknowledgment from students who apply to enroll in either counseling program as follows:

I understand and accept, as a student enrolled in one of the following programs, that graduates of the Capella University program leading to the Master of Science degree in Human Services, specializations in (1) Marital, Couple, and Family Counseling/Therapy and (2) Mental Health Counseling **do not meet the requirements for licensure of the SC Department of Labor, Licensing and Regulation—Board of Examiners for the Licensure of Professional Counselors, Marriage and Family Therapists, and Psycho-Educational Specialists.**

None of the education programs is for initial teacher certification. A representative with the Division of Educator Quality and Leadership at the South Carolina Department of Education confirmed that teachers who complete the program leading to the M.S. degree or Ph.D. degree in Education with a specialization in Leadership in Educational Administration are eligible for principal and superintendent certification through reciprocity with Arizona and Minnesota when verified through an official transcript and institutional recommendation. Likewise, those who complete the program leading to the M.S. degree in Psychology with a specialization in School Psychology are eligible for certification through reciprocity with Arizona and Minnesota. Teachers who take graduate courses at Capella University are eligible for salary increases under the Department of Education compensation system linked to accumulation of graduate credits (e.g., bachelor's plus 18; master's plus 30). Certified teachers may also use the courses to qualify for certification renewal.

Each school at Capella University (Business and Technology, Education, Human Services, Psychology, and Undergraduate Studies) employs a dean, a faculty director (full-time management), faculty chairs (full-time), core faculty (full-time), and adjunct faculty. Capella University employs 904 faculty members; 130 (14 percent) are full-time and 774 (86 percent) are part-time/adjunct; 719 (80 percent) hold doctorate degrees.

Courses are offered online and by directed study in which learners work one-to-one with a faculty tutor. All doctoral programs and clinically-focused master's programs require learners to attend academic residencies (either colloquia, practicum, internship, or the year-in-residence) offered in various locations. Academic residencies provide opportunities for learners to become familiar with Capella University's resources, to learn research methodologies, and to prepare for navigating the comprehensive examination and dissertation processes.

The University offers support services for new learners through an online orientation, a discipline-specific FirstCourse. At any time in the program an instructor or academic advisor may identify critical skills that may require further development. The development of these skills may include additional course work.

Currently 616 South Carolina residents are enrolled in Capella programs. Institution officials project that it will enroll in 2007 approximately 200 additional South Carolina residents. For admission into the undergraduate programs, applicants must have a high school diploma or equivalent and must be at least 24 years of age. The age requirement is waived for active military personnel and applicants with 90 or more quarter credit hours of prior postsecondary course work. Admission requirements for the graduate programs are included in the description of each program. Students must complete 25 percent of their programs at Capella. Tuition rates for each program are listed in the following tables.

Capella University Tuition Charges					
	Business	I.T.	Education	Human Services	Psychology
B.S. per 6-credit course	\$1,740	\$1740			
B.S. per 3-credit course	\$870	\$870			
M.B.A. per 3-credit course	\$1,755				
M.S. per 6-credit course			\$2,190		
M.S. per 5-credit course					\$1,705
M.S. per 4-credit course	\$1,995	\$1,995	\$1,460	\$1,520	
M.S. per 3-credit course			\$1,095		
M.S. per 2-credit course		\$998	\$730	\$760	
M.S. residential colloquium per week				\$1,350	\$1,350
M.S. – School of Psychology year-in residence – weekends-in-residence (4)					\$756
M.S. – School of Psychology year-in residence – extended seminar (1)					\$2,700
Ph.D. – per quarter	\$4,050		\$4,050	\$4,050	
Ph.D. – per quarter, comprehensive exam and dissertation courses	\$3,240		\$3,240	\$3,240	
Ph.D. per 5-credit course					\$2,075
Ph.D. per 5-credit course, enrolled in two or more					\$1,875
Ph.D. residential colloquium per week	\$1,350		\$1,350	\$1,350	\$1,350
Psy.D. – per 5-credit course					\$2,075
Psy.D. – per 5-credit course, enrolled in two or more					\$1,875
Psy.D. – weekends-in-residence (9)					\$1,700
Psy.D. – extended seminars (2)					\$5,400

Capella University
School of Undergraduate Studies

View curricula descriptions and outlines at

http://www.capella.edu/schools_programs/undergraduate_studies/undergrad_studies_index.aspx

Degree	Specializations
B.S. in Business	Accounting Business Administration Finance Human Resource Management Management and Leadership Marketing
B.S. in Information Technology	General Information Technology Graphics and Multimedia Information Assurance and Security Network Technology Project Management Web Application Development.

Capella University
School of Business and Technology
View curricula descriptions and outlines at

http://www.capella.edu/schools_programs/business_technology/business_technology_index.aspx

Degree	Specializations
M.B.A.	Accounting Finance General Business Health Care Management Information Technology Management Marketing Project Management
M.S. in Information Technology	General Information Technology Information Security Network Architecture and Design Project Management and Leadership System Design and Programming
M.S. in Organization and Management	General Specialization Human Resource Management Information Technology Management Leadership
Ph.D. in Information Technology	Information Technology Education Information Security Management Project Management
Ph.D. in Organization and Management	General Specialization Human Resource Management Information Technology Management Leadership Management Management Education

**Capella University
School of Education**

View curricula descriptions and outlines at

http://www.capella.edu/schools_programs/education/education_index.aspx

Degree	Specializations
M.S. in Education	Curriculum and Instruction Enrollment Management Instructional Design for Online Learning K-12 Studies in Education Leadership for Higher Education Leadership in Educational Administration Postsecondary and Adult Education Professional Studies in Education Reading and Literacy Training and Performance Improvement
Ph.D. in Education	Curriculum and Instruction Instructional Design for Online Learning K-12 Studies in Education Leadership for Higher Education Leadership in Educational Administration Postsecondary and Adult Education Professional Studies in Education Training and Performance Improvement

Capella University
School of Human Services

View curricula descriptions and outlines at

http://www.capella.edu/schools_programs/human_services/human_services_index.aspx

Degree	Specializations
M.S. in Human Services	Counseling Studies General Human Services Health Care Administration Management of Nonprofit Agencies Social and Community Services Marital, Couple, and Family Counseling/Therapy Mental Health Counseling
M.S. in Public Safety	Criminal Justice Emergency Management Public Safety Leadership
Ph.D. in Human Services	Counseling Studies Health Care Administration Management of Nonprofit Agencies Social and Community Services
Ph.D. in Public Safety	Criminal Justice Emergency Management Public Safety Leadership

Capella University School of Psychology View curricula descriptions and outlines at http://www.capella.edu/schools_programs/psychology/psychology_index.aspx	
Degree	Specializations
M.S. in Psychology	Clinical Psychology Counseling Psychology Educational Psychology General Psychology Industrial/Organizational Psychology School Psychology Sport Psychology
Ph.D. in Psychology	Educational Psychology General Psychology Industrial/Organizational Psychology
Psy.D.	Clinical Psychology Counseling Psychology

Recommendation

The Committee on Academic Affairs and Licensing recommends that the Commission approve Capella University’s request for initial licensure for five years beginning immediately to recruit South Carolina residents into programs leading to the B.S. degree in (1) Business and (2) Information Technology; the Master of Business Administration; the M.S. degree in (1) Education, (2) Human Services, (3) Information Technology, (4) Organization and Management, (5) Psychology, (6) and Public Safety; the Ph.D. degree in (1) Education, (2) Human Services, (3) Information Technology, (4) Organization and Management, (5) Psychology (6) Public Safety; and the Doctorate degree in Psychology.