



AMERICAN
PSYCHOLOGICAL
ASSOCIATION

June 7, 2011

National Advisory Committee for Integrity and Quality Insurance (NACIQI) and
Office of Accreditation
Office of Postsecondary Education
1990 K Street, NW
Washington, DC 20006

Dear USDE Accreditation Staff and Members of NACIQI:

The American Psychological Association (APA) is recognized by the Internal Revenue Service as a scientific, educational and charitable tax exempt organization under Section 501 C(3) of the Internal Revenue Code. Among other things, APA's mission is to improve the quality of psychology services and the qualifications of psychologists through its educational standards. APA began its accreditation function in 1948. Much has changed in education and accreditation since that time. What has not changed is the APA's commitment to its accrediting body – the APA Commission on Accreditation (APA-CoA).

In reviewing the staff comment regarding APA's application for re-recognition by the Department of Education, there seems to be some confusion regarding a special fund that APA established to allow stabilization of fees paid by accredited and applicant programs who seek accreditation by APA through its Commission on Accreditation (CoA). In a nutshell, APA established a segregated fund within its accounting system for CoA fee revenues to allow excess revenue to be carried over from year to year for accreditation activities. The fund allows the Commission on Accreditation to maintain excess revenue in a given year to provide for enhancements and increased expenses while preventing yearly fluctuation in program fees. The Fee Stabilization Fund has been very successful in this regard, in that there were no adjustments in the fee structure for programs and internships participating in the accreditation program for over 10 years.

From the time of its establishment it was expected that the fund would be drawn down over time. Indeed, significant expenditures have been made in the last several years to build the accreditation data systems and to hold open forums for accredited programs. Even with these increased expenses, there is close to \$1 million in the Fee Stabilization Fund at the end of 2010 (based upon a final budget that was not available at the time of the initial submission of the petition). Given the current status of the Fee Stabilization Fund, and the high probability of increased fees following a review of the fee structure this year, there is not an issue with the stability of funding for the APA-CoA.

Aside from amplifying the description of the Fee Stabilization Fund established by APA, however, it is critical to understand that the Commission on Accreditation is an integral part of

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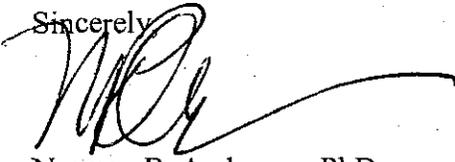


APA. Accreditation is a core mission of the American Psychological Association which is carried out by the Commission on Accreditation, a continuing committee of APA, established and defined in the Association Rules and APA policies and procedures. As such, the Commission has the full backing of the Association to assure continuity of its activities. With an overall 2011 budget of \$113.5 million and in 2010, \$39.7 million in net assets, with a 2010 Operating Margin of \$8.4 million, there is no question but that APA accreditation has all the resources it will need to continue its important work.

APA has historically fully supported its accreditation program and will continue to do so.

Thank you for time and interest.

Sincerely,

A handwritten signature in black ink, appearing to read 'NBA', with a long horizontal flourish extending to the right.

Norman B. Anderson, PhD
Chief Executive Officer