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CHAIRMAN KEISER: Welcome to the June meeting of
the National Advisory Committee of Institutional Quality and
Integrity. We would like to begin first by introducing the members
of the Committee and the staff and Claude would you start?

MR. PRESSNELL: Claude Pressnell with the
Tennessee Independent Colleges and Universities.

MR. FRENCH: Good morning, George French,
President of Miles College.

MR. O’DONNELL: Good morning, Rick
O’Donnell with Skills Fund.

MS. SULLIVAN ALIOTO: Good morning,
Kathleen Sullivan Alioto, raising money for public and private
education.

MR. BOEHME: Simon Boehme, Student Member.

MS. DERBY: Jill Derby, Association of Governing
Boards of Universities and Colleges.

MR. ZARAGOZA: Federico Zaragoza, Alamo
Colleges.

MR. BOUNDS: Herman Bounds, Director of the
Accreditation Group, U.S. Department of Education.

MS. HONG: Good morning, welcome, Jennifer
Hong, Executive Director and Designated Federal Official.

MR. KEISER: Arthur Keiser, Chancellor of Keiser University.

VICE CHAIRMAN WU: Frank Wu, University of California Hastings College of Law.

MR. ROTHKOPF: Arthur Rothkopf, President Emeritus, Lafayette College.

MS. NEAL: Anne Neal, American Council of Trustees and Alumni.

MR. ETCHEMENDY: John Etchemendy, Stanford University.

MS. PHILLIPS: Susan Phillips, University of Albany State University of New York.

MR. JONES: Brian Jones from Strayer University.


MR. VAN AUSDLE: Steven Van Ausdle, President Emeritus, Walla Walla Community College.

MS. SHULTZ: Rachael Shultz, Ed Staff.

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MS. ABRAMS: Corrine Abrams, Intern.
MS. DAGGATT: Elizabeth Daggatt, Ed Staff.

MS. MCKISSICK: Stephanie McKissick, Ed Staff.

MR. MULA: Chuck Mula, Ed Staff.

MS. HARRIS: Dr. Nicole S. Harris, Ed Staff.

CHAIRMAN KEISER: Well again, for all of the members of the audience welcome. It is with great pleasure that I could introduce the Acting Under-Secretary of Education Mr. Jim Manning and he will have some comments for us.

MR. MANNING: Thank you Art. I am delighted to have the opportunity to be with you all this morning. I also wanted to represent the Secretary and to thank you on her behalf for your service on this important issue of accreditation.

I also want to thank several groups of people with whom NACIQI’s work would not be possible. First I want to thank NACIQI Executive Director Jennifer Hong as well as the rest of team at the Department for all they do to support NACIQI’S work.

And the Office of Post-Secondary Education I really can’t thank you enough for everything that you do for us every day. I also want to thank each and every one of the NACIQI Committee members for dedicating your time and talents to this important work.
And a special thanks to Art Keiser for serving as NACIQI’s Chairman. I know Art has been around for a while and his experience is valued.

In today’s world of higher education credential is more important now than ever for participation in the global economy. And the work you do here at NACIQI helps to ensure that we have reliable authorities whom are able to determine the quality of education provided by institutions in their accredited programs.

NACIQI plays a vital role in making sure that all accreditation bodies, institutions and programs are providing a high-quality education to students. Through its charter, NACIQI’s core mission is to advise the Secretary on issues of accreditation. Your recommendations provide valuable advice to the Secretary in carrying out her accreditation responsibilities as defined under the Higher Education Act of 1965.

And as I said before your service is greatly appreciated. NACIQI’s recommendations also play a critically important role in assisting the Secretary and the Department in determining what institutions can access billions of dollars of federal funding through Title IV. This is a critically important role.
As you begin your three day meeting today, I want to encourage you to continue to strive to provide the best advice possible in all situations within the framework of this core mission. The Secretary values this body’s collective knowledge and experience and looks forward to benefiting from it as she continues to execute her duties under the Higher Education Act.

Every student in America deserves the opportunity to access a high-quality education. Both the Secretary and I look forward to hearing from NACIQI your recommendations as you helped make this vision a reality. Thank you very much. I look forward to hearing this morning’s sessions.

CHAIRMAN KEISER: Thank you Mr. Manning. My job today is to explain to you the process which we go about in the reviewing of the different agencies. The first part of the process is that the Primary Readers, there are usually two chosen from the group to introduce the Agency’s application.

Then the Department staff provides a briefing regarding their recommendations. The third part is that the agency representatives then provide comments to the Committee, then the Primary Readers have the opportunity to ask questions of the agencies including standard questions which we have adopted for
initial and renewal applications.

Then there are questions by the rest of the Committee regarding the testimony of the Agency representatives. The Agency then has an opportunity -- then there are third-party commenters and the Agency has an opportunity to respond to the third party comments.

The Department staff then responds to the Agency and the third-party comments and then the NACIQI Committee then has a discussion and a vote. And finally we have a final set of standard questions, questions we have been asking most of the agencies on how to improve institutional and program quality for initial renewal applicants.

I would like to now recognize Anne Neal, where are you Anne? Anne -- there you are, who will begin the first issue -- actually Jennifer, do you have some comments that you want to make -- I’m sorry?

MS. HONG:  Sure, I will just take a minute to welcome everybody. Thank you for being here despite some travel delays which made for some arduous travel for our members getting in last night which prevented a couple of members from getting in. So thank you all.

I have to say that we have a packed house and
welcome to all members of the community out there. As many of
you know NACIQI was established by Section 114 of the Higher
Education Act in 1965 as amended or HEA and has also governed
the provisions of the Federal Advisory Committee Act as amended,
or FACA which sets forth standards for the formation and use of
advisory committees.

Sections 101C and 487C-4 of the HEA and Section
8 8016 of the Public Health Service Act, 42 U.S.E. Section 296.6
require the Secretary to publish lists of state approval agencies,
nationally recognized accrediting agencies and state approval on
crediting agencies of programs of nurse education as the Secretary
determines to be reliable authorities as to the quality of education
provided by the institutions and programs they accredit.

Eligibility of educational institutions and programs
for participating in various federal programs requires accreditation
by an agency listed by the Secretary.

As provided in HEA Section 114, NACIQI advises
the Secretary on the discharge of these functions and is also
authorized to provide advice regarding the process of eligibility
and certification of institutions of higher education for
participation in the Federal Student Aid Programs authorized in
Title IV of the HEA.
Further, in addition to these charges, NACIQI authorizes academic graduate degrees from federal agencies and institutions. This authorization was provided by letter from the Office of Management and Budget back in 1954.

And this letter is available on the NACIQI website along with all other records related to NACIQI’s deliberations. NACIQI will be reviewing two requests related to this authority for this meeting. So thank you Under-Secretary Manning for your remarks this morning and I am happy to hand it off to our very able Chairman Art Keiser.
Renewal of Recognition

Distance Education Accrediting Commission

(DEAC)

CHAIRMAN KEISER: Thank you Jennifer. We now go to the Renewal of Recognition for the Distance Education Accrediting Commission. The Primary Readers were Paul LeBlanc and Anne Neal. Paul LeBlanc’s flight was cancelled so he will not be with us but Anne will carry on ably.

The Department Staff is Rachael Shultz. The Agency Representatives are Leah Matthews, David Oxenhandler and Robert Brodnick. We have one third-party commenter.

MS. NEAL: I will try to do my best in Paul’s absence. The Distance Education Accrediting Commission accredits post-secondary institutions that offer programs primarily through distance education from the non-degree level through the professional doctoral degree.

The Agency currently accredits 76 post-secondary institutions within the United States. It is a Title IV gatekeeper for 11 institutions and 9 that are in the process to participate in Title IV. Staff has recommended renewal for five years and has found no issues or problems.

Third parties don’t agree and I look forward to
hearing from staff.

MS. SHULTZ: Good morning my name is Rachael Shultz and I will be providing information regarding the staff recommendation for the Distance Education Accrediting Commission or as we call them DEAC.

The staff recommendation to the senior Department official is to renew the Agency’s recognition for five years. The staff recommendation is based upon its review of the Agency’s petition and supporting documentation as well as its observation of a DEAC on-site review in Arlington, Virginia in March, 2017 and a DEAC Commission meeting in Cary, North Carolina in June, 2017.

As Anne has already mentioned the Agency has no findings. They currently accredit 76 post-secondary institutions within the United States and serves as the Title IV gatekeeper for eleven of those.

The Department received only one complaint regarding the Agency during the current recognition period. The complaint was only recently submitted and has been forwarded to the Agency I believe last Friday so the Agency has not yet had time to provide its written response to the complaint.

The complainant was a student who had registered a
complaint against an institution that was not resolved to the
student’s satisfaction and the student is alleging that the Agency
did not follow its published procedures in addressing her
complaint.

The Department also received three third-party comments regard the Agency’s petition. In addition to
providing a link to Title IV funding, the Agency’s recognition also
provides a link to programs such as the GI Bill that are funded
through the Department of Veteran’s Affairs.

The overarching concern raised in all three
submissions was that there had been complaints registered with
other federal agencies as well as veteran’s organizations against
five for-profit institutions that participate in those programs.

The commenters expressed concern that the Agency
was not holding the schools to high enough standards and also
expressed concerns related to the rigor of the Agency’s
benchmarks.

The Agency has really no way of addressing the
third party comments. Since the complaints were reportedly
lodged with other agencies or organizations, the Department had
no way of verifying the content of the complaint or their relevance
to the criteria for recognition.
Additionally, the Department does not have the regulatory authority to place any requirements on agencies regarding the benchmarks that they set. And normally at this point I would go into the findings but since there are none and we are expecting questions regarding the third-party comments, I thought that I would spend a few minutes on those instead.

In looking through the three third-party written comments they were unusually detailed. Sometimes we get faxed forms that have been signed by dozens of people. These were like mini research papers so they were very detailed. I did have some concerns as I was going through the comments and I would like to share some of those with you.

As I said the over-arching concerns were the benchmarks and the complaints. In going through the comments some things that popped out at me were comments on the Agency’s outcomes measures. And of course, we have this discussion at every meeting and the Department cannot dictate to agencies what their outcomes measures are, they need to have a process in place for having come up with their benchmarks and as long as they have some reasonable method that they have used to arrive at their benchmarks as opposed to just pulling them out of thin air, that’s really all that we are able to ask of them.
So we really can’t get involved in how the agencies are setting their benchmarks. One of the commenters also was requesting that we single out the Agency for some additional reporting requirements and we really can’t do that either. We can’t impose reporting requirements on one Agency -- we have to be consistent about how we collect information.

And some of the information that was suggested that we should collect such as data on private lending rates are not things that the Department would ever get involved in anyway. In one of the comments there was a table of complaints and they gave the number of complaints for several schools but there was no information on how many students were at those schools so you really had no context for whether a lot of the students were complaining or just a few.

And Herman, who always goes the extra mile got information on the number of students at some of the schools and on at least one instance the complaints represented about 1% of the student population. I think the numbers were slightly higher for some of the other schools but not a huge number of complaints considering the numbers of students.

And another thing that struck me in looking at the table was that they listed the types of complaints that had been
submitted. And when we work with agencies we always tell them to look for a pattern of complaints. So if you have 10 people at one school saying, “They told me that if I got this degree I could sit for state licensure and I can’t,” that’s an issue.

But if you have 10 students and they each have a different type of complaint then you are not seeing a pattern of complaints and while you certainly want to investigate every complaint it is not as obvious that there is a problem at the school.

Also, we had no information on how many of the complaints had been resolved. They were -- the commenter was talking about a database that collected complaints from veterans but we had no indication that they were giving these people information on how to elevate their complaints to the next level, for instance.

Did they direct them to take the complaints against the schools to the accrediting agency? And then if the accrediting agency -- if the student wasn’t satisfied with how the complaint was addressed at the accrediting agency level you would expect that it would then come on up to the Department.

But then as I said we have only had one complaint against this Agency during the five year period so that’s not happening. And while obviously we would be concerned about the
complaints that the veterans have, for some reason they are not
getting to us and so we have no way of evaluating them or you
know, knowing how they are resolved or anything.

Another point that was made was concerns about
transfer of credits which is also an on-going conversation that we
have had here over the years. And the fact that a school had told a
student that their credits would transfer and I would just pause it
that it would have been a good idea if the student had checked with
the receiving institution as to whether or not their credits would
transfer as opposed to checking with the school that was sending
the credits since that school would not have been in a position to
know whether they would be accepted or not.

Another comment had provided a lot of data. I
noticed that some of the data went back to 2011 and 2012. Well
that’s pretty old and it’s prior to this recognition cycle so I would
have a concern regarding some of the older data that was
referenced.

Again they were talking about how many service
member complaints there are and again I had the question well,
what are you doing to help the service members get the complaints
to the Agency and then in turn to us so that they are addressed if
they feel that they aren’t being addressed?
One of the comments was written by two people who were associated with the previous administration so they were aware of a GAO study that we were involved in and Herman said that he would step in to talk a little bit about that because he knows a good deal more about the details than I do.

MR. BOUNDS: Yes I just want to make clear to everybody what we told the GAO as part of their report. So there were two findings that were relative to the accreditation group. The other two were relative to loss of federal student aid.

So the first thing we told the GAO was that number one -- we would track accreditor sanctions and we would then be cognizant of that information when we conduct a review, so that was the first thing.

The second thing that we told the GAO was that we would review accrediting agency student achievement standards and then we would use that information to maybe help inform reauthorization of the Higher Education Act. So those are things we told the GAO.

We also said that you know, once we compile that data we could kind of use that data to help us compare accreditor student achievement standards. I will say here when we look at DEAC since that was the topic of the issue, DEAC is really the
only accreditor of distance education programs so there is not an apples to apples comparison of standards that you could use.

If you look at DEAC’s portfolio of institutions you could see that they are not a majority trade and industrial education type accreditor, meaning welders, automotive maintenance people, so there’s not a good comparison if you just want to take national accreditation standards.

If you look at more academic wise you could kind of compare them to what the regionals do, but we know the regionals allow their institutions to set their own student achievement standards. They were here at their last NACIQI meeting. I think they talked about exploring a 20% rate. But if you look at what DEAC asks for student achievement you know they have set different standards for different degree levels which is similar to one of the other agencies that was here last time and folks thought that was pretty comparable too.

So I just wanted to make clear because the comment wasn’t quite clear on what we told the GAO we were going to do, so I just want to make sure that is absolutely solid in everybody’s head, that they understand what we told them we would do.

MS. SCHULTZ: Thank you Herman. Under the
abbreviated reviews that we are doing now Herman has been asking us to make additional trips. And so for this Agency I reviewed both an on-site review and a Commission meeting. When we get the comments we try to summarize them in the analysis briefly. And these were very detailed comments and I don’t want you to feel that we didn’t take them seriously or look at them carefully and I’m sure the Agency has as well. But the bottom line is that we, as a staff, can only base our decision on first-hand information that the Department has received or that we have viewed during the course of our review.

When I attended the on-site review, I can tell you that it had a much larger team than we usually see. The team was there, I was there, we had another Ed staffer there who was new and was going to learn more.

They also routinely have a representative from the state government there so there was a lady there who was with the Virginia State Government to conduct the review as well. The reviewers were professional, they were aptly qualified, they were competent and it was a good review.

Last week I went to a Commission meeting and the Commissioners divided into two teams. They reviewed on-site
review reports in very great detail. One of the discussions went for
more than two hours on one school and then come back together to
make a decision.

I think it’s important to note that the way this
Agency makes its accrediting decisions is not what I have typically
seen in that the on-site review goes out, they do the report, they
make their findings, the findings come back into the Agency, the
school is requested to address the findings and they have an
opportunity really -- I think it’s six months, I can’t remember to
clear up the findings that were identified in the on-site report and
then the Commission reaches a decision.

So some of the commenters were saying, “Well the
Commission had no findings.” Well that’s because the findings
were a result of the on-site review reports and had been addressed
prior to the Commission as a whole making its final decision. So I
wanted to emphasize that.

Other things that I noted during the Commission
meeting that pertained to some of the comments -- the Agency was
working closely with one of Ed’s regional offices in FSA. Some
concerns had been identified related to Title IV. The Commission
decided proactively we can’t tell if this school is in trouble yet but
let’s have them go ahead and develop a teach out plan so that it is
already in place if they need it.

Another school -- the on-site review team had noted as problems in some of the wording of their advertising on the school’s website. The school had been told to change that. The Commission members had reviewed the website to make sure that this had been done.

So I felt like the on-site review was very thorough.

I felt like the Commission did a good job in reaching their decisions. So again, I just would like to emphasize that we can only go by what we see and receive. That we have only received one complaint very recently regarding this Agency and we can’t do anything that is outside of the criteria for recognition.

So in closing, as I stated previously, the Agency has no compliance issues and the staff recommendation to the senior Department official is to renew the Agency’s recognition for five years.

There are Agency representatives present today and we will be happy to answer the Committee’s questions, thank you.

CHAIRMAN KEISER: Anne, do you have questions?

MS. NEAL: No.

CHAIRMAN KEISER: Thank you Rachael. Will
the Agency staff please step forward? Please introduce yourselves. And Leah you know about the red button.

MS. MATTHEWS: Good morning. I’m Leah Matthews, I’m the Executive Director of the Distance Education Accrediting Commission. To my left if Dr. Robert Brodnick, he is our third-party advisor and special counsel on data, data analytics and benchmarking. To my right is the Chair of the DEAC Board of Commission, his name is David Oxenhandler and Mr. Oxenhandler is going to open our remarks with his statement.

MR. OXENHANDLER: Good morning. My name is David Oxenhandler, the Chair of the Board of Directors for the Distance Education Accrediting Commission or DEAC. I will leave it to Dr. Leah Matthews, our Executive Director to provide you with an introduction to DEAC and an overview of the Agency’s operations and approach to the accreditation process.

I would like to say a few words about DEAC Commissioners. Specifically, I am honored to serve with a group of extremely well-qualified hard-working and dedicated Commissioners. They represent an impressively talented group of people with a useful diverse set of backgrounds.
Many have served as faculty and administration in accrediting distance education and traditional institutions of different sizes with different missions. A large number have had direct experience as members of on-site institutional assessment teams for other national and all the regional accreditation organizations as well as program accreditation bodies. Others bring to the Board independent expertise in areas such as law or finance. Three of our Board members hold academic doctoral degrees, three are certified public accountants, two Board members are attorneys holding Juris Doctorates, who spent years advising higher education institutions and accrediting organizations. Five of our ten Board members, so half the Board, represent the public. And while each of these public members is deeply committed to the future of higher education and each has had various levels of involvement in the field of higher education, they have no affiliation or conflict of interest with DEAC accredited or applicant institutions. In addition to their own personal qualifications, each of our Commission members receives comprehensive training on DEAC standards and procedures, the importance of consistency in their application, the incorporation of due process for
institutions through the accreditation process and the value of a
Commissioner’s own role as a leader and fiduciary for our Agency.

At each meeting the Commission reviews DEAC’s
conflict of interest policies and procedures. Our policy discussions
are informed by regular briefings about the regulatory landscape
for higher education, accreditation and distance education.

We also regularly work with third-party experts as
well as other accrediting organizations and state and industry
monitors of higher education in order to improve quality, access
and accountability of our institutions.

Finally, you have all seen the comprehensive and
detailed petition for re-recognition submitted by DEAC in January.
In that document you will have seen descriptions of each of
DEAC’s accreditation standards and how their various
requirements are designed to complement and reinforce each other
in order to yield an in depth picture of an institution’s strength and
performance.

You will have seen documents within each case that
demonstrates how the accreditation process is implemented both in
general and with respect to each and every standard. We are
certainly gratified by the Department staff’s recommendation for a
five year renewal of recognition with no compliance findings.
And we would like to thank the Department staff,
including Mr. Bounds and Dr. Schultz for their professionalism
and technical assistance during this review process. Thank you
much. I would like to return it now to Dr. Matthews for her
opening remarks.

MS. MATTHEWS: I would like to add my
appreciation to Herman Bounds, Rachael Shultz -- for their high
level of engagement and professionalism in working with DEAC
through this process.

I would also like to introduce myself to the
NACIQI. I have been around accreditation for a long time but this
is my first appearance before the NACIQI as the Executive
Director of DEAC. I joined DEAC after it received its most recent
grant of recognition in 2013.

As far as my accreditation experience goes I worked
for five years in Camp Soma in Japan where I worked with the
NIOC Accreditation Standards in Early Childhood programs. I
also worked with civilians and service members living abroad in
Japan and going about their daily lives with quality education
opportunities there.

I spent 12 years at the Accrediting Commission of
Career Schools and Colleges and then I spent 3 years as the Vice-
President for Recognition Services at the Council for Higher Education Accreditation. All involved I have nearly 20 years of experience in varying aspects of accreditation.

Throughout all of this experience I care very deeply about education outcomes for students. I think it is important to acknowledge that our education leaders are living and leading their institutions in the context of ever increasing public scrutiny, demands for more accountability and the new normal of progressively constrained resources.

DEAC’s response to this challenging environment is to devote our talent and resources to refining accreditation systems for distance education that communicates strong and proactive messages about quality and that specifically addresses high expectations for distance education programs.

One of my first steps when I began at DEAC was to review an analysis prepared by Peter Yule of Enchum’s. DEAC had just completed a systematic program of review of its standards of accreditation.

We built on that analysis by Peter Yule and undertook another four year review of our standards and we have presented those standards to you in our petition for re-recognition.

I also reached out to find a statistician and advisor
to work with DEAC on accountability factors that are grounded in data. I was delighted to find Dr. Robert Brodnick with Strategic Initiatives. He has worked very closely with us for over a year on looking at our data set on methodology and how we are benchmarking out outcomes. We will be able to talk about that more a little later.

And let me tell you a few facts about DEAC that you may not know. Our institutions represent a pretty broad range of education models and missions. We may accredit and institution with a few hundred students or tens of thousands of students.

Most of our institutions offer graduate degree programs to working adults. Programs may be offered on an asynchronous remote learning model or a synchronous time-fixed, semester-based calendar and these can be done using online or hybrid models.

One-third of our institutions are non-profit. One institution is publicly traded, two institutions are private equity fund-owned and the rest are closely held corporations, many owned by families for multiple generations.

The missions of our institutions are equally varied.

I would like to highlight a few institutions that are among our
portfolio of accredited schools. The Hadley Institute for the Blind and Visually Impaired is a non-profit school founded in 1920. It is the largest provider of distance education for blind and vision impaired individuals. It is the largest educator of braille worldwide.

Hadley serves 10,000 students annually both inside and outside the United States. It is an example of a DEAC accredited institution with a socially conscious mission. We also accredit the University of the People which offer tuition-free degree programs that helps qualified students overcome personal, cultural, geographic and other barriers.

The university enrolls 7,650 students from 194 countries. It has unique academic partnerships with UC Berkeley and NYU and Yale Law School.

We also accredit American Sentinel. This is a for-profit nursing school. It is known for its innovative programs, marvelous technology and approaches to teaching learning. It is also accredited by the Commission on Collegiate Nursing and Education and accredited by the Accrediting Commission for Education and Nursing.

We accredit American Graduate University. This institution offers highly specialized graduate degree programs to
working adults. And as a final example, we accredit Columbia
Southern University. This is a multi-generation family-owned, for-
profit Title IV institution. It partners with municipalities across the
United States to support students in remote areas.

Just a small number of our institutions are participating in Title IV, there are 11. They are relatively small and their participation in Title IV funds -- I think you can see that from the reviewing the accreditor dashboard.

What all of our schools have in common is that they offer their programs predominantly on a distance education model and you have probably seen from our petition how we go about very strategically looking at distance education.

There are standards that we believe set us apart in accreditation of distance education. I would like to highlight a few of those standards.

Because of the issue of identity, security and academic integrity it is often raised with distance education, DEAC requires in its standards that all degree programs administer profit examinations at regular intervals and no less than once per term throughout the entire degree.

The proctoring must be performed by an independent third party and students must provide a government
DEAC requires any school that is interested in being accredited for Title IV participation to undergo a separate and rigorous individual assessment of regular and substantive interaction that is faculty initiated. This is a requirement for all DEAC institutions that participate in Title IV, and when we look at a substantive change or we go through renewal of accreditation, we bring that same process into every review.

We want to make sure that the context of the distance education definition as set forth by the Department for regular and substantive that’s being met. The Commission has deliberately set a substantially lower limit on the percentage of Title IV revenues that any one of our institutions may access, that limit is 75%.

Annually our Financial Review Committee checks the percentage of Title IV revenue and we maintain a 75% limit across the spectrum. We have one institution that is at 74% but as you can see from the dashboard, most of our institutions are well below a 50% threshold on Title IV revenue.

We treat every new program being introduced by the institution as a substantive change. We believe that every program needs review for its context and its setting in the learning
management system, the qualifications of faculty to teach the
appropriateness of the curriculum to a distance education model.

Finally, we review our institutions every five years
and when appropriate our Board will shorten that cycle. This is in
addition to annual monitoring of financial statements, of outcomes
and other performance indicators.

As you know our students are diverse. Very, very
cfew of them are typical first-time full-time student. The numbers
on the accreditation dashboard represent less than 10% of our
student body that are enrolled in DEAC institutions.

Our data specialist can talk to you more about that
metric if you have questions. We have always been focused on
outcomes. We have had benchmarks in place for a long time. We
are working to make improvements steadily in the distance
education environment and advances in technology.

We look forward to participating in a long
discussion about how accreditation factors predominantly in higher
education and most important of all in the service of students.

Thank you for patiently listening to my remarks.

My colleagues and I are ready to answer your questions.

CHAIRMAN KEISER: Anne?

MS. NEAL: Well thank you very much and
welcome. I want to start by saying that I was most impressed by
your inclusion of extra public members on your various evaluative
boards, so I think that’s an excellent practice. I do want to pursue
with you some of the issues that have been raised by the third-
parties.

And here is how I summarize what has been
suggested -- that there are serious data limitation problems, namely
that some of the data that is on the Department of Education
materials is not particularly full.

That there is a lack of rigor in your standards at
colleges within and outside Title IV, there are concerns about
veterans who are in your accredited schools and there are concerns
about private loan borrowing that amounts in repayment.

I don’t see that private loan borrowing has anything
to do with NACIQI and what we are here doing today although it
is certainly an interesting issue. But what I would like to pursue is
this issue of the rigor of your newly established benchmarks.

In looking at them it appears that you are addressing
grad rates and that you have currently set at 15% below the
national average your standard. So I just needed for you to help
me understand and I see you have Mr. Strategic Initiatives -- so he
can certainly speak to this.
But as I looked at it, it appears that you have taken the national standards and you have taking your standards, your average standard and then have reduced it in terms of the standard that you are going to apply. So if you can help me understand what you have just put into effect.

MS. MATTHEWS: Okay thank you for your question. Let me clarify that the national data available in IPEDS doesn’t help us very much because first-time, full-time students just simply isn’t what we do.

So we benchmark against our own data, we are not benchmarking against the national standards set by full-time, first-time students so I want to make that clear. We collect data from our institutions across all of these different models, whether it is correspondence courses, students working at their own pace, not necessarily organized into a nice, neat cohort that is going along at a fixed time environment.

So we have a lot of different models and lots of different data sets across our institutions. And because there isn’t readily available data about correspondence course education and other sectors of accreditation we are left to just benchmark on what we have in our data.

So let me introduce Dr. Brodnick to talk about the
process that we have been using and how we think that it is appropriate in the setting for which we accredit distance education.

MR. BRODNICK: Good morning. So there are a couple of dimensions in your question. Let me talk about two or three of those. First, just a factoid -- as Leah said, there are a small number of students who are first-time, full-time degree-seeking. If you look at the Bachelor’s Degree definition and rate in IPEDS and the associates, you have these six year and three year rates.

Even though it is a small number of students we did analyze the performance given those. And if we look for example at the six year rate for the 2009 starting cohort -- the all institution DEAC rate is 58%. All four-year open admission’s institutions is 32% -- that’s what I consider a pretty dramatic difference.

You can look at Associate’s Degrees as well, a similar comparison the three year rate at 45% and all two-years at 29%. So the, you know, addressing the lack of rigor and the rates being lower than the average -- and I just gave you the data that suggests that’s not true.

Let me scroll down here -- one of the ways that you establish a threshold or a ceiling or a floor is to look at a distribution. And we have a distribution of institutional rates. One of the things that’s interesting about DEAC -- and I don’t think any
of the other accreditors do is actually look at things at the program level rather than at the institutional level.

So that’s an additional level of rigor that DEAC uses that I haven’t seen used in other places. So we looked at the distribution of rates looking at all the degree levels and non-degree rates and we wanted to see how low for a single institution is too low when compared to the whole?

We didn’t really have great data comparing national peers and I like to say some of the DEAC schools -- in fact many of them are quite peerless given their design, the way that they offer programs so it is difficult to construct a peer set.

So we looked at all the DEAC institutions as a whole. I have already compared the DEAC rate to the overall rate and you can see in many cases it was nearly double. So already starting at a much higher point so our goal was then to study the distribution and figure out how low is too low for an institution to be triggered?

And by triggered we mean that it’s a rate that is anomalous enough that it requires further study and we have to follow-up with the institution and say what’s happening here, let’s look at trends, multi-years.

So we looked at a number of different thresholds.
One of the ways to do this is to take a standard deviation. A
standard deviation basically you have zero in the middle and plus
or minus three at the others ends and plus or minus one standard
deviation in the middle there contains 68% of the scores. So you
have got 32% on the tails, 16% on each side -- we are not so
worried about the schools that are above the standard deviation
because their rates are rather high.

But those that are below a standard deviation would
encompass 16% of the schools that we are looking at and that’s a
reasonable place to look at. Okay this triggers an additional
question.

We also looked at 10 points, 15 points, 20 points
and compared the impacts on where the rates were and basically
the analyses that we did validated the standard that was in place at
15 points below, looking by degree level was a good place to start.
And so we sort of validated that result.

Is there something else Leah that you wanted me to
add to that?

MS. MATTHEWS: You are doing great.

MR. BRODNICK: Okay good, did that answer
your question?

MR. ROTHKOPF: I just want to ask a follow-up
question. You said that you use your own data rather than first-time, full-time in measuring the rates in general. How do you gather that data and what is it a measure of?

MR. BRODNICK: We actually use both. You know trying to draw a comparison as close as possible with that less than 10% of the students to the national rates and compare those, we also then look at the overall rates.

So program by program, institution by institution, level by level, we look at the number that started in the original cohort, are there any students who would receive exclusions for -- and there is a set of definitions around exclusions, and then the number that completed.

Subtract the exclusions from the starting cohort, divide the two and you get the rate. So we looked at those rates across all the institutions across the programs. That formed the distribution for the analysis.

MS. MATTHEWS: And we collect data annually. Each institution submits a comprehensive report on the performance of every program individually so we can look across the landscape of program offerings and see if one or more show graduation rate concern.

We are then able to compare similar program types
across distance education models and institutions at DEAC. And then we aggregate those data by program for our benchmarking. We don’t look at an institution rate because that can be skewed by one large program.

So we are interested in the performance of individual programs where they may plug in with professional licensing rates and those types of things. Robert has helped us refine our annual reporting instrument. That enables us to cut our data lots of different ways.

MR. ROTHKOPF: So let me just be clear -- you count every student?

MS. MATTHEWS: Yes.

MR. ROTHKOPF: That begins in a cohort.

MS. MATTHEWS: We set a one year reporting timeframe, yes.

MR. ROTHKOPF: And then you said we just look at the percent that complete -- complete in a period of time? Is it a fixed rate of time? Is it complete ever? I’m just not sure how you do the measuring?

MR. BRODNICK: For reporting we try to match the Department of Education standard at the 150% to make it comparable. But we can track cohorts at any point in time so you
can see what’s one year persistence, five year persistence, what
happens in eight years which may be the new six year standard in a
few years, who knows.

MR. BOEHME: Thank you Mr. Chairman and	have you for joining us today and thank you for serving our
service members. I know later in NACIQI we will be talking
about Air University and a really exciting program that Dr. Hong,
Herman Bounds and some other NACIQI members went -- that
advances the importance of our military personnel.

And to my family and many other families, our vets
serve as a critical role and our cornerstone of America and they
have given up so much for us and it is wonderful to see that they
are provided educational opportunities through some of your
institutions.

But I worry that some of their voices and their
grievances are not necessarily heard. And so five DEAC schools
were among those with the highest number of complaints from
veterans according to the DOD in 2014 -- one is now closed, was
put on probation by the DOD that year.

One of those five which you mentioned ma’am in
your opening testimony, Columbia Southern University, was
continued without conditions for five years in 2016. In 2015 two
of your schools, Martinsburg College and Lakewood College, had
some of the highest number of veteran’s complaints.

Both had been renewed without conditions in the
previous year. Were you aware of those complaints?

MS. MATTHEWS: Thank you for the question. It
gives me an opportunity to clarify on those comments. We are
always concerned with complaints -- any student complaint.

Certainly if a veteran complaint comes directly to us we will
investigate it thoroughly.

The data that is being referred to in the third-party
comments comes from two reports issued by the Department of
Defense. One is for fiscal year 2015, the other is for fiscal year
2014.

As to the complaint numbers that are referenced in
the comments, Martinsburg College had four complaints and
Lakewood College had three complaints. Columbia Southern had
two complaints. And the Allied Business Schools that closed had
seven complaints.

We don’t receive the complaint content directly
from the Veteran’s Affairs organizations, but the state
organizations that receive these complaints nonetheless were very
open to having lines of communication with them directly. We
would love to receive these and be able to do our own analysis if they are provided to the accreditor.

When we look at this data we are looking for a pattern that shows us that there is a significant concern. Frankly, two complaints out of 10,183 veterans participating in the GI Bill at Columbia Southern -- our Board didn’t establish a pattern of concern.

When the institution demonstrated that every standard had been met through our on-site evaluation and our Board’s careful review they were renewed for their accreditation.

MR. BOEHME: So it’s fair to say that you did not handle any of those complaints because you did not receive them, is that correct?

MS. MATTHEWS: They do not come to us directly.

MR. BOEHME: So you do not require any kind of information as a gatekeeper for Title IV funding to collect complaints from students?

MS. MATTHEWS: We do that process. Let me explain how we gather information whether veterans, active duty, military and across our student body. Attenuated with every accreditation process my staff conducts a survey of the current
enrollment.

They get a survey instrument directly from DEAC that offers every student the opportunity to rate the institution on a number of ranges. There is also an open comment form that the students can provide us as we are going through renewal of accreditation.

When we are preparing for an accreditation review we do a comprehensive call for comment. I invite Don Bilido directly to participate in any review of our institutions that are scheduled for consideration of accreditation.

We also deliver our call for comment as broadly as we can to every contact that we have in the military, the government, state organizations, programmatic accreditors, any entity in the public that has an interest or concern with our institutions.

When on-site our teams ask for the complaint file. Hand over everything in the last five years since we were last on campus. We would like to look for patterns in your complaint activity. We share any information directly filed with DEAC on complaints and then our teams do an analysis with staff on the complaint activity.

I would say that DEAC to the furthest extent
possible, requests information from any party associated with any
renewal of accreditation process that we undertake for our
institutions.

MR. OXENHANDLER: I would add too, that at
Commission meetings complaint is an agenda items. So they are
dealt with actually at the student level so each and every
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a disgruntled employee -- anything if there is a documented
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complaint.

Also, complaints come through, we use a lot of
audited reports for the schools so any time you have certain kinds
of complaint findings, particularly legal ones, those are going to be
identified in comments of an audit and the Financial Standards
Review Committee would see each and every one of those in the
comments of an audit.

So they are dealt with not at an institution level, not
at a program level, but literally at the student level by the
Commission.

MR. BOEHME: So then how many complaints did
you have last year?

MR. OXENHANDLER: Just a handful.

MR. BOEHME: Do you have a number?
MS. MATTHEWS: Oh boy.

MR. OXENHANDLER: I can’t remember the number off the top of my head.

MS. MATTHEWS: I don’t know the exact number of complaints but we report on every complaint we receive to our Board. We provided in our petition, documentation of our complaints -- I don’t have the exhibit right at the top of my head but Rachael was able to observe my Board have a comprehensive discussion about the complaint activity over a period of six months by individual student and individual institution.

MR. OXENHANDLER: And many are resolved by the site teams so you know as part of their re-accreditation process they have answered some of those things much in the way that you would answer say an audit finding.

You know, and if those are resolved and there aren’t repeat findings and a pattern then they don’t become an issue. But if they are unresolved they can elevate all the way to the Commission. So the percentage that comes to the Commission is smaller than the total.

CHAIRMAN KEISER: Claude?

MR. PRESSNELL: Yeah related to this issue -- can you describe -- between your five-year visits, if information
becomes available, do you -- such as these types of complaints or
something in a newspaper or so forth, can you describe your policy
on whether or not this triggers a visit?

MS. MATTHEWS: Sure.

MR. PRESSNELL: And so forth and then I have
another unrelated question but go ahead and answer that.

MS. MATTHEWS: Sure we have a standard that
requires institutions to report to us immediately any event, news
story, anything that is negative in relation to the institution and its
reputation.

We have an example in Exhibit 122 where DEAC
immediately implemented its protocol on review of negative
information. There was a group of institutions named Heritage
College that DEAC does not accredit but did have common
ownership with a DEAC accredited institution.

We learned on November 1, 2016 that the Heritage
Institutions were closing precipitously. We gathered our Executive
Board together immediately and on November 4 we sent a letter to
Weston requiring a teach-out plan for 30,000 students.

We got that plan and the Board wanted a team to go
into Weston Distance Learning to verify in fact that there was
architecture in place to teach-out students just in case the owner
found that it was going to precipitously close this institution.

We had a comprehensive Chair’s report that was then given to my Board for their January meeting. So what Exhibit 122 describes is how DEAC responds to negative information, even if it isn’t directly an institution, if there is an affiliation of an institution we may not accredit in our ownership structure, we want to jump on that as soon as possible.

We want to make sure that we have accounted for our obligations to the students.

MR. PRESSNELL: Did any of the, you know, the third-party comments that we received and Heritage was mentioned in that, but did any of the other incidents mentioned in these letters trigger a visit or a letter or a request for information from you?

MS. MATTHEW: Certainly I can go through the comments or just speak generally. Anytime an investigation is made public, if there is information we can share we will certainly launch our own process. We will use our renewal process or any other means that we have available, direct visit, to take a look ourselves.

Sometimes investigations are confidential and so we are told by law enforcement, “You may not disclose this incident
of investigating,” so sometimes our hands are tied. We can’t be
public-facing with our actions but to the extent an investigation is
in the public domain we will conduct an assessment of the
institution.

MR. PRESSNELL: Okay and then the unrelated
question really it goes back to the data issue. You talked about
how there are a set of exclusions from your data -- I would like to
know what some of those are because exclusions are obviously
pretty key components to how data is viewed and how the analysis
is conducted.

And so if you could speak to what some of those are
in some situations that I have been involved in some of the
exclusions were I think a little bit too broad and too lenient. So
anyway I am just interested in what those might be.

MR. BRODNICK: Yeah, for example if a student
starts in a cohort and then goes into active military service or
unfortunately is deceased, you can extract them from the original
cohort. It makes good sense.

So there are four or five that are in IPEDS’
definitions and we use those to do comparative rates.

MR. PRESSNELL: Are those the only ones you
use or do you have additional exclusions?
MR. BRODNICK: There are some additional exclusions.

MR. PRESSNELL: And what might those be?

MS. MATTHEWS: In a correspondence model, students that are going at their own pace -- we try to group cohorts but sometimes the pace of their work in a still enrolled status, a still studying status, we will exclude them from a cohort. Sometimes they go on a leave of absence we will exclude that from a cohort. We are trying to get to as true a graduation rate as we can with these factors and also factoring in students aren’t finishing -- and then that goes to a different kind of analysis, why not?

MR. BRODNICK: I would love to at some point be able to expound on the innovations that I feel are necessary in tracking student progress. What we have -- I’m not going to do that by the way unless you ask me to, but what we are seeing is that there’s a huge diversification in educational models and it’s happening at a rapid pace.

There are a lot of traditional four year institutions that are starting to innovate. And the metrics that we use -- they don’t fit those models any longer so we need to do something different and you know that’s one of the challenges.
And I think the models are changing because the students are demanding it. It is not that the institutions are saying, “Okay let’s try something different, let’s do this.” Students are asking for different kinds of things and institutions are responding. So we need better metrics, there’s no doubt about that but I will pause at that.

MR. WOLFF: Good morning. Thanks for you information I found it really helpful and responding to the concerns. If I understand though the third-party comments, there is to me they fall into three categories that you have tried to address. One is the data setting standards, one is the complaints -- is dealing with complaints, and the third is rigor in responding to concerns about institutions. I have a couple of questions but I just want to clarify. One of the letters from Spiro -- I can never pronounce his last name raised the issue of investigations, FTC findings and the like and I just want to follow-up on your response earlier.

When there are FTC findings or findings of other state agencies that you have become aware of, has that triggered -- what kind of follow-up did that trigger and in terms of -- in one of the cases going on your website it looks like I think it was Ellis
I’m not sure where Ashworth -- but there were several listed and I wonder if you could just follow-up on that one piece?

MS. MATTHEWS: On Ellis?

MR. WOLFF: Well no, on how you respond to when you become aware of an investigation. Did it trigger immediate review or action, sanction, withdrawal of accreditation, whatever?

MS. MATTHEWS: It will trigger a review of compliance with our standards. It could involve any number of strategies. Our Board has been known to engage a third-party secret shopping service, make phone calls, find out what is being told to students, get a report to us so we know what is going on. It could be a direct visit on an announced or unannounced basis. It could be additional reporting, interim financial information, interim financial information prepared by an auditor. There are a number of strategies and resources that DEAC will deploy when it receives negative information or an investigation.

Sometimes institutions just simply cannot meet the bar. A show cause Order is issued, the public is notified of those
circumstances and the basis for show cause. Sometimes institutions respond in a way that satisfies the Commission and they renew accreditation. Sometimes accreditation is renewed on a shortened cycle so the institution can be closely monitored in between cycles.

So we have deployed and I think we have provided exhibits that show the types of actions and strategies DEAC will implement as a result of negative information or some sort of law enforcement activity.

MR. OXENHANDLER: From a Commission standpoint there isn’t a measure or a single metric. We use a lot of different measures. You know complaints might be one of them, a certain metric of a graduation rate, there are financial standards. We actually use the same -- the Department of Education’s 3.0 scoring system. We have institutions utilize that.

We have annual reporting of financial information, academic information which includes outcomes of course and then we have this, you know, third area -- sort of falls under integrity standards which could be complaints lodged at any level.

You know I mean it could come from a state Agency, you know, the state of Oregon, you know, whoever, Virginia -- it could be any of the 50 states even sometimes
international information.

Or it could be literally a student sending an email to

DEAC, all of those would trigger our integrity and our standards

and require a response. So it is really a combination of measures

and I have been quite impressed with, you know, how some of

these metrics and standards you can look at an institution and a lot

of them are comparative which is so critically important.

You know, is the population of an institution

increasing? Is their Title IV participation increasing?

Exponentially is it, you know, is it level? Is the program

shrinking? You know so looking at all of these different metrics

we really do get a pretty good idea of where an institution stands

without just utilizing, you know, a complaint by a third-party or --

while those might be helpful a lot of times there’s a plethora of

measures that we are using that, you know, that are reviewed not

just at reaccreditation but reviewed on a “when they happen” basis,

a headline of a newspaper or during an annual reporting cycle

where we are measuring these each and every year.

So I think the rigor of the standards is actually quite

high because of the multiplicity of measures and the attention it

gets at pretty high levels.

MR. WOLFF: Thank you. Let me follow-up in the
normal course of a visit I know -- as I understand it you have
student surveys as part of it. Part of the concerns in some of the
FDC for a couple of your institutions, but other institutions as well
are misrepresentations about placement or about licensure or at
least that seemed to be part of the settlements in a couple of the
cases that were cited.

So I am curious to know how do you verify given
the distance education or correspondence education, verify the
representations that are made by the institution regarding things
like licensure or placement or salary levels that their graduates
might achieve?

MS. MATTHEWS: We verify that as we would all
of our institutions. I mean we very carefully scrutinize disclosures.
We require our institutions to have their disclosures clearly marked
on their web pages.

Once a year as part of our annual reporting process,
institutions have to send us links to their disclosures. My staff
looks at those links just to see what is being shared publicly on the
websites and to institutions.

Our teams always have a representative there to
focus on ethical business practices. We do training for our
evaluators on ethical business practices and they are there to
observe what is going on with the institution, interview the
relevant key staff, make phone calls, look at web pages in the
months leading up to a website evaluation to get a sense of what’s
being communicated to students.

Our renewal process starts six months in advance to
a visit. It is not that are teams are there for two days, two perfect
days. Our evaluators are logging into learning management
systems they are looking at what is being communicated to
students through threaded discussions. They are looking at student
work and assessments.

They are looking at how faculty is performing the
assessments. They are reviewing the rubrics, whether blooms
taxonomy. We try to uncover every facet of the student experience
going to a DEAC accredited institution from what is
communicated to the public and communicated to that student all
the way through to the results of the outcome of graduation.

So we truly make every effort to be as
comprehensive as possible in our process.

MR. WOLFF: Just one final comment -- given that
your work with trying to develop metrics for your programs.

Certainly all the regionals that I am familiar with are dealing with a
lot of distance education programs as it is growing as other
agencies are.

It might be good to have a conversation about metrics more broadly than just with your own Agency. Maybe CHIA could organize it. But institutional data is not often disaggregated around distance Ed and there are concerns about lower completion rates for distance Ed programs so it might be a worthy conversation in the work that you are doing to include others as more information becomes available about that modality, so that you are not out alone on this issue, thank you.

MS. PHILLIPS: Thank you, I wanted to come back to the complaint question and understand the relationship between what you collect or hear in terms of the complaint process and the Department of Defense data that was reported.

I think that my understanding is that when you solicit information about complaints from either students or third-parties or whatever that the information that is reported to the DOD doesn’t come to you, is that correct?

MS. MATTHEWS: The Department of Defense and Dawn Bilita’s Office is actually quite proactive. She has called me personally to try to sort something out for an active duty service member.

With Veteran’s Affairs it is a decentralized system
across states. We are certainly willing to partner on individual bases with those entities that work with veterans through the complaints that they have and these are the -- there are two reports online through the post-secondary education complaint system summary reports.

Those were cited in the third-party comments. We can pay closer attention to this of course. What we know from some of these complaints is that they weren’t all veterans. For example, Martinsburg College with the four complaints, one was a veteran, two were MYCAA students and one was a non-veteran, non-student who just submitted something through the complaint system.

So through a broadened effort to reach out to these veteran’s groups and invite them to communicate with us directly about these complaints so we could get to the bottom of it.

MR. OXENHANDLER: I would add too, just to clarify -- while we may not get these complaints directly from the agencies -- that’s just how the Department was reporting. You know, there’s not a process to share this data. Because it is public data and the third-party reporters can see it and we can see it so when we go on a site visit or have an annual report and we see that there are complaints and
the institution says, “Oh we don’t have any.” Well, now we have
an integrity disconnect.

So we are looking for an institution to provide that
information to us so, while we may not get it from the VA or
Tuition Assistance of MYCEAA, we can see it out there and we do
collect it from the institution and try to see what those resolutions
are.

So I want to be clear that it is not that we don’t get
it, it’s we don’t get it through a direct channel.

MS. PHILLIPS: And one last piece. I was just
looking at the petition and see that in the January, 2016
Commission meeting you presented twelve complaints that were
either resolved or under review. Is that typical for a Commission
meeting?

MS. MATTHEWS: Yes, to Simon’s earlier
question about how many complaints in the last year -- my staff
went through and sent me a little note that there were 33
complaints that were submitted to DEAC that we reported to the
Board.

MS. PHILLIPS: Thanks.

MR. BOEHME: And my colleague Kathleen too,
also. Do you want to go before?
MS. ALIOTO: I’m interested Miss Matthews, I think you make a wonderful presentation but I am interested in terms of the data question that you don’t include, you don’t include people obviously who are dead in terms of the graduation rate, but you do exclude others and you still have this 15% lower than the national average on graduation.

What are you doing with your institutions to bring that up?

MR. BRODNICK: I think when I reported the rates they were substantially higher than the national average, not 15 points below.

MS. ALIOTO: You talked about different programs but the overall of all of your institutions, what is your benchmark? We are talking about the benchmark here?

MR. BRODNICK: Well looking at the six year Bachelor’s rate and the three year Associate’s Degree rate they are substantially higher than the national average is. I can repeat those if you need to but understanding that there is a lot of different kinds of educational modalities across the schools, particularly at the non-degree level is where we see a tremendous amount of that.

That’s not a semester by semester model. It is sometimes self-paced. It is sometimes competency based. These
new forms of education do not have the same kind of structural
metrics that the traditional four-year degree does and that was my
suggestion around innovation and I think Mr. Wolff suggested
collaboration to try to solve this problem that higher education is
faced with.
So just to correct the rates are not 15 points below
the average.
MS. ALIOTO: Well we do have some educators on
this Board who have very successful rates across different kinds of
students, very diverse students, so I am a bit concerned about your
saying that you have to have different metrics, yes you have to
have different metrics but you still want students to be succeeding.
MS. NEAL: I’m still again struggling with the
benchmarks because as I read your material, you have set your 15
points below the Agency’s average performance levels as what you
describe as an appropriate trigger because as you say in your
memorandum, you are hoping that it would generate 60 inquiries
across 376 programs or a rate of approximately 16% that if you set
it higher then there would be a lot more inquiries and so you are
thinking that this is a reasonable standard for purposes of the
workload of the accreditor.
And while I understand that data is less than perfect
and that many don’t want to finish and many are not first-time,
full-time -- I guess I’m still having some problem in understanding
this because it appears to me and again, correct me if I’m wrong,
that by taking your average 15 points below, you in fact are at a
standard that is lower than the national graduation rates which are
deplorable.

So I am trying to understand if the national
graduation rate average is 59% for a Bachelor’s Degree and you all
have set a benchmark of 45, how is that -- how is that higher than
the national average?

MR. BRODNICK: Well the benchmark is not an
average, it’s a lower threshold at which point it would trigger
concern. So we can’t compare one standard deviation below the
mean to an average, they are different metrics.

MS. NEAL: So you don’t have a particular
standard then, this is just a benchmark and you look at it but there
is no real standard then. You look at it if it hits that mark.

MR. BRODNICK: It’s a trigger.

MS. MATTHEWS: I mean we look at multiple
facets across the institution from how it is achieving the
educational objectives, what the student objectives were in
enrolling in the institution.
Sometimes it is not to graduate it is simply to engage in distance education course work for personal interest. We do our best to collect information on why students are enrolling, is it their intent to graduate, is it their intent to take courses on a correspondence basis as they go? Many of our students are paying as they go out of their personal finances and through their personal interests so I guess, you know, to your question we see it as a multi-faceted and not necessarily a solitary indicator about an institution’s performance.

MR. OXENHANDLER: I would also add to that that, you know, it has been asked if we have done some comparative work with the regional accreditors or like programs and where we can compare apples to apples, not looking at a rate that has a mixture of traditional, you know, first time freshmen being 90% full-time at a very traditional institution. But if we peel out some of that data and look at the other players who are measuring some of these metrics ours are really not very far off, they are quite comparable. And even when our Commission Committee looks at this as a study that we are doing, some of the, you know, educated guesses as to where these numbers would come out -- before the surveys were even
complete, came out almost exactly where you would expect them
where you have this sort of hierarchy that, you know, a Master’s
Degree program generally is going to have one of the highest
graduation rates than Bachelor’s, than Associate’s, than your short
programs.

And the biggest surprise in our data was that our
shortest programs, the ones that are like one or two courses,
actually had some of the highest graduation rates -- that was the
biggest surprise in that kind of comparative study.

MR. BOEHME: Thank you Mr. Chairman. The
second largest amount of Title IV funds is Grantham University is
that correct?

MR. OXENHANDLER: Yes.

MR. BOEHME: And in your public notice
regarding this institution it says it meets or exceeds your standards.
And so I went on the college scorecard website as many students
do who are seeking to enroll at institutions and you accredit this
one -- and it indicates a 27% retention rate.

And maybe some of the questions of this Board --
we can start to better understand how you have established this
retention rate because 27% is not good enough.

MS. MATTHEWS: That’s not our calculation.
MR. BOEHME: Right.

MS. MATTHEWS: Retention rate is the first-time, full-time student body. For Grantham it represents a very narrow proportion of their enrollment. And one of our challenges in addressing the public facing data prepared by the Department of Education is that it often appears differently depending on where you look.

For Grantham there is one data point, a retention point of 38% or 36% or 44% depending on whether you are looking at the college navigator or you are looking at the college scorecard, or you are looking at the accreditor dashboard.

And so certainly we take into consideration the data that IPEDS generates and we use varying systems but we also look at our own data that goes beyond the statistics that are reported for the purposes of IPEDS.

MR. BOEHME: So then how specifically do you look at that IPEDS data within your process?

MS. MATTHEWS: I just identify the data for Grantham. We ask Grantham to explain the retention rate. They sent us an explanation that it is a narrow portion of their student body that it is returning freshmen.

Many of their students are not coming back on a
full-time basis so some of their students switched to part-time or
took a leave of absence for active duty military service that
wouldn’t permit them to continue their studies at the time. There
were a number of factors that contributed to that rate so I guess
that’s my response in terms of these different scorecards and
public-facing data points.

MR. BOEHME: And your institutions -- I want to
go back to the veteran’s point because I think that this is really
important. And it seems as though, you know, you brought
someone who has expertise in data and it seems as though you are
also going by collecting program information.

So do you have information on veterans and how
specifically they fared by institution or any collective metrics that
you could share with us now?

MS. MATTHEWS: We don’t ask our institutions
to identify who is a veteran, who is a military service member. We
look at the data as a whole for every student as part of our
assessment.

MR. BOEHME: Given that you serve so many
veterans do you think that would be a good idea?

MS. MATTHEWS: Certainly we would be happy
to consider it.
CHAIRMAN KEISER: Any questions, thank you.

Sorry -- thank you for being with us. We have one presenter, Mr. Patrick C. Spada, did I get that correctly -- President of Higher Education Research and Development or H.E.R.D., welcome. Just for purposes we provide three minutes for you to make a presentation. I will time you and give you the signal when it is time to stop and you push the red little button here that says speak and then you are on, you have the floor.

MR. SPADA: Good morning Chairman Keiser and Committee members of NACIQI. I’m thankful for this opportunity to appear in front of you today. First I would like to say that DEAC has been helping military service men and women to achieve their educational objectives or almost 100 years.

CHAIRMAN KEISER: Excuse me is your microphone on I’m having trouble hearing, move it closer, thank you.

MR. SPADA: May I restart? Thank you. As I was saying, good morning Chairman Keiser and honorable Committee members of NACIQI, I appreciate this opportunity to appear in front of you today.

First I would like to say that DEAC has been helping military service men and women to achieve their
educational objectives for almost 100 years. While DEAC has had its ups and downs over the years it still stands today as a monument of good well to the dedicated employee staff and past Board members as well as to the hundreds of thousands of students that have passed through their gates.

My family has a proud history of military service and many were beneficiaries of the legacy of DEAC. We will respect what DEAC has done for service men and women of this country throughout its years in existence.

Over the years DEAC has exemplified institutional equality and integrity. However, the disturbing part now comes is that in my opinion they have been given a serious setback the past few years.

Our creditable documentation to substantiate how DEAC has a very disturbing and, in my opinion, an inappropriate version of management to the DEAC organization -- it is my opinion that DEAC has tarnished the interpretation regarding ethics, quality and integrity all held by DEAC for so many years.

I reviewed volumes of refutable facts and evidence of pervasive record tampering originating from the DEAC office. I am hopeful NACIQI will investigate these allegations and send a clear and tangible message to DEAC to take the appropriate steps
to mitigate future similar activities by its leadership. 

I would hope for this to be done prior to granting DEAC the coveted certification it seeks here today. In the past few years DEAC has knowingly signed false information to public records, has back-dated Commission actions on webpages and on public documents, knowingly presented Commission members with unverified false information to achieve the desired results to penalize a school that has committed no violations.

At the same time it allows schools who have taken U.S. military funds for courses that were never approved only to be hidden and buried without any citation or violation reported on that particular school. It allowed other schools to have favored son status, receive and retain tuition funds for courses that were never even attended or taught.

Refusing to investigate false documents generated from the Executive Director’s own office and then recusing its office from a process and not having anyone else investigate the unlawful acts reported by the school. So my time is about to expire, I am restricted from citing volumes of other irregularities that I have uncovered in the past two years. 

DEAC is managed with a very disappointing style of management that has no place in the NACIQI’s certified
accrediting Agency. It is deficient of fairness to all schools on an
equal scale.

In closing I am going to say that I am not pleased
that I have to be speaking here today. It gives me no pleasure to
report this conduct to this Committee but my conscience would not
allow me to ignore that there is an abundance of clear, convincing
evidence.

DEAC is not applying its standards equally to all
schools.

CHAIRMAN KEISER: Questions -- Susan?

MS. PHILLIPS: Just to help me understand the
organization that you are President of?

MR. SPADA: It’s just a research and education and
development. I used to be a President and Chairman of a DEAC
accredited school, Aspen University, up until about five years ago.

MS. PHILLIPS: I see, thank you.

CHAIRMAN KEISER: Frank?

VICE CHAIRMAN WU: Could you just clarify to
whom have you presented these concerns previously?

MR. SPADA: I personally have never spoken to
anyone at DEAC.

VICE CHAIRMAN WU: Okay and have you
spoken with anyone at the Department of Ed?

MR. SPADA: No I have not.

VICE CHAIRMAN WU: Okay so this is the first time in this forum --

MR. SPADA: Yes, I was only made aware of this Conference about a couple of weeks ago.

VICE CHAIRMAN WU: Thanks.

MR. SPADA: And I apologize if this is not the right forum.

VICE CHAIRMAN WU: Nope it’s alright. I just wanted to make sure I grasped. So just to be clear the concerns that you are presenting here before this body have not been previously presented to either DEAC or the Department of Ed?

MR. SPADA: Not through myself.

CHAIRMAN KEISER: Ralph?

MR. WOLFF: Yes the allegations that you are making are certainly quite serious and you referred to it as evidence tampering. It is not our job to adjudicate whether they are accurate or not in relation to what Mr. Wu just said. There are avenues but could you at least identify how you have come -- you made some very serious allegations regarding evidence.

How you say you personally have reviewed this
information? How have you come to it?

MR. SPADA: Yes, the school was involved in some of these issues that is a DEAC accredited school and the Executive Director of the not-for-profit school that I was a Board member of had shared this information with me.

MR. WOLFF: I would just add there are avenues for filing a complaint with the Department of Education where there would be a formal process by which any such allegations could be verified or addressed with opportunity for the Agency to respond. Thank you for coming.

CHAIRMAN KEISER: No further questions thank you very much. And now I will recall staff or Anne sorry?

MS. NEAL: I just have a process question having just heard those serious allegations apparently brought to us for the first time and being presented with the staff’s recommendation for renewal for five years.

I mean presumably things will go forward and there will be some investigations and there may be more information. So I am just asking staff then -- so let’s assume something happens after we have renewed them for five years. How are we apprised of that? How is it possible to bring an entity back in the event that subsequent activities show that in fact they should not have
received the five year renewal?

MR. BOUNDS: So the regulation allows us to look

at an Agency anytime under 602.33. So if the gentleman were to

submit the complaint we would review the complaint with as much

intensity as we do any and if we found that there was any

wrongdoing we could then bring the Agency back before NACIQI

at any time if we think that complaint is relevant to the Agency’s

recognition. So we have a process for that.

MS. MATTHEWS: The gentleman that just spoke

with you is a representative of William Loveland College.

William Loveland College has filed a lawsuit against DEAC in

regard to a show cause order that we issued to the organization

following our January 2017 Board of Directors meeting.

We stand behind our accreditation procedures

which comply with the Department of Education regulations and

standards. Our procedures include processes that would have dealt

with exactly the kind of complaint that William Loveland College

is making in its lawsuit.

The college knows of those procedures and when

they sought accreditation, agreed to follow them. The college is

not following the procedures of responding to a show cause order.

Instead it has gone straight to court. We believe that our internal
review processes could have addressed the college’s complaints.

We invite the college to re-engage with DEAC to resolve the concerns without litigation if it chooses to do so. If the college continues to pursue the litigation based on the Commission’s decision to order it to show cause why accreditation should not be withdrawn, we will contest the college’s allegations if and when a case is heard.

VICE CHAIRMAN WU: So I have a series of three questions for staff and I would ask the Chair do you want me to hold them or ask them now? When is an appropriate time?

CHAIRMAN KEISER: Why don’t we direct the questions you have to the agencies response.

Any questions for the Agency -- thank you very much. I would like to bring the staff back for comments and for questions, Rachael?

MS. SCHULTZ: I don’t have anything to add to my earlier remarks.

CHAIRMAN KEISER: Any questions to Rachael?

If I might -- some of the allegations that were just made -- did you find any evidence of it in your review of the Agency?

MS. SCHULTZ: No.

CHAIRMAN KEISER: Frank?
VICE CHAIRMAN WU: So I have three questions. I am not sure if they are for Rachael or Herman or Jennifer but somebody on staff. So the first question is we hear from many third-party commentators with various complaints some of which might be better presented through a different process.

So the first question is just very simple. Where on the Department of Ed website is all of this explained? Or in the Federal Register, where else -- so if I am a student, a faculty member, an administrator at a college, a member of the public and I think boy so and so agencies are up to no good I need to tell somebody. Can I easily access that somewhere to figure out how to do that?

MS. HONG: So as far as the third-party comments -- so we go out with a solicitation for both written comments, Agency-specific, any agency that is on the agenda the public may submit a written comment to the staff regarding that agency. And that Federal Register notice goes out first. That’s a 30 day comment period. After that when we go out with the announcement of the meeting it is the solicitation of oral comment with very specific directions on how to submit an oral comment to NACIQI.
And those instructions are also outlined on the Federal Register notice which are all posted on the NACIQI website.

VICE CHAIRMAN WU: Sorry I think I asked a misleading question of you. I am asking if you have complaints that should go to the Department of Ed because it might be that if the process for NACIQI is very prominently mentioned but the Department of Ed complaint process is less prominently mentioned people will come to us rather than the Department when really generally we want to send them to the Department.

So the Department process -- is that just on the website or somewhere?

MR. BOUNDS: We don’t have a -- you know we don’t have a complaint box posted out on our website but it seems that everybody finds us when they need to. I have, you know my inbox is for lack of a better word caboodles of complaints that come in that we have to sort through.

So while there is no box there that says Ed complaints, folks, our accreditation group information is out there and we get them that way. And a lot of complaints come in through the Department’s controlled mail process. And so we get complaints that way also.
MS. HONG: Just to add to that -- the process for review of those complaints are outlined under Section 602.33 like Herman mentioned earlier.

VICE CHAIRMAN WU: That was going to be my second question which is -- is the process set forth in A -- a statute, B -- regulations or C -- is it just practice? The reason I ask that is I wonder so if it is a statute we can’t change that, we are bound by it. If it is regulations we also can’t change that. But if it is just the standard practice I wonder if it might be useful for NACIQI as a body to talk to you staff in an appropriate way which is I think publicly about what process would be best so that the interface between NACIQI and the Department works well.

Because I think regrettably some not insignificant number of people who come here might have been better served by going to the Department before. And I am just mindful we don’t want to waste people’s time when they fly all the way here and they get three minutes and they might leave thinking what happened with that so maybe we could coordinate.

MS. HONG: I would just assure you that when the public contacts our Department we -- to the extent possible we offer that guidance right. So we try to learn more about what the substance of that comment or complaint is and whether if it
requires more investigation on the part of a staff, we encourage them to submit a complaint.

If they want to be heard in a public setting and they just want to submit their comment for NACIQI to hear as part of the record we encourage them to do that. So we do offer that guidance when they contact us.

And to answer your first question the process for review of any information that is credible or requires further investigation is outlined by regulation.

MR. BOUNDS: I would just like to add that you will notice that once we get a complaint in, once we investigate that complaint you know, we will let the agency know if they were at fault. The agency agrees to correct the matter -- if there is no irreparable harm done then we ask the agency to tell us how they are going to fix that process going forward.

Honestly that has not happened a lot in the past.

You have seen with some agencies we have included the complaints in the petition for recognition -- that’s been because there has been some issues relevant to recognition and there may have been some issues where the Agency says, “Well we don’t agree with what you say.”

If we review those types of complaints outside the
recognition system and we were to find that the Agency was at fault, if they did not want to fix the issue that we asked them to correct then of course we would recommend that they appear before this body so that that decision can be discussed here and then elevated up to the senior Department officials. So that would be really the complete complaint process if it had to go that far.

VICE CHAIRMAN WU: And last question. Tell me if this is right -- my sense is if someone complains about an institution versus an agency that generally that doesn’t rise to a level of concern for you or for us unless the complaint about the institution says something about the Agency?

MR. BOUNDS: Or unless the person making the complaint at the institution goes through the Agency’s complaint process and that person is not happy with what the Agency told them, then they will submit that complaint to us and then we will go back and look at that entire process to ensure that the Agency is following its published procedures and then that there is no violation of the criteria for recognition.

VICE CHAIRMAN WU: So here’s just a last comment for NACIQI. I wonder -- I think we generally informally already get this but I wonder if we, NACIQI, care and if we do how much we care and how we should deal with this about the
volume of complaints filed?

I wonder if that tells us anything about any of the agencies and if we should be more regularly inquiring. My sense is staff usually alerts us plus through the third-party comments we already pick that up so if some Agency has just a crazy volume of complaints we will see it.

But I am just wondering do we want to just regularly ask you that question?

CHAIRMAN KEISER: Ralph, Claude and then I would like to ask a question.

MR. WOLFF: Yeah I guess the lawyers on the Committee need to go first here but let me follow-up Frank. I have two -- I have several questions but procedurally in order for an individual to file a complaint with the Department -- A -- do they have to go through the Agency’s own complaint process?

Because there is a regulation that requires the Agency to have -- I remember, that four complaints against the Agency and two -- is any complaint, would you continue to review a complaint if it is in litigation?

MR. BOUNDS: No if it is in litigation we are not going to get involved until that is over. Now I always walk over to Sally’s office and ask her what I should do in that case but
normally we kind of let that, we let that play out.

To answer your first question I believe is that it is true that we want the complainant to go through the Agency’s complaint processes, get a determination and then they can file that complaint with us if they are not happy with that. That gives us a map of what the Agency did and how they handled that person’s complaint.

If they were to send a complaint straight to us without going through the Agency we are merely going to take that same complaint, send it to the Agency and have them work through their processes and then again we would evaluate how they conducted or reviewed the allegations in the person’s complaint.

MR. WOLFF: Thank you. Let me follow up and I want to pick up on something Anne asked earlier and has raised in previous meetings. So assuming we went forward five years there are two issues for me. One is if there are complaints that are filed in the interim -- just as an Accrediting Agency Board, you know, if they are serious complaints would need to know about it arguably.

And in their case -- in DEAC’s case all complaints were reported to the Board. But we don’t receive, as I am aware, in the staff review any knowledge about complaints, or I want to
know how would we hear in the interim?

And the second issue is there are occasionally lawsuits against accrediting agencies whether this one prevails or not but does the General Counsel’s Office track are there any findings with respect to accrediting agencies that would be relevant for us to know with respect to due process issues, notice issues, timing issues and the like that we should be made aware of. So it would be helpful for us to have a report on the outcome of litigation against accrediting agencies, or at least as part of the staff review for the Agency when they come before us -- have there been lawsuits and did the Agency prevail or were there serious issues with respect to Agency procedures.

MS. MORGAN: We do at the Office of General Counsel we are aware if there are publicized cases against accrediting agencies where the accrediting and findings against the accrediting agencies. That usually doesn’t happen and generally if there is such a case it is a sort of a one of type of thing, some specific procedural error that is found to have happened in that particular case that you can’t really generalize from.

But we do look at those decisions and if any of them seem to implicate the integrity of the Agency or any of the criteria for recognition we would then fold that into the recognition
process, including an interim -- a mid-cycle review if necessary.

CHAIRMAN KEISER: Claude?

MR. PRESSNELL: You know through this I guess I am a little concerned that there would be complaints filed through different government agencies like FDC or the Veteran’s Affairs and we would have no idea about those. And I realize it is a little bit complicated because we are talking about complaints usually geared toward an institution rather than an accreditor but it does bear on how we make decisions here.

And I am just uncomfortable with us saying, “Well we wouldn’t have access to it so we don’t know about it.” And I’m wondering if there is not a way that we could be a little more systemic in our government communication so that once a complaint is filed we would at least be notified about it and then if we happen to see a pattern that seems to be institutions under one particular accreditor then we could have at least appropriate discussions and actions on that.

CHAIRMAN KEISER: Rachael I have a question. In terms of complaints do you get or is there a formal process to find out the complaints that were issued against institutions within an Agency during their cycle of recognition?

MS. SHULTZ: We track complaints that come
through our office and Cathy Sheffield maintains a record of the complaints that we receive but I don’t think we have any way of knowing about complaints that come to the Agency but then are not elevated to our level.

CHAIRMAN KEISER: But my concern is we had some concerns about complaints from some of the commenters. When I heard the percentages of complaints, they did not rise to a level of concern and George you know, any of the institutional members, complaints are part -- we deal with people, hundreds of thousands of people and complaints come to us or go to various agencies because they really -- some go to the state, some go to the accrediting agencies, some go to the feds, some go to the veterans, some go to -- I mean agencies that I have never even heard of.

Is it possible one to track it or is it even desirable on our case as long as the Agency has a process to resolve complaints that come to them, Herman?

MR. BOUNDS: I’m glad you brought that up because complaints as you say I think there are multiple agencies, states where folks can file complaints. I just don’t know of a method that we could gather all of that information.

I would like to say in this case that you know when we looked at this particular third-party comment I think this is
where these complaint concerns are coming from. You know
Rachael and I looked through this, we looked through this data and
we got some -- look I have to tell you guys we got some low
numbers here and I am not saying that any complaint is not
important but when you get into the numbers and you look at the
comments there are even other institutions here -- I mean, yeah,
other institutions who have some higher complaint ratios than the
Agency that is being reviewed and some of those schools are state
schools that have a higher complaint ratio.

So when you look at all of those numbers out and I
did the math on all of them, you are looking at ratios that are, you
know, for the Agency less than 2% and there’s a state school that
has a 20% ratio if you look that out.

So I am just saying these numbers are really broad,
we are not saying that they are not important but I don’t know how
my staff can go out and gather complaints from every federal
Agency, every state Agency there is -- I just don’t know.

We have to deal with what we can get.

MS. HONG: Yes just to add to that, to Claude’s
comment. We actually do engage with other agencies to the extent
that a complaint might be relevant to our criteria. But I mean that
is really the test right?
I mean we might engage with them, they might contact us including the VA, DOD, CFPB you know we know how to contact each other. But there may be times when it just doesn’t apply to our criteria for example. So to answer your question there is some inter-Agency communication there especially when there is an institution of concern.

And again just because it might not be relevant for our criteria here at NACIQI, that may get forwarded to Federal Student Aid for example.

MR. BOUNDS: Right and we do -- I’d like to jump in and say that we have had some meetings with CHEO which are the representatives of the state agencies and we have talked about how to better share this information.

So I mean we are trying to figure out how to get information from one another but it is just tough to try to track, you know, to track information from everywhere.

CHAIRMAN KEISER: Seeing no more questions thank you Rachael. Anne do you have a Motion?

MS. NEAL: Well in the midst of all of this conversation I guess the one thing I have concluded is that our accountability system doesn’t work particularly seamlessly. But that said, since clearly we have had a number of concerns raised
today that I think we should take seriously about the veteran’s,
concerns raised by the accrediting body in terms of data and how
we determine the right data, questions about uninvestigated
allegations and then the bottom line that under the existing regs the
staff has recommended that we renew the Agency’s recognition.

So I would just like to emphasize to the accrediting
body please listen to the various issues that we have raised. I
understand that they are in a much broader context than this
specific case and I will move to renew the Agency’s recognition
for five years.

CHAIRMAN KEISER: Is there a second?

MR. JONES: Second.

CHAIRMAN KEISER: Second by Mr. Jones. Any
further discussion -- sensing none all in favor of the Motion signify
by raising your hand, all opposed opposite sign. Motion passes,
thank you very much.

NACIQI RECOMMENDATION

Renew the Agency’s recognition for five years.

(Break 10:33 a.m. - 10:42 a.m.)
Renewal of Recognition

Southern Association of Colleges and
Schools Commission on Colleges
(SACSCOC)

CHAIRMAN KEISER: I would like to call the meeting back to order. We are about to look at the Renewal Recognition for the Southern Association of Colleges and Schools. There are a number of us who will recuse ourselves starting with Claude, George, Federico, and myself.

And I would like to say as you are aware certain important politicians questioned whether I would recuse myself during the debate of the Southern Association of Colleges and Schools, the institutional accreditor of my institution.

As I have always done over the last ten years I absolutely will. Additional certain commenters previously attempted to malign both me individually, my institution, my staff, my faculty and students and made inaccurate accusations which unfortunately threw a negative light on the Agency we are about to review.

I want to thank both the staff and the Agency for doing a thorough review which I hope will sign a truthful light upon the rigor of the accreditation process and the efficacy of my
institution. I hereby recuse myself, Frank it’s all yours.

VICE CHAIRMAN WU: Thank you and let’s give a moment for people to leave the room. And I might ask the Primary Readers, Richard O’Donnell and Susan Phillips who will be speaking.

MR. ROTHKOPF: With all of these recusals what does this do to the quorum requirement?

VICE CHAIRMAN WU: You know I was just wondering that myself as I look around here.

MS. HONG: We have nine and so there are 16 present so we do have a quorum, it’s a majority.

MR. ROTHKOPF: Thank you.

MS. HONG: Barely but we do.

VICE CHAIRMAN WU: Okay so we need everyone who is a member of NACIQI to stay here. The two Primary Readers.

MR. O’DONNELL: Thank you. We are going to review the Southern Association of Colleges and Schools Commission on Colleges, a regional accreditor covering 794 degree-granting institutions in 11 southern states. SACS has been a regional accreditor since 1952 recognized by the Department and I will turn it over to the Agency official.
MS. HARRIS: Thank you. Good morning Mr. Vice Chair and members of the Committee. For the record my name is Dr. Nicole S. Harris and I will be presenting information regarding the renewal petition submitted by the Southern Association of Colleges and Schools Commission on Colleges, SACSCOC or the Agency in my presentation.

The staff recommendation to the senior Department official is to continue the Agency’s current recognition and require the Agency to come into compliance within 12 months and submit a compliance report 30 days after the 12 month period that demonstrates the Agency’s compliance with the issues identified below.

The staff recommendation is based upon my review of the Agency’s renewal petition, additional information requested and supporting documentation as well as an observation of an annual meeting in December, 2016 and a site visit in North Carolina, March of 2017 for the Agency.

During the current accreditation cycle the Department received three third-party comments regarding the Agency’s renewal petition and two complaints. The third-party comments submitted in regards to the Agency raised concerns with

602.18B Consistent Application of Standards, 602.16A-1(I)
Student Achievement, 602.14B Separate and Independent Status, 602.15A5 Public Representatives and 602.15A6 Conflict of Interest as it relates to the Secretary’s criteria.

The Department requested the Agency to respond to the third-party commenters concerns in which the Agency included responses to these commenters in the draft response.

The Agency adequately addressed the third-party commenters and no additional information is requested at this time pertaining to them. Based upon the review of the response to the draft analysis, supporting documentation, site visit observation and follow-up communication with the Agency, Department staff has identified three remaining issues that have been included in the final staff analysis report.

The three issues that remain are related to missing evidence to demonstrate compliance with the Agency policies and the narrative. Therefore, as I stated previously, the staff recommendation to the senior Department official is to continue the Agency’s current recognition and require the Agency to come into compliance within 12 months and submit a compliance report 30 days after the 12 month period that demonstrates the Agency’s compliance with the issues identified previously.

There are Agency representatives present today and
we will be happy to answer the Committee’s questions, thank you for your time.

VICE CHAIRMAN WU: Yes, Primary Readers?

MR. O’DONNELL: Nicole, thank you for that overview and your work on this. Just a question -- most of the issues that are outstanding that you have identified appear to me to be relatively minor paperwork issues, get some resumes and some forms in.

I’m just curious how long did the Agency have to respond and is there a reason they didn’t get all of this in so that we didn’t have to go through a compliance review in 12 months?

MS. HARRIS: Well in the draft staff analysis that takes the most time and then we have a month after they receive the draft to respond to and during that time period we actually had been working with the Agency to get some documents to answer their other non-compliance issues from the draft.

They did submit 46,000 pages of documents for us to review and with the abundance of documents that were reviewed the three remaining issues -- we had reached the limit of time to request them so we had to go on a compliance report.

MR. O’DONNELL: Great thank you.

MS. HARRIS: No problem.
MS. PHILLIPS: And just one question about the two complaints that were received -- could you tell us a little bit about those complaints and the disposition?

MS. HARRIS: Sorry they were two complaints that were received by the Department. They pre-date me but in doing my research and looking at them one complaint was in regards to 602.23C which is the Handling of Complaints at an Institution. And the Department requested information on how the complaint was handled by the institution and documentation from SACS on how they handled the review and they were found to be compliant in all of the requested documentation and enforcement of their standards requirements in the 3.11 I think it was.

And then the second complaint raised concerns about misrepresentation of a school’s information in the catalogue about a program being accredited or not accredited. And the Department again requested SACS to provide information on how they handled this complaint on the -- from the institutions.

The person who submitted the complaint submitted a complaint to the institution and then a complaint to SACS so we asked to see how the institution documentation was received and reviewed by SACS and SACS’ findings. Again we found the Agency to be compliant in the way they enforce their standards
and the requirement and review of the documentation did meet the
requirements of the Secretary’s criteria.

MS. PHILLIPS: Thank you.

VICE CHAIRMAN WU: And other NACIQI

members -- I see Ralph?

MR. WOLFF: Thank you. I have a couple of

questions about the staff review on the third-party. One of the

issues that is not in the final staff report deals with -- at least I

didn’t see it is one of the concerns that is raised around the public

members.

And I just wonder how you reviewed that. There

was concern that several members of the SACS’ Commission did

not meet the criteria for public members and I didn’t see how you

resolved that in your staff review.

Presumably you found that it was not a problem but

I would like to just confirm that was what you did.

MS. HARRIS: Sure that’s no problem. Actually it

is reflected in 602.16A -- I’m sorry 602.15 it’s under the Public

Members. The complaint was that two of the Board members were

receiving funds and I did ask the Agency to address it and they did

address it in the final response to the Department after they

received the draft and they did acknowledge that the two public
members that they were referring to are not -- meet their definition
which is defined as an individual who is not an employee or
member of a governing or coordinating Board.

The allegation in the third-party comments stated
that they were part of a governing body and a Board that was being
paid and they thought it was a conflict and they thought they
should meet the definition of a public member. It was confirmed
by the Agency in 602.15 for Public Members that they are not in
the Agency that they are involved in is a voluntary Agency and it
is not represented as a paid position and they do meet the
qualifications of the Agency requirements.

MR. WOLFF: Thank you. And then I have one
other question again about the -- not in the detailed analysis but in
the public one, let me pull it. There were concerns about a specific
institution and specific action about an institution and issues of
integrity and the like and in the final staff report you indicate -- on
page 9, “Department’s staff has requested additional evidence from
the Agency concerning criteria,” and this is with respect to
Everglades and Keiser University.

I just wonder you having requested that information
have you received and have you reviewed it and made any findings
with respect to are there any concerns? I’m presuming not but it
would be helpful to know have you received the additional
information that you have requested?

MS. HARRIS: Sure. Actually I did request the
documentation that was the access of the documentation that was
received, that was uploaded by the Agency and the Department as
evidence and they had reaffirmation reports that they submitted,
financial documents, everything that was submitted supported their
original stance that the Agency was reviewed and they met the
requirements and at this time the Department hasn’t found
anything inconsistent with what they have reviewed against their
standards.

They met the Secretary’s criteria in everything they
requested and reviewed and documented and the Board made a
decision and it is consistent with what is required of the
Department and we don’t have any additional requests for
information and the information they provided was reviewed.

MR. WOLFF: So you found no impropriety in the
conduct of that review with the decision-making?

MS. HARRIS: No.

MR. WOLFF: Thank you.

MS. HARRIS: You are welcome.

VICE CHAIRMAN WU: Yes a comment from
Herman?

MR. BOUNDS: I just wanted to reiterate what Nicole said. We looked extremely close at all of the information that we received Ralph and I mean we went through everything, I mean page by page. You know she just spoke about the volume, about 50,000 pages worth of documentation for that one issue. And I am not exaggerating on the number of pages. It was massive.

So we looked at everything and we just didn’t have any concerns.

VICE CHAIRMAN WU: Anne?

MS. NEAL: I just wanted to offer a general comment that related to this evaluation by staff as well as a number of other ones. What struck me this time around was that there was a continuing focus on resumes, VITA’s, conflict of interest forms, and in this particular case the full cycle of review.

And I must confess knowing from reading in the newspaper about Chapel Hill single digit graduation rates and other broader issues, there was something almost surreal about the staff reports this time because it was in a world that seemed unattached to student success, federal monies and I even think I saw reflected a little bit of annoyance on the part of some of the
staff at SACS as they were being asked for their resumes and I
shared that annoyance because it really is not clear to me how this
goes to really what we are asked to do here in terms of being a
guarantor of reliable quality.

MS. HARRIS: Thank you for your comment
questions. I share your concerns. As you know the requirements
are dated so to meet the criteria there are things that are listed and
required that include resumes to verify qualifications and
information of Board members and those who are involved in
accreditation activities.

However, the concerns you were referring to with
Baylor as well as North Carolina I did ask for additional
information, it was requested in addition to what they submitted in
their petition, there was an additional information request and I
listed all three of those -- all three of the schools that had come up
in recent times that had issues on a variety of things.

I also attended the Board meeting so that I could see
how they were handled and discussed and I also attended the site
visit in North Carolina to see how the follow-up is being handled.
So I appreciate your concerns and I think I tried to address them as
much as I could.

VICE CHAIRMAN WU: There’s a comment from
Herman?

MR. BOUNDS: Yeah I just wanted to reiterate what Nicole said. You know the criteria is the criteria and one of the things that it talks about on the competency of representatives is that we have to have those resumes for each one of those folks to determine whether they should hold those positions so we do understand that we do sometimes ask for what may seem meaningless things but we just have to do that and that is standard across the board.

I just wanted to add that with SACS we asked for a lot of information. Nicole just mentioned some but we also had schools that had some cohort -- not cohort default rates but composite score information we asked for about schools. I think the additional information letter that we sent out to SACS is uploaded in the petition so you could see all of the additional things that we required them to respond to this time.

Again, North Carolina there were issues with I think University of Louisville -- is that right? So we have an alert system that alerts us of issues that are brought up in prominent and reputable news publications and we also get publications of lawsuits.

So when those things come up we try to get
information out to the Agency that they can respond to that

additionally and I think this time we asked SACS for a lot of
documentation and we thought they provided it, so if I missed
anything over the course I know you will --

MS. HARRIS: Well just to add in 602.27A 6-7B Fraud and Abuse -- the three schools Herman just mentioned are listed with my request for the additional information request and their response and their documentation for Baylor, University of North Carolina and Louisville.

VICE CHAIRMAN WU: And Art?

MR. ROTHKOPF: Yeah Anne brought up a point which I was -- and I do plan to bring up with the Agency when they appear here. What was the specific penalty if any imposed by SACS on the University of North Carolina because of the athletic scandal?

Were the penalties only by the NCAA or were there penalties actually imposed by SACS on the university?

MS. HARRIS: I'll let the Agency speak on that in detail but in what they did submit to us was their review. They submitted a request for information from the school and changed their status as well as they submitted the notification from the NCAA on their findings as well.
And what I reviewed was to make sure they did take
action and they did. They can go on to detail with how and what
they did in enforcing the action.

VICE CHAIRMAN WU: And did you find the
action they took appropriate under all of the circumstances?

MS. HARRIS: Based on their standards, yes. And
what was requested from the school, yes I did and it met the
criteria in cases of adverse actions.

MR. ROTHKOPF: And is there anything you
found in your extensive activities relating to SACS as to whether
in looking at other institutions they are concerned about the same
kinds of issues which arose at North Carolina?

We have some of the obviously leading athletic
schools in the country within SACS and I guess my question is did
you find that they had a sufficiently robust program for checking to
be sure that the UNC issue was not present in other institutions
across their jurisdiction?

MS. HARRIS: Well that was a part of the
additional information request. In looking at their consistency in
enforcing and having policies that -- enforcing the policies that
they have in place they have an off-site, on-site and committees
that review documentation and information that comes from the
schools and I looked to make sure that all of the criteria for the
Department is included in their standards and their regulations
through their core and their comprehensive standards and their
federal requirements that they enforce.

And in looking at the information and the evidence
that they provided they request and issue monitoring reports,
adverse actions consistently with the Secretary’s criteria and there
were no outliers of anyone that didn’t receive the same type of
enforcement if a problem arose at the level in which they needed to
require additional information or put them on an adverse action.

MR. ROTHKOPF: Thank you.

VICE CHAIRMAN WU: Anything else from
NACIQI members -- no? Okay, I’m sorry yes Kathleen?

MS. ALIOTO: Nicole I would like to thank you for
all of this work. When SACS is looking at 32 billion dollars in
student aid and 5 million students I’m glad that you are on the
case.

I wondered in terms of the overall interest of the
NACIQI Board in student achievement in what way did that weigh
into your decision to have the 12 month return?

MS. HARRIS: Well listening to the concerns you
all had since I have been attending the NACIQI meetings and they
submitted information on student achievement and in their 
response I did request them in the draft analysis to give more detail 
in how they require the information.

So they submitted a separate document that showed 
a comparison of issues and interest for our student achievement 
from 2013 to 2016. They charted out what they found and they 
have also included some information on how to moving forward, 
addressing issues and bringing in additional student achievement 
measures.

So I will have the Agency speak to what they are 
going to do but I did ask them for additional information just to 
make sure that it is included, it is responded to and each institution 
is held accountable.

VICE CHAIRMAN WU: Simon?

MR. BOEHME: My colleague Arthur or Art 
brought up a good point. You said that they did take action against 
UNC Chapel Hill, is that correct? Some sort of public notice in 
regards to their controversy?

MS. HARRIS: They took action in the form of 
asking for additional information and I’ll let them speak to the 
additional actions that they took because this was a case in which 
they needed to do additional review. They had a special committee
review as well so they also spoke on different issues that they had
discovered and found that if they needed additional information
they would have additional people go in and review.

So I will have the Agency speak on their particulars.

MR. BOEHME: Because according to their website
and students who would use their website which their website is
easy to navigate. It says that the SACS Board of Trustees has not
taken recent action on the activities of this institution.

MS. HARRIS: This did happen five, six years ago.

MR. BOEHME: Right.

MS. HARRIS: I reviewed for this recognition
period.

MR. BOEHME: So was it within the five years --
you said five to six years, so?

MS. HARRIS: In this recognition period there was
follow-up because they had monitoring reports and so forth so I
reviewed their follow-up to the Agency not the initial action that
happened outside of their recognition period.

MR. BOEHME: Right, thank you.

MS. HARRIS: You are welcome.

VICE CHAIRMAN WU: Anything else from

NACIQI members -- okay. Thank you to the staff and we now
invite Agency representatives and as you come up if you would
introduce yourself by name and title that would be great.

MS. WHEELAN: Thank you Vice Chairman Wu
to you and the members of the Committee. I am Belle Wheelan. I
serve as President of the Southern Association of Colleges and
Schools Commission on Colleges, known for the last seven years
as SACSCOC. Previous to that we were SACS. We became
separately incorporated from our parent company so we will talk
interchangeably but it is all recent, if you will.

Accompanying me is Dr. Andrew Westmoreland
who is the President of Sanford University and a former Board
member. On your listing you have Drs. Nancy Moody and Al
Rankins, both of whom had either budget meetings that their Board
called or other campus issues with which they had to deal so Dr.
Westmoreland joined us.

To my right is Miss Carol Luthman who is a 34
year employee of the Commission, has done 6 of these and she
indicates this is her last since she is scheduled to retire July 4th.
And on the far left is Miss Donna Barrett who is our Director of
Institutional Finance. Given the questions from the third-party
comment we thought that we would ask her to come to explain the
financial review that went on.
I would like to begin by deferring to Dr. Westmoreland to make some opening comments.

MR. WESTMORELAND: About 30 seconds of opening comments. When Dr. Wheelan called me last Wednesday to tell me about the other scheduling conflicts for Board members and I finished my tenure as Board Chair in December of 2015 so I thought I was done with all of this.

She asked if I might attend today and I told her there was no place on the planet I would rather be than in this room. So I am indeed grateful for the opportunity. I have been associated with peer review now for a long, long time and so I am one of the thousands of volunteers who try to help make this process work.

And it has been a great honor to be associated with SACSCOC now for the last 11 years.

VICE CHAIRMAN WU: Is that it for the prepared comments?

MS. WHEELAN: From him. Thank you Mr. Chairman. The Southern Association of Colleges and Schools has been around since 1895. The College Commission in 1910 and we have been recognized by the Department of Ed since 1952 when this process came into existence.
We currently accredit 794 degree-granting institutions and 478 public, 303 private and 13 for profit and 6 international institutions. To your comment about the data -- we submitted information about 75 of our trustees out of the 77 positions we have because we have two vacancies. We failed to identify the fact that we had two vacancies and sent them in so that is one of the follow-up questions that was there.

Miss Luthman will address the substantive change question that came up. The signed recusals is an easy fix because we have those forms, we just only sent the emails where members had said yes I recuse myself from this and we collected the signatures at the Board meeting after that, but just failed to send them so those are easy fixes as well.

You talked about complaints earlier -- Mr. Rothkopf you raised that question I believe so I will answer that one right now. We average about 110 complaints annually on everything from, “The dog ate my paper and my teacher wouldn’t accept it,” to “I can’t get my financial aid,” to just everything.

What we do is ask students to tie their complaint directly to an accreditation standard otherwise I would have an entire staff trying to do all complaints that come through. We also asked them to utilize the complaint process at their own institution
first and if they are not able to find a solution then to come to us
but again it needs to be accreditation related.
Since July 1st of last year until May 31st of this year
which is almost a complete fiscal year for us, we have had 94
complaints and of them 81 have been completed. So the others are
still in the process of we are either gathering information or they
just came in and we haven’t dealt with them yet.
So with that I don’t know where you want us to go.
Let’s start with questions from you and then we can go on.
VICE CHAIRMAN WU: Right, right so we will
proceed to questions from NACIQI members starting with Art.
MR. ROTHKOPF: Yeah I would like to pursue
further this athletic issue which I have to say when I read in the
press and I don’t have any information other than the press, I have
not looked into it in any other respect -- but it struck me as
probably the most shocking instance of malfeasance by an
institution graduating students who really had not completed the
curriculum, were not entitled to graduate.
And this happened within the jurisdiction of SACS.
I don’t recall how it came to light whether it was the NCAA who
got involved first or some other way but I guess I would like to
know what SACS -- your agency’s response was to this really -- I
consider horrendous situation?

What did you do about it and I guess maybe part
two is what are you doing about it to make sure it is not happening
at other institutions located within your jurisdiction?

MS. WHEELAN: It came to us as unsolicited
information. It hit the paper -- that was how we initially found out
about it because the current administration which was not involved
in it uncovered it and did a self-reporting kind of thing that
happened.

We sent a team in, we asked them for information
they brought it back. There are times when we send out
unsolicited information requests to an institution that I as President
can say yes you have satisfied this. This was bigger than me,
above my pay grade so I took it to our Board.

Many of my Board members wanted me to drop
them from membership because it was such an egregious issue
having gone on so long. It is not an athletic issue however it was
an academic integrity issue.

And only about 43% of the students that were
involved were athletes. But because it was athletes and because it
was at Chapel Hill it blew up like a big balloon but it was an
academic integrity issue.
Our Board instead of dropping them from membership put them on probation which is the severest sanction that we have short of dropping them from a membership, sent in a special committee to go and investigate exactly what happened.

The university was completely open with all of their records, with the reports that they had done and you know everything. Initially we could not interview the two major parties involved because they were in litigation with the university and so we had to use the information that they gave us.

But subsequent to the Board deciding they did come back and settle that lawsuit and we were able to gather information from them and felt that the Board -- I mean the institution had done what it could to put these changes in process.

We subsequently -- they are on the agenda for this coming December for a follow-up from a year later and I’ll let Carol tell you about all the other stuff that is going on, but that is how it came to us initially we read it in the paper.

MS. LUTHMAN: It really came to us in two stages. The first one came from the NCAA as you mentioned earlier under the report of the review of courses the Department of African American Studies College of Arts and Science and it was an independent task force and it came to us from them because
anytime that there is alleged academic infractions we have been getting reports from the NCAA.

So that happened in March of 2012 and then in December of 2012 we had them before our Board after there was an exchange and a request for additional information for them to provide for us information to make a better decision.

After that -- after the December, 2012 decided to send a special committee in in April of 2013 which we did and as Dr. Wheelan mentioned it was at that time that the two individuals that were the center of this, they were in litigation and as all of you know we have no subpoena powers to generate additional information when there is litigation or there are other legal related inquiries going on.

So at that time as I said it was focused on those two individuals. The institution after a special committee had made significant changes in its policies, there was also a change of leadership that was taking place at the end of that year and they also were required to provide us with policies that would have safeguards so that this kind of thing would not happen again.

And we also addressed the issues of we wanted to know which of those students needed those particular independent study courses in order to graduate. And if those courses were
dependent for their graduation then they had to review them and
come back and review the degrees and whether or not they should
be getting the degrees and what were they going to make available
for them to make up those courses.

They also -- they addressed that as well. And so it
was that after a year and a half of monitoring we released them
from our monitoring -- actually it was two years. Then in the
spring of 2014 when the new Chancellor came in she asked for an
internal investigation to uncover everything that could possibly be
uncovered at the beginning of her tenure.

And so it is that many of you may be familiar with
the CAD-WADER report and that is what it resulted in. And from
that report we asked them for additional information, we cited 18
of our standards that were out of compliance and then in the fall of
20 -- I mean in June of 20 -- wait, December of 2014 they
reviewed the reports and they asked for a special committee.

The committee went in in June of 2015 they were
placed on probation. They went straight to probation after that
because they recognized that it was beyond those two that there
was a network of faculty also involved in channeling students and
also they knew of this.

The institution has since released almost all of the
main players and they are in turn in litigation with those
individuals. There were some additional policies in place where
they showed evidence that they were working. Again they had
already done the audit on graduates and they gave us a progress
report on that.

And then in June of 2016 after an interview before
our Board they were removed from probation. They were then
reinstated to the reaffirmation process and they had a
comprehensive review in spring of 2017 and then before our Board
in December of 2017 for reaffirmation of accreditation.

MR. ROTHKOPF: May I continue?
VICE CHAIRMAN WU: Yes.
MR. ROTHKOPF: That’s very helpful in relation
to the situation at North Carolina. Are they still on probation or
has that ended?
MS. LUTHMAN: No sir in June of 2016 they were
removed from probation because they had taken all the measures
and safeguards.

MR. ROTHKOPF: I guess my next line of
questioning goes to what your Agency does to be sure that similar
activities and they always take different forms, are not occurring at
other institutions that are let’s say I want to use a term here,
heavily invested in athletics. And we all know what those
institutions are many, many of them are located within the
jurisdiction of your Agency. How can the public be assured, how
can this Agency be assured, the Department that activities like
these -- and they will never take the same exact form but there will
be something else.

What do you do to go to some of these institutions
that are so invested in athletics, their reputation nationally depends
on it. What do you do to be sure that this is not happening
somewhere else?

MS. LUTHMAN: And with all due respect I don’t
think there’s any assurances that would say that we could do that
would say this won’t happen again. Every one of our Presidents at
the ACC and SCC schools dread waking up any morning seeing
the headlines to find out what they didn’t know about the night
before -- and I’m not being light in saying that but I actually mean
that.

What do we have? We have a number of standards.
We have one on control of intercollegiate athletics. We have one
on the expectations of the controls and who is in charge of athletics
in the area of education, finances and student support services and
that rests with the President.
And so we have a litany of expectations there as well as we have policies on academic practices and all of that is reviewed in our comprehensive review as part of the compliance certification and I think that that is really the best that we can do.

And we do respond when and many of our institutions have been in the headlines and there is never a time when they are in the headlines that it appears that there is significant non-compliance with any of our standards.

There’s never, ever a time we don’t immediately follow-up with that.

MS. WHEELAN: We also have a principle of integrity that our institutions understand, you know, that we expect them to tell us what’s going on, the good, the bad and the ugly as to anything that’s happening. And during the leadership orientation which is the meeting that institutional leadership must attend before they begin their regular reaffirmation process, we remind them about the kinds of things that have happened with other institutions.

We have had several who have done what we have asked them to do and that is talk with other institutions to find out what kind of documentation did they provide to satisfy compliance. And we have had several who have done that but
have forgotten to take the other institution’s name off of the
information that they submitted to us. That’s an integrity issue.
And our Board will not tolerate that and so they
understand, you know, how important this is and so we reiterate
that in the training in getting them ready for their own
reaffirmation process but as Carol said, you know, we are talking
about faculty way down the road and everybody doesn’t always
check within their own institutions the class schedules and the
rosters and things that come in so we can’t find everything.

MR. ROTHKOPF: Do you find a problem in a
situation at a university where an athletic coach may be making
multiple times the compensation as the President which whom you
are putting so much stock in and, you know, Presidents -- I think
they are people with high integrity but someone who makes 10 or
15 million dollars a year may be a little bit more important than the
President.

MS. WHEELAN: Dr. Westmoreland is one of
those Presidents -- I’ll let him respond to that.

MR. WESTMORELAND: Well and I’ll remind
you that I serve a university in Alabama so bigtime athletics are
never a problem in our state yeah. But yeah I certainly understand
that and without doubt these are issues that are discussed heavily
among college Presidents right now.

But I don’t see -- as far as it applies to the Agency that that is a particular challenge. I will say following on what Dr. Wheelan said a moment ago our system relies to a great extent on the principle of integrity and we don’t have the subpoena power.

We can’t go and retrieve things, we can’t get to facts sometimes that when people aren’t fully telling us the truth. And so that I think is a challenge for the entire system but it relies on the fact that people are going to tell each other the truth.

VICE CHAIRMAN WU: Okay I am going to go right down the row here -- we have Anne, John and Susan. Oh my apologies we will start with Susan and then Anne and John, my apologies Susan.

MS. PHILLIPS: Thank you. Thank you for joining us and as you know we have been asking some standard questions to learn more about how agencies are addressing some of the things that are of interest. And so I want to give an opportunity for you to address those questions. The first one of course is so how are your institutions doing and how do you know how they are doing? And we will go from there.

MS. WHEELAN: Some of our institutions are
doing very well, some are not just like every other region in the country. A lot of it depends on the financial support that they have from their own states or whoever funds them. Some of it has to do with the level of student preparation that their students bring with them to an institution and how much remediation they are going to have to do before they can actually get involved in college level courses.

Some of it has to do with the number of part-time students that are enrolled there. So if you are looking at the graduation rate, loan default rates, all of those things play a part of it. The previous Agency mentioned the flaw with IPEDS data, that it is only counting first-time, full-time students and that is a very small percentage of the students who enroll in higher education today certainly in my region.

But we have done -- begun research I think Dr. Barbara Brittingham was here this time last year to talk about a project that all of the regional accreditors have undertaken regarding those institutions that have high default rates and low graduation rates.

We are one of the regions that have participated in that. We have also expanded our project this year because the National Student Clearinghouse data includes part-time students.
and transfer students and we believe that that gives a more complete picture of the success of our institutions. You know on many occasions you will have students, you know, who will start for example at a community college and then transfer to a senior institution. Because they don’t graduate from the community college the community college doesn’t get credit for them and because they transfer in the senior institution doesn’t get credit for them. So you have a student who put in all of this work who does indeed earn a credential but they are not accounted for anywhere. So we have stepped up our game and started looking at those particular numbers as well and I believe that information was put in to your -- some of that was put into the report. We also looked at 6 year graduation rates of community college students because since such a large percentage of them go part-time, many more of them will finish in 6 years than finish in 3 years which is 150% of the time to graduate which is what the Department uses. An example of that is the 3 year graduation rate nationally for community colleges is 21.4%. In our region it is 20.6% so we are right on time with them. But when we look at 6
year graduation rates it almost doubles, it is 40.9% for a national
level and 41.9 in my region.

So looking at that data, you know, just by looking at
IPEDS we felt was very limiting to show a completer picture of
what was going on with our institutions. We sent that information
out to our institutions recently. We gave them the IPEDS
scorecard data, we gave them the National Student Clearinghouse
data and we gave them the data that they submit to us annually on
our student profile and asked them which one of these is true and
which one can we use to look at helping you push the needle
forward.

We have also asked them to identify 10 to 15 peer
institutions within our region so that we can look to see where they
fall against their peers and to help make sure that the strategies that
their successful peers are using are also going to be made available
to them so that they can again move that needle forward.

MS. PHILLIPS: Thank you and it sounds as though
you are kind of working towards generating triggers, indicators
that would raise red flags for you, is that where you are going with
that?

MS. WHEELAN: That’s exactly where we are
going with that. But rather than setting what has been called a
bright line indicator we feel that there is too much diversity among
our institutions, even among our research 1 institution there is
diversity there let alone among our state colleges and universities.
So that is why we identified peer groups to try to make sure that at
least they are, you know, performing along with their peers.

MS. PHILLIPS: I would like to question just to
look at since the time of your last review what’s the sort of range
of accreditation decisions that you have made and for those that are
less than favorable, fully favorable, what are the standards that
agencies are taking.

MS. WHEELAN: Well we have data for you. We
have a process called Institutional Effectiveness which is show us
what you expect students to know before you give them a degree.
How do you know that they are doing it and what kinds of changes
you are making in the institution to ensure that the students coming
next will, you know, perform better? That’s probably our biggest -
- I won’t say offender but our most challenging of our standards to
our institutions.

It has gotten better. Institutions are better able to
use that assessment data because that was the bigger issue, what
are you doing going forward but that is still a big one. Financial
indicators are another one and when we gather financial
information annually and when we see that institutions are going up and down or up and down or they are going constantly down then we immediately call them in and say let’s talk about this and see what you are doing and how are you reporting it.

What kind of strategies are you using to get back in line? We found that sometimes it’s Boards that fall asleep at the wheel and so I will go in and do a presentation or Donna will go in and do a presentation to the Board to remind them about how we look at their finances and what can get them into trouble, you know, from an accreditation standpoint.

We get letters from the Federal Financial Aid Office when institutions aren’t meeting their composite levels and so we will go in and the good news of it so far they haven’t identified an institution which we are not already familiar or already aware that it is an issue.

So we are working with them even before the Department notifies us. Do you want to call on some others?

MS. LUTHMAN: In terms of the standards, and Dr. Weelan mentioned some of them. I’ll just give you an example that this is pretty much of an average. We asked -- as Dr. Harris mentioned earlier we have three stages of review. They have a compliance certification which they provide documentation and
show their support for compliance.

And so that is reviewed by one committee and then they have an on-site review committee, so that’s a whole different group and then they have our Board. Well for the on-site committee two of the areas in student success student learning, 64% of the institutions are cited for institutional effectiveness, the standard that Dr. Wheelan just referred to.

When they are referred to on-site they have a chance to begin to clean up and give us additional documentation. That’s 30% that are cited and when it gets to the Board and the Board reviews them going out of that review, 22% are continued to be cited.

In our standard under 4.1 which is Student Achievement which is exactly the statement out of the regulations, 37% are found to be out of compliance at the initial review. That drops down significantly on the on-site review to 3% and then as a follow-up from reaffirmation to 1%.

Those are our two primary standards for looking at student achievement. We also have one that looks at general education competency skills at our institutions. That particular standard is never one of what we would call the top 10 so I don’t have the specific percentages for you there.
But those two always have some prevalence for us. The other ones were -- the other standards are usually, some of our sustaining factors which would be faculty competence -- not competence but their qualifications to teach the programs and usually that is fairly high. It starts out with a 93% non-compliance and then will drop down considerably to about 32% and then there’s usually follow-up following-up on that following review by the Board because usually they can provide additional information. But I would say that those are our top ones.

MS. PHILLIPS: Thank you and my last question is about our interest in student achievement. I understand you have an array of ways in which your institutions will approach that but if you could speak a bit more about how you assess compliance with student achievement in your standards?

MS. WHEELAN: The process that I outlined to you before is the process that we just began starting last spring. Prior to that we divide our standards into core requirements, comprehensive standards and federal requirements -- the student achievement one, the federal 4.1 is the one that historically has had the student achievement data asking us, you know, about graduation rates, licensure rates and things like that.

So we have always monitored those numbers that
way. We don’t have bright line indicators and so we have not had
a standard to which they had to aspire other than just telling us
about ways that they are improving.

We did a survey of our institutions and got over 400
pages of strategies that institutions are using to increase those
achievement rates. So prior to that and the federal requirement 4.1
in our standard and the institutional effectiveness one were the two
standards of ours that we use to monitor an institution’s progress.

MS. PHILLIPS: Thank you.

MR. WU: Okay so now we will go to Anne, John,
oh sorry, we will start with Rick, then we will come back to Anne,
John and Steve, Rick?

MR. O’DONNELL: Thank you. I want to continue
the conversation on standards and talk about one of the third-party
comments. I have a couple of questions but one the commenter
suggested that SACS didn’t have kind of consistent requirements
for how you measure student success compared to other regional
accreditors and I am curious if you could comment on that
initially?

MS. WHEELAN: Well that’s what I just said to Dr.
Phillips over here that we use the two standards on institutional
effectiveness and the federal requirement to monitor institutions to
provide -- we develop training workshops where we share data with institutions so they can improve on those numbers. We are now changing our strategy to get them to look at their own peer groups so that they can see their own competition if you will and try to improve the things that they have, otherwise we have no bright line indicators.

MR. O’DONNELL: I have a question on the peer groups. My experience as a CEO I was always amazed how an institution would come in and if they wanted a tuition increase it was one peer group and if they wanted that new building it was a different peer group.

So I’m curious if it is one peer group for all measures?

MS. WHEELAN: No it is a peer group for achievement data.

MR. O’DONNELL: Okay and then I am curious do you -- do those peer groups include if they happen to exist in the SACS regions, schools, institutions that might be outliers so institutions that have a lot of part-time students that do exceptionally well?

Institutions that have a lot of incoming students that need developmental education that do exceptionally better so that
your -- the other schools in that peer group can see institutions that
might be doing things differently and better for student
achievement?

MS. WHEELAN: The latter is what we are finding. The peer groups have been very interesting to me because if it
were left to me to go in and identify peer groups I wouldn’t have
picked some of the ones that they did but they are more familiar
with who they are and we have gone back now to look at the
achievement data of their peers and they are much more aligned to
the description or the mission of the particular institution so you
don’t have a land grant university that has picked a community
college as one of its peers for example.

So they really did go in and look at, you know, who
are their competitors? Who has the similar mission to them, you
know who do they consider doing the same thing they are doing
with the same group of students and identifying their achievement
data from there?

MR. O’DONNELL: Great, thank you.

MS. LUTHMAN: If I could add to that too because
there were so many inaccuracies in this claim by the third-party
that for us to ignore it would not do due diligence on our part.

First of all there was a severe lack of information
about what we do. We have 5 standards, we have 4 standards and
we have the quality enhancement plan that is an improvement part
of our -- and as a Reader you know that, this is an improvement
part for institutions to look at student achievement.

And that has to be grounded. That plan for
improving student learning or the environment that support this.
We have a standard that is a core requirement on planning --
strategic planning that is also revolving around outcomes.

We have the one that we mentioned earlier that is a
core requirement -- that gets to institutional effectiveness for
educational program and student achievement. We have one that
looks at the competencies as I mentioned before of general
education and then we have the student achievement standard that
is a direct quote from the regulations and the Department of
Education, so we have 5.

None of that is reflected here. Nowhere is it
reflected in what we have in our resource manual of how we go
about doing that so this is entirely misrepresented. So two
institutions that they used the one institution was reviewed in 2009,
the other one was reviewed in 2011.

Our standards that were just established were put
into place in 2012. Since then over 600 institutions have been
reviewed and it was none of those that they selected under the
current standards so it was completely, completely misleading. I
just wanted to make that point for the record.

MS. WHEELAN: She has a problem telling you
how she really feels.

VICE CHAIRMAN WU: Okay now Anne, John
and Steve and then Brian and Ralph. We will start with Anne.

MS. NEAL: Well thank you for your information
on the various standards and peer groups and workshops and
things. It all sounds good but I really want to get back to students
and student success and federal dollars.

And so I want to go back and follow-up a little bit
on what Arthur was talking about in terms of being a reliable
authority of educational quality which is ultimately the decision I
have to apply when looking at your work.

And you have said yourselves that the North
Carolina case was a quintessential matter of academic standards,
academic integrity and that you just can’t find everything and that
you do your best. And I guess I’m just wondering if that best is
good enough because as I look at this and I hear what you have
done and that you are still doing some reviews this year, December
of 2017 -- I can go back on the News Observer back in 2012 could
tell me in a headline report finds academic fraud, evidence in UNC Department.

And the NCAA which is hardly known as the most rigorous evaluator of standards has been ahead of you virtually every single case when you have these situations. University of Louisville NCAA just came down very hard. You all have said nothing except to slap the hands of the Governor because he was trying to remove the Trustees and perhaps bring in some greater accountability.

So I guess I’m concerned that this catch up with an indicator already of University of Louisville which clearly has been documented to have various problems that this just isn’t good enough and that I can turn to the NCAA or the newspapers and more readily determine what is going on in our colleges and universities than I would turning to you.

MS. WHEELAN: Thank you Miss Neal. First of all our Board did not slap the hand of the Governor. We cited the University of Louisville’s Board for their policies not matching state statute which meant that the statute the Governor had to change out that Board which he had never used for higher education Board, had used for community Boards but not that one, was not in their standard.
And so subsequently we found them out of compliance because their own policies did not reflect the ability of the Governor to do that. We don’t accredit Governors and so we did not slap the Governor’s hand. We slapped the institution’s hand for their policies being out of compliance.

As far as the NCAA is concerned our Board took action on UNC Chapel Hill before the NCAA did. As a matter of fact they just took action I think two years ago and as you heard our action was done three years ago, so we did that.

This organization has been around since 1895. I have only been there 12 years but in the 12 years I have been there and then the 43 years in which I have been an active member with the accreditation process, the Chapel Hill situation was the only time that something that egregious had happened.

Our teams do not look at individual class rosters. That would take forever for a team to go in, especially given as many courses as the University of Chapel Hill offers, okay. And that was where the discrepancy was found. There were previous administrations at the university that had not uncovered that situation or at least had not admitted it to us.

It was not until a new Chancellor came in and there had been a lot of retirements and resignations there and uncovered
that this had been an issue for them and self-reported it. So to say
that our organization or any other regional accreditor, you know,
cannot be depended upon to identify the good quality of the
institution based on that one institution, or even a handful of
institutions I think is unfair.

MS. LUTHMAN: And let me speak up on the
University of Louisville. We acted on information that we had at
the time. We knew in the offing there were additional challenges
that University of Louisville had but we didn’t have the documents
yet in order to make any allegations.

And here’s a very good example. The University of
Louisville was placed on probation because of some of the reasons
that Dr. Wheelan indicated as well as not following their policies.
We also knew about the foundation issues but we also knew that
there was going to be a report released.

Then in the early part of 2017 the Kentucky state
auditor’s examination of the governance of the University of
Louisville Foundation was released to the public and to us. We
immediately sent a letter after we reviewed all the materials.

We sent a letter to the University of Louisville and
we asked them to respond to at that point three of our standards
that made claims regarding the allegations and those were on
institution related entities that gets to foundations that gets to financial stability and also control to finances.

We received their response and based on that response because the University of Louisville already has as special committee review scheduled in the fall of 2017 we have asked them to -- we have included two additional finance people on that committee and they will be looking at those particular issues.

Recently we also received from the university because we knew this was coming up, was the recent report from it’s called A&M, some company that we knew, they were doing a forensic audit. And this forensic audit also gave us additional information about all of these problems with the foundation and how they were intermingled with the finances of the University of Louisville.

There’s a follow-up letter going out to that today and we found out that on Friday when we were at Board meetings. This is nowhere else to be found. Nobody knows about this, the fact that we send letters out and we don’t publicize it doesn’t mean we are not doing anything.

And our letters specifically say to our institutions when we have a special committee that anything else that we find
on your campus you are susceptible for additional review and pretty much the paragraph said so here’s a head’s up. And they have gotten three of those letters and it is a greatly expanded special committee and they will be before the Board with an interview on all of these issues in December of 2017.

MS. NEAL: If I can proceed again to look again at whether or not you are a reliable authority on educational quality -- you have just been talking about governance issues and I know in your standards you have two pages of governance standards. And there are interspersed various educational quality standards. There is no mention of governance in the Higher Education Act but in fact as you have already indicated you have spent significant amounts of time dealing with governance questions or questioning whether or not the Governor’s should be appointing Trustees, various issues that really relate to matters of federalism and state law.

And then when I look at the bottom line of looking at your schools for instance graduation rates -- and I understand, we all understand that data is difficult, but I am looking at Bachelor’s Degrees within 4 years, Amerage - zero, College of the Local Students, zero, South Texas College, graduation rates,
Concordia College Alabama, zero in 4 years, Southwestern Christian College 3% in 4 years, University of Houston Downtown, 1% in 4 years, Texas College, 6% in 4 years it goes on and on and on so I am left to wonder again whether or not you are focusing on the achievement and capacity of the students of the schools that you oversee.

Because when I look at how the students are doing, when I look at the three year cohort rates here again, Amridge University - zero graduated within 4 years, 10% 3 year cohort, default rate.

I am concerned that the federal government is pouring millions of dollars into colleges and universities which are failing our students and that your response is that it is up to each institution, you have got workshops, you are doing the best you can, but that’s just not good enough.

MS. WHEELAN: And we share your concern Miss Neal which is indeed why we are starting this project that we are doing and trying to more actively engage institutions in moving that data forward.

Some of those institutions -- again I’ll refer you back to the IPEDS data that looks at first-time, full-time students. The University of Houston is a perfect example of that. You know
they have a very small percentage of their students, it’s a commuter institution and many of those students are working and going part-time.

You know we don’t control the student bodies that go in to our institutions. What we do is to work with the institutions to ensure that the services and curriculum that they provide are appropriate for students who are indeed enrolling there.

MS. NEAL: Just to pursue that I mean you said earlier that often these students are in these colleges and they are not really college ready and that they are suffering, have to deal with remediation.

As you look at educational quality do you ever ask these institutions whether or not their admission’s criteria are appropriate? Whether or not they should be admitting students that are not college ready?

MS. WHEELAN: We always ask that question and many institutions will go back to the missions that they have where their mission was indeed to help those students who could not otherwise make a better life for themselves.

I have 76% of the HBCU’s and another 20% of minority-serving institutions in my region. Many of them are first-time students, they are not prepared either academically or
financially when they get there but if these institutions were not
serving them they would not have an opportunity for a college
education.

And so they have to take them where they are,
many of them are open admission institutions which say you know,
if you can show on an entrance test that you can benefit from what
we have to offer we are going to take you where you are and move
you forward.

I spent 28 years in community colleges.

Community colleges with those same open door institutions where
we take students where they are. Many of them come with just the
intent of taking one or two classes so that they can either get into a
new job or get a promotion on the job that they are already in, not
for a college degree.

MS. NEIL: This is a conversation that we have had
before and I remember when Jamie Studley was here it came up in
terms of again reliable authority of educational quality. I
understand that you are dealing with often challenged populations
but we are forced in looking at your performance as to whether or
not federal dollars are being expended for schools of educational
quality and I do not hear you saying that you have any standards
other than the institutional standards and that there is no particular
evidence that value added has been provided.

And so I am left wondering how I can assess whether or not you are ensuring educational quality when you yourself say it is up to the schools and that there are no bright lines.

MS. WHEELAN: Well I think the fact that you are looking at one year of data perhaps right there in front of you to see where institutions have been and where they are going is something that we do and so we know that there is improvement being made.

And with this new process that we are putting in place we are going to make sure that there is continued progress being made but it is not going to happen overnight. It is not something on which regional accreditors have focused the particular graduation rates and default rates because it has not been required of us before.

But now that it is we have begun it, we have begun it wholeheartedly and we are working with our institutions so that the money, the tax dollars that both you and I pay for the students to attend will indeed benefit those students.

MS. NEAL: And again if I might quote from a diverse article on March 2015 and you say, “We are not here to get
you, this is a continuous improvement process. I go to bat for the institutions. They understand we work for them. We are a service provider.” I guess again I am disturbed by that because you just said that and I believe strongly that accreditors are working for students and the taxpayer, but in fact self-improvement is not quality assurance.

And I wonder if that’s in fact why in the Wall Street Journal article that looked at accreditors rarely ever picking out worst performing colleges is that isn’t part of the problem.

MS. WHEELAN: We have dropped more institutions than any other regional accreditor so I don’t think that we can ever be accused of not taking to task those institutions. And we have put more on warning and probation than other regional accreditors as well.

Because it is a process of continuous improvement we do not just drop an institution because it is not performing well. We give them a chance to work to get better. That’s what’s met by the process of continuous improvement.

Obviously I work for the students because the students go to the institutions and I am trying to make sure that the institution is the best institution it can be so that the students get the best education that they get which was what the impetus of that
comment was.

VICE CHAIRMAN WU: Anything else Anne?

MS. NEAL: Maybe later.

VICE CHAIRMAN WU: Okay, John?

MR. ETCHEMENDY: So I’m not sure where to go with this since a lot of my questions have already been asked by Rich and very well asked by Anne. I do want to express a couple of concerns about things that have been said.

One is on bright lines and I am on Anne’s side on the importance of something like bright lines. Maybe not really, really bright lines and it seems to me the fact that what you are doing has had really not spectacular results when you look at for example the graduation rates of your institutions.

187 of them are below 20% versus 26 that are above 80%, that’s sort of very lop-sided. And I understand it and I really do appreciate the problems with the IPEDS data and how the IPEDS data does not give a good picture of many, many institutions.

On the other hand the IPEDS data can over -- can inflate graduation rates as well as bring them down.

MS. WHEELAN: We have not found that to be true but I suppose it could happen.
MR. ETCHEMENDY: In any event it seems to me that -- and I understand the hesitation to adopt bright lines but I think the approach of allowing the institution basically complete freedom to choose a peer group or if they are not doing well to explain to you, you know, what are they dealing with. Is it because of the students they bring in? And of course every institution is very good at explaining that. It makes me wonder whether or not you should be rethinking that approach. Perhaps we should be demanding graduation rates, not necessarily the same for every institution but the same for different types of institutions.

And if the institution is not achieving that because of the students that they are bringing in who are not prepared, then perhaps the institution needs to work harder with those students to help them get through. We have an obligation not just to the taxpayers but to the students not to bring in students that are just going to fail and not make it through. And if they are not prepared then we have an obligation to figure out a way of helping them make it through the institution.

I actually think that that is something that we tend not to demand enough of of our institutions. One comment that
was made -- so that’s one thing, the other thing is that one

coment that was made at one point was that well we rely on the
goodwill of the institutions.

And it’s true -- this actually I think is one of the
flaws of the accreditation system is that it was built on the
assumption of goodwill. I mean these were voluntary
organizations. They were intended to help improve the institutions
and then all of a sudden the federal government comes in and tries
to use that system for something else.

And maybe goodwill is not enough for that
something else that the federal government wants to use the
accreditation system for. But when you do have a system that is
based really on goodwill and then you have an integrity issue for
example of the scale of the UNC failure, it seems to me that the
repercussions ought to be more than a probation that lasts whatever
it lasts, a year?

I mean that’s -- if all you are relying on is you are
relying on goodwill then when you have a failure of that sort then
that failure ought to have consequences that are quite serious. And
so I am actually rather discouraged that that was all that happened
in that case and I am wondering if you have any comments?

MS. WHEELAN: Chapel Hill would not agree
with you. As I mentioned probation is the most serious sanction
that we give and an institution tends to experience number one --
bad publicity. Number two, a decrease in enrollment which they
did for a little bit, people kind of didn’t want to go.

Alumni giving went down when that kind of thing
happens so from that standpoint and because this was one program
in the entire institution not the entire institution to do anything
more severe than that and the fact that they were taking immediate
actions to make things right our Board just decided probation was,
you know, the most that they wanted to do.

MR. ETCHEMENDY: Yeah I mean it is hard to
separate out what sort of the consequences that you mentioned
certainly happened. It is hard to separate that out from the
publicity that they got quite independent of your decision.

And I appreciate that. You know it was the heaviest
sanction that you could impose short of --

MS. WHEELAN: Loss of membership.

MR. ETCHEMENDY: Loss of membership. I
mean I find it frustrating that one of the biggest punishments that
you give to institutions is make them write a report and that’s
basically --

MS. WHEELAN: No, no, no, they had to change
policies, they had to change procedures, they got rid of people -- I
mean people lost their jobs -- it was more than just writing a report.
The report had to have some actions behind them.

   MS. LUTHMAN: Excuse me I think this is what
people may not understand about accreditors. Accreditors are staff
members of the membership there’s no question about that. But
they walk a very fine line. When an institution has an egregious

type of -- not a systemic but an egregious non-compliance issue
what do you do?

Our practice has been that first of all we find out
what they have done to make changes. Whether or not those
changes are acceptable, because usually they have completely
changed all the staff, the President, so many people are gone --
what have they done to make the changes?

What evidence do we have that those changes have
been effective and what additional safeguards have they put into
place? Once we monitor them on those particular issues then in
the past they felt comfortable for schools that have been on
probation for non-systemic problems releasing them from
probation that we did have those assurances with that school and
with other schools even though it was so very egregious they
weren’t cited for integrity issues and they did provide us a number
They were asked to provide assurances on every point of our non-compliance issues and then they were monitored on those assurances. So I guess that is a fine line between saying you are no longer a member and okay this is out there, it’s an episodic event, what are we going to do about it and can we do it with intellectual integrity?

And that was how our Board looked at it. I can’t explain it any differently.

VICE CHAIRMAN WU: Was there more John?

Alright Steve?

MR. VAN AUSDLE: Well part of my question was answered. The thought that is on my mind right now here we have a tremendous need in our country in increased educational attainment.

You have given examples of processes where the accrediting association is taking steps to try to do that. It seems like we need a cultural change and what’s the role of accreditation, what’s the role of other actors if we are really going to step up and provide the kind of support and service to make this happen?

We have standards. I sit here wondering does the federal government, through NACIQI, need to raise our
expectations? Would that help you in your role as a reginal accreditor? Do we need to see more evidence from each of these institutions around what we are talking about priorities, student achievement and I like the value added concept because some of our students are not at the starting line with others.

But more emphasis I think through accreditation at the regional -- all accrediting agencies and this organization saying we have got to make a significant difference. Status quo is not good enough and that is going to require some actions.

I think it is going to require us to take a look at our policies long-term in terms of what our expectations are of you over time of helping raise the bar. You have been at it a few years, does that feel uncomfortable?

MS. WHEELAN: We have followed the directives that have come through the reauthorization of the Higher Ed Act ever since it’s come. We have partaken in the -- what do you call the things where we argue back and forth, the rule-making thank you, the rule-making process.

We have not waited however for any of you to do that. That’s why we have started -- because it had not been a requirement by anybody prior to that, but given last spring when this data first surfaced we took it upon ourselves as regionals to
start, technical term “jacking up” our institutions, you know, to do
better.

MR. VAN AUSDLE: So are you asking them to set
meaningful, measurable goals?

MS. WHEELAN: Yes, yes we are.

MR. VAN AUSDLE: So five years from now when
you come back here you will be able to say this is where we were
when we had this discussion, this was our goal --

MS. WHEELAN: That is the intent.

MR. VAN AUDLE: This is where we are.

MS. WHEELAN: That is the intent.

MR. VAN AUDLE: So that’s really embracing
data to measure outcomes and especially student achievement.

MS. WHEELAN: Yes.

MR. VAN AUDLE: And what are you going to do
with the institutions that are really struggling with that? Are they
going to get extra attention or additional expectation?

MS. WHEELAN: We have what we call agenda
dwellers right now that stay out of compliance with some of our
standards and we continue to help them grow a little bit, that’s
what we do yes.

And for those that don’t listen to us we close them,
we drop them from membership and they either go find another
accredited that is not as demanding or they close their doors. But
our job is not to put them out of business -- it is to help them
improve so that students do have choices in higher Ed.

MR. VAN AUSDLE: So for your member
institutions what can we expect as a percent increase in student
achievement in 5 years?

MS. WHEELAN: I don’t know it depends on the
institution. When my institutions that have a 92% graduation rate
they are going to tell you I am not going to improve at all.

MR. VAN AUSDLE: It’s a bit of a rhetorical
question it’s one we all have to pay attention to.

MR. WHEELAN: Yes.

VICE CHAIRMAN WU: Is that it for Steve? Okay
we have Brian, Ralph and Jill, Brian?

MR. JONES: Thank you Frank. So I don’t
sympathize with the position that you find yourselves in. You
know so much of the debate, not just around this table, but I think
more broadly I think does reflect a couple of challenges for you.

One as you have talked about is clear that the data
that we all have to work with today is flawed. And I will say it
doesn’t reflect the diversity of the student populations, diversity of
admissions of institutions and that is one reason why I find myself weary of the idea of bright lines or the idea that you ought to approach your work as something of a law enforcement agency or a quality compliance organization that precedes from some set definition of quality.

I also think though too that part of the challenge that we face here too is really trying to get our arms around what accrediting agencies are supposed to do. I lead an open enrollment institution that is predominantly part-time students. We are accredited by Middle States and, you know, I sometimes sense that there is an elitist orientation to some of these discussions.

And I appreciate quite frankly, the sensitivity you bring to the diversity of the institutions you serve and the students you serve. But I also note too that what you are about fundamentally and Anne quoted the article where you note that what your job really is about is improvement of institutions.

And so I guess what I would love to in fact Dr. Westmoreland this actually might be a good place for you to start and that is if you could share with us, tell me your perspective as someone who leads an institution give us a sense of how you think this Agency does in terms of that balance between holding you accountable for quality outcomes, holding you accountable for
continuing improvement in terms of what you provide your
students in balancing that against all of these compliance and
bureaucratic obligations that some of my colleagues have talked
about today.

MR. WESTMORELAND: Certainly I would be
glad to respond briefly to your observations and your question.
First I would say that I guess speaking on behalf of our
membership I think that there is really a great deal of
understanding about these issues that we have been discussing and
debating here this afternoon.

College Presidents clearly grapple with these things.
The completion rates for our students where we are all very
concerned about that. And yet at the same time we do recognize
that we don’t want to cut off opportunities to students because we
all know that one of the easiest ways to raise your graduation rate
is to accept fewer students who are perhaps not as well prepared
for college as we would like for them to be.

And so balancing those priorities is difficult and it
is a good thing that we have a variety of institutions across the
country to be able to work with all segments of our population.

For the -- but that does impede progress toward
getting to bright line indicators that work effectively in all
segments. As to the pressures that we feel from our accreditors, the regionals and the programmatic accreditors I can tell you that that is real and when we are anticipating changes with programs we want to make sure that what we are doing can be appropriately measured, that we can report that out, that outcomes can be easily understood and I will go ahead and admit to the whole world here today that we had our ten year reaffirmation visit just a couple of months ago from my institution.

And we didn’t come out of it blame free. We have gone some outcomes assessment work that we need to do especially with general education. Well that’s a good thing for us to get that information. We have doubled down, we will file the report but we have got to do a lot of things to back that report up.

And so I can never say that I would never say that this is a perfect system. We all recognize a lot of the challenges associated with it but do we take it seriously? Yes we do and those of us who are involved in volunteer capacities to try to make these visits and to try to make decisions do take it very seriously.

Without doubt we do make the occasional error but as far as our commitment to the process and to each other but especially to our students and to the taxpayers we take all of those things very seriously.
MR. JONES: Thank you and I know how you feel having just gone through our 10 year reaffirmation.

MR. WESTMORELAND: How did you come out?

MR. JONES: Well the Commission meets tomorrow so I’ll let you know. But one last question for you Dr. Wheelan. As we think about metrics that matter obviously a lot of talk about graduation rates, what are your thoughts on some of the more financially oriented measures, cohort default rates, debt levels and things like that?

How do you -- how relevant do you think those are to your institutions and if they are relevant and I do think that they are. I’m just curious how you work with your institutions to improve them.

MS. WHEELAN: The challenges that our members have expressed are they have no input into how much money a student can borrow in the first place. They have no control over the jobs that are available in their community nor the starting salaries of those jobs.

And so to penalize them when students are not in a position to pay their money back is very frustrating for them. We have just undergone a review of our principles and in response to this we are putting in a standard that says all of our institutions
have to offer financial counseling or financial planning or some
piece of their curriculum that has to do with financial management
because many of these students -- this is the first time in their lives
they have ever actually had real money in their hands and they
don’t understand, you know, what happens when the bill comes
due.

So it’s a very serious issue there’s no doubt about it
but it is -- there is questioning among my membership as to how
do they hold me responsible for something students do when I
don’t have anything to do with any of those things in the first
place.

But you know we have not stopped that, we are
putting that standard in. And the new standard is specific to
student loans though it will include all financial information.

VICE CHAIRMAN WU: Okay Ralph?

MR. WOLFF: Thank you. I want to say I
appreciate your responding to all of these questions which really
are questions that are not singular to SACS, they are systemic
questions and I would also want to say that there is no legal
requirement for bright line indicators or regulatory requirement
and in fact there is a legal requirement in the law that allows or
actually expects, says that institutions are to set their own
standards and prohibits accrediting agencies from defining
precisely what data and what the standards would be.

So this whole conversation is within a framework
that is beyond what the regulations require but it reflects I think
increasing attention to what is absolutely a critical issue for higher
education and the future of the country.

So I would like to give you a respite for a moment.

I do want to come back but there are three issues that the staff
identified and it is so ironic the staff report has at least in terms of
the final report, it does not relate to the conversation, but all three
of these seem to be so administrative and I’m wondering can we
eliminate them rather than requiring a 12 month review?

So one of them is missing resumes, the second one
is signed conflict of interest forms and the other is documents on
the sub-change process that I am sure you have. And all three of
them, I’m just not clear -- can’t these or have these been addressed,
resolved and can we get them out of the way so that we can talk
about and continue the conversation about what’s real.

But this could be done within 30 days or 12 days or
whatever so?

MS. LUTHMAN: I will respond to that because I
am the guilty person who is in charge of the administration of this.
And as you said before Ralph those are easy fixes. We have probably about 40 level changes per year and one of the things that I thought I had effectively uploaded and I thought they were called Exhibits 58, 58C and 60 was that a total case from Methodist University that did a level change and so they started offering, I think they begin a Master’s or a Doctorate program. So I had submitted their application, the visiting committee reports and all subsequent letters from our Board regarding their decisions but I don’t know if there were problems finding that because some of them I had attached at the end of the report. I did have a full one -- we had a problem I thought we have had so many mergers, consolidations and acquisitions so I thought another good example was a merger of four of our individually accredited technical schools in Texas that were coming together into one institution and so in attempting to provide that it was such a huge document that the system couldn’t absorb it. And so I backtracked on that one. I uploaded our school in Dubois on a program expansion and I thought with that I had also had the application, the report and subsequent Commission reports. If they were not easily accessible or not user
friendly then that was my fault, but I thought that I had uploaded
them successfully. And I apologize for that.

   So that would take care of the one. The second one
is in fact true, that’s something that we need to work on. This has
to do with the conflict of interest that we sent out. We are so, so
diligent about conflict of interest in our Commission because there
is such a litigious area.

   But what we have done is resorted to allowing our
institution to respond by email and so we are not always getting
signatures, we are just getting the checkmarks and they send it
back to us.

   It was indicated to us that that was not appropriate
and we needed to have the signatures, we understand that, that’s an
easy fix. We already know how we are going to take care of it.

   And the final one had to do with the resumes of all
of the governing body. I had after the first analysis 23 areas of
follow-up that needed additional information because I didn’t have
letters from the Commission and I wanted to upload some
additional information.

   So that 30 day period in the middle preparing for
our Board meeting and in the middle of litigation did provide some
time constraints but we did collect as many as we could because in
the past and I have done a number of these, we would just submit
the names and their title and their institution and we have never
been cited before even though we did have quite a bit of the
information I still had to notify or go online and get some of that
material.

We were missing two I believe because we had had
two of our Board members resign it was the end of the year. So
again an easy fix but I do have the information so I just wanted to
mention.

MR. WOLFF: Well I’d like to come back staff and
say how can we move through this quickly than require a 12 month
comeback again over what are such ministerial issues.

But I would like to go then back to the issue and
you can certainly know in CRAC I have been a long standing
advocate for addressing the issues of completion and retention and
I would say I am very glad to see the CRAC policy. It is very late
in coming but I appreciate the efforts that you all have undertaken.

I would point out that institutional date is
completely different from program level data. The physics
completion rate may be very different from math from sociology,
psychology and even using the National Clearinghouse data which
I think is really important to use, begs the issue about
disaggregation of data with the data difference between first
generation students, all different kinds of students, race ethnicity
and the like and so I would just say that it is a caution that to use
the frame of a bright line at an institutional level itself can be a
Tierney of a number that begs the kind of analysis that institutions
need to do and that teams would need to review.

And so I both appreciate the effort that you are
undertaking to develop peer comparison groups, use National
Clearinghouse data. I don’t think bright lines is the right term but
whether there are benchmarks or ways of approaching -- I think the
biggest question in having talked with many myself, institutions, is
how do you move the needle on what happens when an institution
can’t.

And it is not an easy solution just by mandating it is
going to make it happen given economic circumstances and the
like. And so even as you become clearer and hopefully I echo
what Steve said that as we all become more proficient in this
conversation and have better data, what are the appropriate and
sanctions may be the right word, but what are the appropriate
actions to be taken is a very critical question.

And the timeline for change is also a relevant
question given the two year rule that all accrediting agencies
operate under. And so I would just say that this is an area where I feel that the quality of the conversation needs to be moved forward at a greater level of depth than just a singular, we need a bright line or there are “x” numbers of institutions.

There are clearly institutions that are underperforming at a gross level and there are clearly institutions that are doing an exception job. My colleague got the Aspen prize for working on being one of those but this is a conversation that involves everyone, all of us.

And I worry about legislating and regulating a singular response. I also want to just say that having studied and copied and in some way the off-site and on-site review that I have found in our study when I was at WASC that it was a very thorough review and one that really held institutions accountable.

And so -- and I have heard multiple unsolicited comments about the quality enhancement project being really advantageous to the institution and helpful to the institution. So I just want to acknowledge that while I think more can and should be done, I want to acknowledge the work that you are doing.

I want to say that I think it has got to include all of the regionals not just you and that I would say that your process is one that at least with your region seems to be working well. And
we copied parts of it and so I can’t --

MS. WHEELAN: Imitation is the sincerest form of
flattery, thank you very much.

MR. WOLFF: Exactly. But I do want to ask one
final question and it relates to another agency that is coming up so
if you will excuse. The date of the decision, are your decisions
retroactive into the earlier time of the site visit or anything else?

MS. WHEELAN: It has been our practice and has
been accepted by this group forever that back to January 1st of the
same year that the Board votes. However, Mr. Bounds indicated
that that was an issue and so last week our Board did pass a policy
that said effective the date the Board votes is when the
accreditation becomes effective.

But it had not been an issue, there has not been a
change in the law, you know, that had allowed that historically.

MS. LUTHMAN: But to that end they were
candidates during that period of time before they came before the
Board. And to be a candidate you had to meet all the federal
regulations and a number of other standards.

And so that’s why we made it retroactive because
they did have a status and within that status they met all the federal
regulations.
MR. WOLFF: Got it.

MS. WHEELAN: You know it was either 6 or 12 months because our Board meets in June and December because it was always on back to January 1st of that same year. And as Carol indicated because they were already candidates, had already demonstrated compliance with the federal requirements then our Board made it retroactive back to then but they did just pass a policy last Wednesday -- Thursday.

MR. WOLFF: No retro activity?

MS. WHEELAN: No.

MR. WOLFF: It's only going forward?

MS. WHEELAN: That's right.

MR. WOLFF: Thank you.

VICE CHAIRMAN WU: Okay Jill?

MS. DERBY: Well I just want to follow-up a bit with some general comments on the comments that Ralph made and Brian and Steve before. I think this has been a very helpful kind of conversation and I am always struck at how we at NACIQI are always really grappling with our role.

It's primarily oversight but these kinds of major challenges, these macro issues that really we deal with when we are talking about higher education and the underperformance of
institutions and our role in all of that.

Certainly there are cultural and societal issues here that impinge on everything including the pull-back on state funding for institutions and that applies to K-12 as well and what the colleges and what the post-secondary institutions inherit as a basis of that, our struggle between wanting to maintain the highest of standards and yet being open enough in our admissions so that opportunity is there for students that have been underserved in K through 12.

You know somehow all of that is in the mix and over the course of this decade’s long history when accreditation went from being just really peer review into now a gatekeeper role you know we are still working with all of those factors that are involved.

So I have appreciated the conversation and I just want to acknowledge some things that you are doing that I think are very positive. In terms of encourage institutions in the right directions and holding them to higher standards and creating some structures for doing that.

For instance what you mentioned in terms of the standard around financial counseling I think that’s very important and I want to acknowledge you for doing that. And the regional
initiatives you were talking about that you are taking a leadership role in. I think that too is very critical.

So I just want to say that it is just an interesting conversation and we are all trying to contribute in ways that we can while holding feet to the fire, insisting on better performance, higher graduation rates -- but taking the whole picture as a nation challenged with its higher education system and its international competitiveness, taking all of that into account.

So I think rather than criticism and I think Ralph covered the sort of easy fix issues, I want to acknowledge you for the good things that you are doing to encourage better performance of our institutions.

MS. WHEELAN: Thank you.

VICE CHAIRMAN WU: Simon and I’m sorry did Herman have his hand up, yeah Simon and then Herman.

MR. BOEHME: Well thank you so much for being here. Anne has asked some of the questions that I wanted to and I’ll have to be more aggressive about raising my hand and getting to ask the questions first.

And I do recognize my colleague Ralph that why you are here is because of three issues and you have apologized -- and there has been some paperwork misunderstandings and I
understand that.

But I think it is important as well as Jill so nicely said that you know these are real matters of public concern and particular to students. And something that I have been thinking more about in the role of accreditors is the issue of transparency and particularly the role of students looking to accreditors to tell them certain information.

And this is not just a SACS issue this is an issue with accreditation and I’ll be one of the first to admit I wish that students looked to accreditors before they enrolled in institutions and that’s unfortunately not a reality.

Because I think your website does provide some information about that but the one thing that I worry about and which I brought up to other regional accreditors is the graduation rate and the actions that are done to that because there is a heavy taxpayer investment in this.

Over one billion dollars in federal aid went to 36 of your institutions that have a graduation rate of less than 20%. And of those, 36, 13 are Bachelor-granting institutions where only 2 are on probation and one received a warning.

And I understand that the IPEDS data is not perfect and I am sure, feel free to critique that but it still tracks students
and we cannot discredit IPEDS data just because it doesn’t provide a complete picture because I know when we got into this national student record debate and if any action comes of that people will still be yelling that the data is not perfect.

And the data is never going to be perfect and I understand that IPEDS is probably the furthest thing away from a perfect set of information but it still represents some sort of students and I understand only 23% of students go from high school into college and 60% of students -- so there’s all sorts of those issues.

And so but what aside from the enhancement process are you planning on doing within the next five years to try to increase transparency about this completion issue?

MS. WHEELAN: I’ll tell you in five years what we did because as I indicated this has not been a requirement of us. We are kind of building it as we move along which is always dangerous especially when you are on an airplane to try to build it while you are still flying.

But quite honestly its baby steps for us. You know we have identified the fact that this is an issue not a problem. We have come up with what we think is a process by which we can identify where institutions really are or a better representation than
just IPEDS because if you remember I said we included IPEDS
data, Clearinghouse data and self-reported data, so we have not
excluded IPEDS data we have just chosen not to rely on it solely,
okay.

And I get calls from students all the time, trust me.
Especially when they are about to enroll and when they do see that
an institution is on warning or probation they want to know, you
know, are they going to be around 4, 6, 8 years from now when I
get ready to graduate.

And so you would be surprised how many students
actually do read our disclosure statements to find out where an
institution is at that particular point. I don’t know what our Board
is going to do because we won’t deal with that until our December
or maybe even next June Board meeting.

Once we have the data in place to see what’s going
on then we will have a better idea of what’s happening. As I
indicated earlier, you know, for those institutions that are in the
peer group that have a graduation rate of 90% or above they are
going to tell you I’m not going to move the needle because, you
know, it is unrealistic to think I am going to get more than 90% of
my students to graduate.

Our energies will be in reporting those but in
working with the institutions that are the ones that you just identified that have anywhere from a zero to a 50% graduation rate because the average graduation rate is 50%. We have got to at least get them up to that.

One way we hope to do that is by letting them see what the other institutions, whether they are aspirational peers or realistic peers are doing and see if we can’t get them to implement some of those strategies.

Just by raising the question with some of these institutions they have already implemented strategies that they had not implemented before because they had not focused on the completion agenda quite honestly.

So sometimes just bringing awareness to the institutions that this is an issue has helped them gain a better perspective of it. We have on our website as well the achievement data for each of our institutions. If you go into the state map and pick a state and then pick an institution you will see achievement data.

So students are already to see what the graduation rates are at those institutions.

MR. BOEHME: And I think that we often times and particularly when we look at gainful employment and we look
at for-profit schools, there’s a special attention paid to repayment
rates getting jobs. But there are also serious issues within your
schools on that issue, particularly 89 institutions have a repayment
rate below 25% and those schools receive 3 billion dollars in
federal student aid.

So that means 3 out of the 4 students could not pay
a single dollar on their principle. And this is a problem all across
the country.

MS. WHEELAN: Yep it is.

MR. BOEHME: And unfortunately -- you are here
today though and I am on NACIQI and we are going to talk about
these things until I get kicked out. And so I would really
encourage you and think critically within your conversations with
schools.

You know students want to get jobs after college
and students are -- and especially when they don’t complete, you
know, all they have instead of a degree are these loan payments
that they can’t afford to pay back and these are really troubling
issues.

MS. WHEELAN: Yes.

MR. BOEHME: And I think when we start to
complete the data maybe we will realize that the data is even more
troubling.

MS. WHEELAN: That’s what I am afraid of yeah.

MR. BOEHME: Right and so we have to pay

attention to the for-profits, the non-profits and every school in

between and the data is just not looking good.

VICE CHAIRMAN WU: Okay Herman?

MR. BOUNDS: Yeah I just wanted to point out a

couple of things just relative to the staff report and the staff’s

confidence when we conduct an accreditation review. We have to

-- I understand all of this discussion is going on but I just want to

make clear we give the agencies guidance on how to meet the

current, you know, the current regulations.

And we have already discussed that -- I think Ralph

brought it up, that the current regulations, you know really don’t

require the Agency to have these benchmarks and it really does

speak to the institution establishing a student achievement

standard.

There’s nothing that prevents an Agency from

doing that but the regulation really says it is established by the

institutions based on the institution’s mission. So I just want to say

I wonder if I would understand that we as a staff are not cognizant

of what everybody things but when we review the Agency we have
to review them based on what the regulations currently say, so
that’s the way that our staff determinations come out when we find
an Agency compliant or not-compliant is really kind of based on
what we have to deal with.

So there will always be a little disconnect there. I’ll
let - later I guess when we get a chance to respond Nicole can talk
about some of the documentation issues but I just wanted to -- you
know, one reason when I got here in 2012 we have been asking for
the resumes that was probably after your first review.

So we have been asking for the resumes and the
signed conflicts of interest. One driver for that was complaints,
you know we get complaints in and somebody challenges you
know, a person’s qualifications -- if we have seen that before that
kind of helps inform the letters that we send you guys back, so
that’s why we ask for some of that stuff.

As far as the other issues, we come back up after the
comments Nicole can address that and I don’t know if there is an
avenue to get that extra stuff in or not. I would have to defer to
Sally and see if that would be possible.

VICE CHAIRMAN WU: Great so we have Susan
and Kathleen and are there any other members of NACIQI with
comments? We will pick up after lunch with more comments but I
think after Susan and Kathleen we will break for lunch for one hour, Susan?

MS. PHILLIPS: Thank you. I recall as you introduced the representatives of the Agency that one was particularly capable of addressing the financial analysis part of the accreditation process and given that some of the issues that were raised in the materials that we received addressed questions of financial integrity and control, I wanted to give an opportunity for that air to be cleared shall we say.

MS. WHEELAN: Do you want to do that before the third-party comment or after because they are related to the third-party comments.

MS. PHILLIPS: You have an opportunity to come back after the third-party comments.

MS. WHEELAN: Yes we do.

MS. PHILLIPS: So I’m really asking how is this done and if you have specific ideas about that particular third-party contribution that was made in writing.

MS. WHEELAN: She is prepared to respond to it, I just wanted to know do you want to do that before the third-party comment actually comes forward?

MS. PHILLIPS: So there is written material that we
received with raised questions of integrity and control.

MS. WHEELAN: Okay.

MS. PHILLIPS: I don’t know what the third-party comment oral is going to be but I know that you will have the opportunity to come back after that as well.

VICE CHAIRMAN WU: So I’m sorry Susan were you proceeding or no?

MS. PHILLIPS: Proceeding.

MS. BARRETT: I guess -- I could talk all day. I guess my questions is what your specific questions are and then perhaps I can address them in some way or give you some general information and maybe you can --

MS. PHILLIPS: The concern that was raised in the additional materials that we received was about how well SACSCOC addressed issues of integrity and control in relation to financial materials for actually a couple of different institutions. I don’t particularly want to talk about specific institutions but you may want to address them in a general sense.

MS. BARRETT: Okay. I can talk about specifics because they are all different but I can give you some general parameters. When we -- I sometimes feel that we just monitor institutions all the time on finance because we watch so many
different things about the institutions from a financial standpoint.

We monitor the Department of Education correspondence and look for problems there. We receive unsolicited information so if they are splashed across the headlines we certainly see that and believe me if we miss the headline someone brings it to us.

We monitor complaints on institutions and look for patterns regarding finances or integrity. We have screening indicators -- we collect financial information every year and there are certain things that we screen and look to see if there is an indicator or a problem and those were developed by peer finance evaluators, things that bother them, things that we might watch.

And then of course there is re-affirmation and the fifth year report. So that’s a solid half-dozen ways that we watch financial issues within our institutions. One thing that is always gratifying to me is that when the Department of Education publishes the list, you know, these are the ones that did not meet our score that we are unhappy with.

We know we are watching all of them. So we don’t miss a whole lot because we don’t let a whole lot by. I don’t know a specific case but I will tell you we ride herd. One component of that is the fragile institution base that we do have
small, private liberal arts institutions in addition to some others that were mentioned in your materials.

Not a lot gets by in terms of financial issues. Most of the institutions that -- well I think that all of the institutions except for one that have been dropped, financial issues, many of the sanctions that are placed are financial issues -- so I don’t have specific case questions.

But I will tell you we watch all the time.

MS. LUTHMAN: Donna you want to talk to them about we look at multiples and not just ratios.

MS. BARRETT: Well we have a very holistic approach in our financial review. And actually a couple of years ago I had a very interesting conversation with the Department of Education folks asking why has this institution failed our score and they are not in trouble with you and I said I would love to talk about that.

Because when we look at institutions from a financial standpoint it is a very holistic review. Every footnote, every number, what does this number mean you know, is debated at nauseam at times.

To understand how it is working and how that is affecting the institution and so there are times when a school could
fail that score and we would say -- you know, we understand --
investment losses will do it. Sometimes a committee will receive
additional information documentation on a visit that hasn’t hit the
audit yet or maybe the Department is a little bit behind and our
information is more current because we are looking up those audits
as soon as they are produced.

I don’t know exactly what you want.

MS. PHILLIPS: That’s a great start.

MS. BARRETT: Except that we do -- we know
they are fragile and so we do not hesitate for financial reasons to
ask for unsolicited information and to jump on institutions.

MS. PHILLIPS: And questions of the integrity?

MS. BARRETT: Are you referring financially?

MS. PHILLIPS: Conflict of interest, financial
integrity those issues?

MS. BARRETT: It may not be a “me” question
but I will tell you this. If you want to get specific about a case that
was mentioned earlier for which there was a conflict on this panel.
The Board looked at that specific institution in December of 2014
based on unsolicited information letter that came out of my office
and said we really need to look at this issue with this parent of this
institution and the Board gave it a thorough review with extensive
discussion and found that there was not a problem at that institution I don’t know if that helps.

MS. PHILLIPS: Thank you.

MS. BARRETT: Thank you.

MS. WHEELAN: On all of our committees we add financial experts, if you will who may not be Board members. We call them Special Readers because all of our Board members are not CFO’s or business majors or whatever. We want to make sure that we have people who understand those numbers in reviewing those numbers.

VICE CHAIRMAN WU: Okay Kathleen?

MS ALIOTO: This is a bit smaller than Jill and my group’s question of the whole picture as a nation. But I just wondered in terms of going back to Arthur’s questions about athletics. The institution that I worked at for 14 years -- City College of San Francisco still has championship teams.

And the head of the Department was absolutely insistent that all -- every single athlete was being watched, was being watched and pampered. I don’t mean with clothes or cars or anything, they were being watched in study hall, in classes and followed so that they would be successful and it just seems to me to be such a reasonable model.
Plus the models that Steve has and Paul LeBlanc have -- these are models that are working and I think I would love to have you with UNC which of course I can’t tell you what to do, but I would love to have you ask them what safeguards do they have in place so that students who they want to have there are helped so that they do graduate and they do have a real degree.

MS. WHEELAN: They did submit some of that in their report to us and when the team went out to visit they actually saw the process changes.

MS. ALIOTO: I mean I can’t imagine why a good program wouldn’t have that included from the get go.

MS. WHEELAN: And the new Chancellor agreed with you and put those safeguards in place.

MS. LUTHMAN: And most of those big-time programs have big-time academic areas where they have employees that are mentors that work with the individual athletes. But again, you know, some people can be swayed by the whole thing of winning.

But for the most part every one of our schools have -- I mean those Division 1 schools, have huge facilities to accommodate academic support for these athletes. So how they work those you know, every one of those schools again is very
different. I mean I hate to use that word but it is very different.

The leadership and the Board set the pace for the entire institution in how it controls athletics and that’s the most important.

And then how that money is used, how it is invested in the people they employ but they all have these facilities and these support services for student athletes.

MS. WHEELAN: What happened in the Chapel Hill case was that they too had these services in place. It was just that the people who were leading those services were the ones who were in cahoots -- again a technical term, with the African studies program to get them into those easier classes so that’s the challenge.

You know it was not that the institution didn’t have the services in place it’s just that the people who were there were funneling them into easier classes so that they could stay academically qualified.

MS. ALIOTO: So is that -- are you sure that that is no longer true?

MS. LUTHMAN: It absolutely is because of how they are reporting and they are submitting syllabus and who they are reporting to and who it has to sign off to. These are all independent courses and so they have all of these structures now of
sign offs that they never had before. It just rested in one

department.

MS. WHEELAN: And we will review them again

this December with their reaffirmation and again in five years in

their 5th year follow-up to make sure those things are still in place.

MS. ALIOTO: Well assuming that in December

you decide to give them that five year.

MS. WHEELAN: Well that’s what I am saying --

that’s part of that review though is what I am saying, yeah.

MS. ALIOTO: Thank you.

Vice Chairman WU: Okay so I have one

question but I am just mindful it is almost 1 o’clock so I am going

to hold my one question until after our lunch break. So we will

take a one hour lunch break.

But I will tell you what the question is so that you

can mull it over at lunch. And this goes back to something that

John said -- that this whole system depends on honesty and

everyone taking part.

My question is just what, if anything, and maybe

the answer is nothing but I would invite you to think about it --

what, if anything, could we, NACIQI in any way do to help give

you the tools that you need? Because it seems to me that your
Agency and all agencies are between a rock and a hard place. All of these demands are put on you yet you don’t have some of the powers that we might imagine that you could have and some wouldn’t want you to have them. But what is there that NACIQI could do that would help improve, in terms of specifically integrity, honesty, transparency data and if there is anything at all because I would welcome your thoughts.

Alright so we will break for lunch for one hour. If we could return here at 2 o’clock, thank you.

(LUNCH 12:54 p.m. - 2:16 p.m.)

VICE CHAIRMAN WU: Okay we will go ahead and get back to business. If we could have the Agency Representatives from SACS at the table, yes thank you.

MS. WHEELAN: Mr. Chairman our Board member had to get back to campus for an event so he had to leave.

VICE CHAIRMAN WU: That’s fine, that’s fine.

So we had just that last question. Is there anything that we, NACIQI, could do or are there improvements that we could make that would address this issue about honesty in some practical matter?

MS. WHEELAN: We thought about it and did discuss it over lunch. Where we could use your support is
regarding the quality of the data and the information that is
presented in some better way not to have three different data points
all with the same information but all interpreted differently like the
scorecard, you know, and everything.

I don’t know that the unit record system is the best
answer but some way that we can have, you know, better data by
which to use. One of the examples Ms. Neal was using earlier was
an institution that had a zero graduation rate. They have a total of
483 students and there were only 2 students in that cohort, so yes
they have a zero percent graduation rate.

So that kind of a thing without having explanations
behind it is where we can definitely use your help because you
have that influence. Until the administration comes out with, you
know, some directions on which way they would like to go, either
with accreditation -- whether it is credentialing or what else and
how we might be involved, we are really kind of at a loss to tell
you how to do that.

We do believe that our institutions do practice
integrity by and large but there is always one bad apple in every
bunch and I don’t know, you know, how we can address the
minority of institutions that you know, tend not to be honest in the
process that we do.
So no, I don’t know of anything else with which we can use your assistance.

VICE CHAIRMAN WU: So if I might restate that.

I hear you say that at least with the federal government data that improvements could be made and earlier I think you or perhaps somebody else had mentioned that one of the problems is IPEDS only tracks --

MS. WHEELAN: First-time, full-time.

VICE CHAIRMAN WU: First-time yes. So at a minimum changing the way that IPEDS tracks, who it tracks, that would go a long way to --

MS. WHEELAN: It would you know being able to put in part-time students and students who are still enrolled for example. It would change that perception that only 2 students in the cohort, for example, are graduating yeah but there are still some who are still there.

VICE CHAIRMAN WU: Okay great, I think this concludes our questions from NACIQI members so thank you to all three of you who are still here. And if we could have staff return to the table to speak briefly to anything that arose so when the Agency was speaking.

I’ll note there are no third-party commentators.
That person is not here, so there are no third-party commentators.

Okay any responses to Agency comments?

MS. HARRIS: I just wanted to follow-up with Ralph. I don’t know if anyone could speak to the documentation that I had. I’m open to whatever recommendation the Committee has for those pieces to come in sooner than 12 months.

VICE CHAIRMAN WU: I’m sorry could you re-state for our benefit what the question is?

MS. HARRIS: Do you me to re-state?

MR. WOLFF: I had raised the issue whether there was some alternative to having the documentation which seems quite ministerial resumes and substantive change documents and the like submitted but not having to wait 12 months to find some procedure that would allow -- these are not compliance issues, these are ministerial administrative documentation issues. There’s no finding of non-compliance so I am looking for an alternative.

VICE CHAIRMAN WU: So if I may I understand Ralph you are saying the following: Is there some way that action could be taken because certainly the Agency could submit the documents today should they choose.

So you are asking could the action be taken faster than a year from now so it could be resolved and we didn’t take up
time one year from now is that right?

MR. WOLFF: And there not be a limitation on the recognition of the Agency which a 12 month automatically becomes.

VICE CHAIRMAN WU: Right so I think Susan Phillip’s comments -- is it on this specific issue, okay great.

MS. PHILLIPS: I’m intending to make a motion that would in effect recommend that we do just that. That we --

VICE CHAIRMAN WU: Great so we will wait for that very eagerly, anything else?

MS. PHILLIPS: No that was all.

VICE CHAIRMAN WU: Okay so many thanks to staff as well. And now the floor is open for discussion and I don’t know if the Primary Readers want to make a motion at this point, Anne?

MS. NEAL: I just have one quick ministerial question. Because we learned earlier that this issue of retroactive actually was an issue here although it became a big issue for another accrediting body, it was not mentioned in the materials and apparently was worked out internally and there seems to be different standards for different accrediting bodies so I am just curious.
MR. BOUNDS: I’d like to respond to that question.

We actually discovered several agencies that were, you know, practicing retroactive accreditations. When we approached those agencies they agreed to fix the issue. The agencies are going to come up for review next also had that opportunity.

So that would not have appeared in the staff report at all if that would have been addressed. SACS agreed to address that prior to the meeting. This issue is similar to what we described in a complaint.

If we say that an agency is not compliant and they disagree the only way to resolve that issue then is to bring it before the Committee. So if this issue would have been settled outside of this Committee then that would not have been an issue -- that would have been brought up in their staff report.

They are refusing to take that action so that’s why it is in the report and the other agencies are not. We also sent a letter out to all accreditors about the retroactive accreditation issue. So that is not a Herman Bounds decision, that was a decision that was vetted through several offices within the Department and that is the position on retroactive accreditation.

VICE CHAIRMAN WU: Did you want to follow-up Anne?
MS. NEAL: I’ll wait.

VICE CHAIRMAN WU: Okay discussion -- I think we are ready for a Motion now from I think Susan.

MS. PHILLIPS: Yes so the Motion I want to put up on the table is to renew this Agency’s Recognition for five years period. I believe that we can conclude that they are in compliance even if the staff disagrees we can disagree on that point. At the same time we could also encourage the Agency to submit the missing documentation as soon as possible.

So the Motion as stands is simply to renew the Recognition for five years.

VICE CHAIRMAN WU: Okay the floor is open, yes there is a second from Brian and Kathleen has a comment?

MS. ALIOTO: Of course this is -- we have the same problem with both of these agencies that are responsible for funneling billions of dollars to students. So I hope that you will go back with what our concerns are which I would like to think they would be your concerns even before these areas, regulations or whatever this administration comes up with.

We are here to improve the life and lives and education of students so that would be my one concern about this.

That we are accrediting two accreditation agencies today and we
have challenges with both of them. I’m still going to vote yes.

VICE CHAIRMAN WU: Okay Anne?

MS. NEAL: Yes I guess there has been a lot of
discussion saying that we are really sort of talking about macro
issues with SACS. And I really don’t think we should let
ourselves off the hook by claiming that we are dealing with macro
issues because the statute is clear that we have to be able to
determine that this is a reliable authority as to the quality of
education or training and that it meets criteria established by the
Secretary.

Such criteria shall include an appropriate measure
or measures of student achievement. And based on the
conversation that we heard today I find it very hard under the
existing statute to come to that conclusion.

And again going back to what we have discussed in
terms of the Agency reviewing whether or not a college has a
process in place that allows it to collect and analyze data of its
own.

And as the Center for American Progress said in its
third-party report, it is not clear if this kind of review can be
considered a rigorous application of standards and I quite frankly
do not feel that it is. And so notwithstanding the ministerial
fixation with VITA’s and conflict of interest forms and resumes as
I look at the record of this regional accrediting body with 33 billion
dollars in federal financial aid that it serves as a gatekeeper for and
I look at the array of schools with single digit graduation rates and
I think the dis-service we do to students by saying that these
schools are accredited and giving them some expectation that they
will graduate and find success -- I feel we are really doing students
a dis-service by continuing to allow substantial amounts of federal
dollars to go to schools with this very limited performance.

And I hear SACS that it is jacking up its institutions
to do better, that’s all good. I’m delighted to hear it but they have
been around since 1952. This conversation has been going on for a
very, very long time. The regionals are the entities that in fact
oversee most of the schools and if we simply continue to allow
regionals with fairly bleak pictures in terms of dealing with
academic fraud, insuring that students have success as well as
access, then I think we are doing the taxpayer and students a very
strong dis-service so I will vote against this Motion.

VICE CHAIRMAN WU: Further discussion, yes
Simon?

MR. BOEHME: I will also be voting against it and
this should come to no surprise to many of my colleagues here at
NACIQI for many some of our new members that I have expressed with previous regional accreditors that I do not believe that they are up to the task.

And unfortunately it is a system that is designed to protect institutions and not student interest. And I agree with some of the reasons that Anne has mentioned and I believe in NACIQI’s policy work that we continue to aggressively seek solutions and seek policy recommendations that can start to put students and insure that students are protected because there are billions and billions -- 333 billion dollars at stake with this accreditor and billions more with other regionals and I will also be voting no.

VICE CHAIRMAN WU: Jill?

MS. DERBY: I agree with nearly everything Simon just said and I will be voting for the Motion. I think that it is all a work in progress here and I think SACS has shown some good indications of working hard to make progress beyond what is really required of them and I have expressed some acknowledgement for that.

One of the things that is tough for me is using this IPEDS data to indicate graduation rates when in fact I know just for Nevada that 65-70% of the students are part-time. So I think to point to graduation rates based on IPED data is really faulty and
we have to recognize that.

VICE CHAIRMAN WU: Okay, any other comments? I think we are ready for a vote then. The Motion which I will read it back -- Renew the Agency’s Recognition for five years, all in favor please signify by raising your hands -- all opposed please signify by raising your hands -- okay. Are there any abstentions who wish to be noted as such -- Arthur okay and the recusals have been noted already.

Okay I think that concludes our discussion of this Agency. Why don’t we take a brief break --

MR. WOLFF: Could you just say what was the final tally I couldn’t --

VICE CHAIRMAN WU: The final numbers?

MS. HONG: 6-2 with one abstention.

VICE CHAIRMAN WU: 6-2 with one recusal --

I’m sorry with four or five recusals and one abstention. And in my role of Vice Chair serving as Chair I did not vote. Okay, let’s just take a 2 minute break to allow our absent colleagues to come back, again feel free to talk amongst yourselves.

NACIQI RECOMMENDATION

Renew the Agency’s recognition for five years.

(Break 2:31 p.m. - 2:33 p.m.)
Renewal of Recognition

Accreditation Council for Pharmacy Education (ACPE)

CHAIRMAN KEISER: I’ll call this meeting back to order. Frank, thank you. We are now looking at the Renewal of Recognition for the Accreditation Council for Pharmacy Education. The Primary Readers are Ralph Wolff and Federico Zaragoza. Chuck Mula is the staff member and we have three Agency representatives who we will introduce later.

And Ralph or Federico who wants to introduce this Agency?

MR. ZARAGOZA: I’ll do that.

CHAIRMAN KEISER: Thank you Federico.

MR. ZARAGOZA: The Accrediting Council for Pharmacy Education, ACPE, is a programmatic agency continuously recognized by the Secretary of the U.S. Department of Education since 1952.

In fact the Agency was on the first list of nationally recognized accrediting agencies published in 1952. Since that time the Secretary has periodically reviewed the Agency and has granted continued recognition.

Originally known as the American Council on
Pharmaceutical Education, the Agency was renamed Accreditation Council of Pharmacy Education, ACPE, in 2003. The scope of ACPE’s recognition is for the accreditation and pre-accreditation of professional degree programs in pharmacy leading to the Doctorate of Pharmacy within the U.S. including programs offered via distance education.

Accreditation by ACPE does not enable programs to participate in Title IV programs. However, ACPE accredits programs that do participate in non-HEA federal programs under Title VII.

Currently the Agency accredits approximately 114 programs and pre-accredits 16 programs throughout the United States, Puerto Rico and the District of Columbia.

The last review of the Agency took place in the June, 2012 meeting of the NACIQI. The Agency is before us with a Petition for Continued Recognition by the Secretary and the subject of the analysis of this report.

As part of its evaluation of the Agency’s current Petition for Continued Recognition the Department staff reviewed the Agency’s narrative and supporting documents and determined that ACP does not meet the requirements of 602.15A-4.

There were no third-party comments as part of this
Agency’s Petition. Mr. Chairman at this point I will defer to staff for the review and recommendations.

CHAIRMAN KEISER: Thank you very much, Mr. Mula?

MR. MULA: Good afternoon Mr. Chair and members of the Committee. For the record my name is Chuck Mula and I will be presenting a brief summary of the Petition for Continued Recognition from the Accreditation Council for Pharmacy Education hereinafter referred to as the Council or the Agency.

The Agency’s Petition for Continued Recognition by the Secretary is the subject of my report. There are no third-party comments in connection with the Agency’s Petition however the Department is working on one active complaint. That complaint is centered around a student’s allegations about the unfair treatment by faculty staff and the unwillingness of the organization that’s accredited by the pharmacy to grant her her classes so that she can finish her Doctorate Degree.

So far the Department has reviewed this three times and has made determinations that there is no substantive issues that can be addressed by the criteria and we continue to get complaints
so we continue to review them.

The Department only has one concern with the Agency’s Petition for Recognition and it is affirmation that it has always included Board members as active participants of the on-site evaluation teams and that the Council does not recuse the Board member that serves on the evaluation team from discussing or voting on the programs of accreditation at the decision meetings.

The Agency’s narratives basically state that its evaluation teams are carefully created to ensure a balance of perspective, evaluation of representative members and to protect against conflicts of interest.

In addition the Agency’s evaluation process requires that individual programs review the proposed site teams for potential conflicts of interest and provide verification regarding the absence of any conflicts of interest among the selected evaluation team members.

The Department staff agrees that the Agency has provided sufficient documentation demonstrating it has a rigorous conflict of interest policy. However, with regards to having Board members serving in an active role on site teams the Department is very concerned.
While it is an accepted practice with accrediting bodies to have Board members of company site evaluation teams as observers, it is not commonly accepted practice for accrediting bodies to allow Board members to have a direct role in the evaluation process and to make evaluation decisions and recommendations or to allow them to vote at Board meetings on specific programs visited.

Serving in both roles evaluator and decision-maker can change a perspective of the other decision-makers. While the Department does support the policy and practice it allows Agency Board members to participate as site team evaluators when they are needed as specialists who serve on a team in a specific role and then recuse themselves from the decision-making process.

Therefore the Department has requested that the Council revise its policies to stipulate that Board members who participate in the evaluation process as active evaluators recuse themselves during decision-making process per the requirements of 602.15A4 and that the NACIQI recommend to the senior Department official to continue the Agency’s current recognition and require the Agency to come into compliance within 12 months and submit a compliance report 30 days after the 12 month period that demonstrates Agency’s compliance with identified issue.
This concludes my report. Members of the Council are present and I am happy to answer any questions you may have.

CHAIRMAN KEISER: Ralph?

MR. WOLFF: Thank you for that summary and I do want to hear from the Agency representatives. But I am confused and so I want to know the staff position before we hear from the Agency.

To require a compliance report within 12 months requires a finding of non-compliance. The Agency has been found in compliance in your staff report with the conflict of interest policy. And quoting from the staff report -- the basis for a -- you used the word request, but I would say it would appear that the Department and if your recommendation were accepted and adopted it would be a requirement that they change a practice which is defined as a “commonly accepted practice”.

So I’m trying to understand. On the one hand there is a finding they are in compliance with conflict. This is an issue of what’s common practice and may make good sense but we are in the business of saying is there a finding of non-compliance? So help me understand why the requirement would be made for something that is a commonly accepted practice but not apparently a non-compliance issue?
MR. MULA: That’s a good question. Their standards for conflict of interest are very strong. The Department looks at this process as not so much a conflict of interest process but a process of determining the accreditation of an institution or a program.

And when we have 602.15 basically says that there are certain roles played by certain members of the Commission. Its site evaluation team members do the evaluation. Its Commissioners do the decision-making. We have found out in observation of decision-making process with other agencies, and with common practice those other agencies -- they do not allow their Commissioners, their decision-making body members to be on an evaluation team and then come back and actually do a vote on the accreditation of that organization.

Therefore we are -- the Department has stepped forward to try to enforce that requirement. We looked back on this Agency’s record for several re-justification periods and I could not find anywhere where this was mentioned before.

So we tried very hard to say well we can’t do this without a really good reason. Well the only reason we really had was the basis that everybody else in the business is not doing it and that is a common accepted practice among the accrediting bodies
and they do not do this for a reason.

So we have determined that we will do our best to

enforce this requirement under 602.15 and of course the Agency is

right to, you know, come and give its story and you have your right

to do what you feel is best but the Department is concerned that

this practice could be very -- set a very bad precedent where the

Commissioners have voting rights.

MR. WOLFF: Can I just ask -- thank you. I remain

a little bit confused but I understand what got you to this point.

Did you when you visited the Agency did you observe a situation

in which this practice actually occurred?

MR. MULA: I actually did not have an opportunity

to visit the Agency. I was -- this Agency was Steve Porcelli’s

agency and with Steve retired I inherited the last portion of the

process. So I did not get a chance -- I did however, do as much

research as I possibly could and they have a very, very strong --

like you said Mr. Wolff, they have a very strong conflict of interest

policy and we did find them in compliance with that.

But the process itself is very concerning and that’s

why we made this decision.

MR. WOLFF: Thank you.

CHAIRMAN KEISER: John?
MR. ETCHEMENDY: So I’m just curious what section are you saying -- are you putting this under since you are not saying they don’t comply?

MR. MULA: Section 602.15A through 4 where it actually breaks down the rules of each of the members of an accrediting body. There are review panels, the appeal panel, there are evaluation team members and there are decision-making bodies.

Those roles are specific. The qualifications for those roles are very specific. When it comes to evaluation team members we even break that down further and require educators, professional people who actually do the work, administrator of sorts.

So we know that we break that down and when we review the qualifications of these people we actually review the resumes and their experience to see if they are qualified in those positions.

The Commission itself is a very unique body. It has only one purpose and that’s to make accrediting decisions in a very unbiased and a very strategic and planned out portion. They go by regulations. They go step by step by procedures and in those procedures they make decisions based on the material they have.
And one set of material they receive is from the site evaluation team. Now the site evaluation team goes in there for the main purpose of evaluating them against a self-study and the standards of the accrediting body.

And they are in there to do one thing only -- not make decisions, they are in there to see if they are compliant with those and then report their findings to the Commission so the Commission can make a determination.

We think -- we believe, we have seen that if a Commissioner goes into a site, a visiting team and actually participates in the site visit and becomes an evaluator -- when that person comes back to the Commission meeting that person can throw influence on the rest of the Commission.

So they are not seeing the evidence the same way everybody else sees it. They have seen it beforehand, they have been involved in discussions of the evaluation team and they made their decision before all the evidence is given. There’s more than just evaluation evidence.

MR. ETCHEMENDY: So let me just make clear that I understand the reason and your concern and I actually agree with the concern. I think it is not a good practice. I was just trying to figure out what clause it fit under here and it seemed to me that
it was actually the conflict of interest 602.15A6 rather than the one that you singled out but I don’t -- that’s fine whatever.

MR. BOUNDS: So I just wanted to clear up some issues. So as Chuck said we reviewed their conflict of interest policy, the policy did look well. We have them non-compliant under the 602.15A4 which is basically for the composition of the site team. They both play up on one another but to answer your question we have them non-compliant under composition of site team.

It still is a conflict of interest issue. We could have put it under conflicts of interest which is a concern but it also bleeds over into the makeup of a site team also so that’s where the link is. Again it could have went up top or it could have went down below, that’s not a good analogy but it could have went into the conflicts of interest or the site team representative.

We just chose the site team representative because we thought they did have a pretty good conflict of interest policy and when you find somebody non-compliant because of conflicts of interest, you know, that stirs a lot of angst so that’s why we put it there.

It may not be there but that’s where we put it.

CHAIRMAN KEISER: I have a question Chuck or
Herman. What I hear is your talking about best practices versus regulatory requirement. Is that where we are and what we are recommending?

MR. BOUNDS: It comes with some of that and it also comes with past practice and we have always said that -- at least since I joined the accreditation group it has always been the issue that a person could only serve in one role at a time because they are supposed to be serving on unique role.

So you know it depends on how you interpret the rule. It has just been interpreted that way since I got to the group and even before I got to the group so that’s why we have it there. I will say that when we have had issues -- again I bring up issues of complaints and folks question the decisions of agencies. This issue does come up and it makes it weedy when you have to go in and figure out, you know, was there an issue because this guy was serving as a practitioner, was he serving as a Commissioner or was he serving as a site team member.

CHAIRMAN KEISER: Maybe we will move on and we will listen to the Agency’s response if that would be okay. Chuck thank you very much we will see you in a minute.

Would you members of the Agency please introduce yourselves and proceed?
MR. VLASSES: Good afternoon my name is Pete Vlasses, I am the Executive Director of the Accreditation Council for Pharmacy Education. This is my 18th year as the Executive Director and my 4th time addressing NACIQI as part of that process.

As mentioned ACPE accredits the Doctor of Pharmacy degree programs which is the entry level degree for the practice of pharmacy and as a requirement for licensure in all U.S. states and territories.

There was a minor error in the report from the staff in that we actually have 141 programs that are either accredited or pre-accredited by ACPE.

With me today are two colleagues and they will introduce themselves.

MR. TUCKER: Good afternoon my name is Tim Tucker. I am a community pharmacist from rural West Tennessee. My family has own City Drug in Huntingdon, Tennessee for 52 years.

As President of the American Pharmacist Association in 2008 and 2009 and currently have the privilege of serving as President of the ACPE Board of Directors. My Board is made up of ten individuals representing experts in practice,
education and regulatory and we have one public member. Thank you for having us this afternoon.

MR. BOYER: And I’m Greg Boyer, Director of the Colleges and Schools Accreditation Program at ACPE and I have been with the Agency 15 years.

MR. VLASSES: We appreciate the opportunity to be here today to address NACIQI to discuss our Agency and answer your questions. We want to thank Mr. Bounds and the Department staff for their service and for allowing us to be on the Agenda today as our Board of Director meeting starts tomorrow.

We want specifically to thank Mr. Mula for his guidance to us in preparing our response and to the preparation of his report. Of note however we do wish to take this opportunity to provide NACIQI a statement in response to the recent U.S.D.E. staff report submitted to the senior Department official on recognition compliance issues.

Specifically, we wish to address the Director for ACPE to revise our policies related to Board member participation in on-site program evaluations and the decision-making process at our Board of Director’s meetings.

ACPE has employed the policy under discussion substantially unchanged since its founding in 1932 and through the
time of our U.S.D.E. recognition initially in 1952 and since. Until
the present staff report the manner in which ACPE Board members
addressed their responsibilities as on-site reviewers and decision-
makers has never been challenged by the U.S.D.E.

The report states that ACPE does not meet the
requirements of this section. ACPE needs to revise its policy to
stipulate to Board members who participate in the evaluation
process as an active evaluator must be recused during the decision-
making process.

The report then cites the U.S.D.E. Regulation
602.15A4. However, this cited section does not require of the
accreditors specifically that is set forth in the report to ACPE.
Section 602.15A4 simply states an agency must
demonstrate that it has educators and practitioners on its evaluation
policy and decision-making bodies. And this is important --
evaluation policy and decision-making bodies. Otherwise agencies
would have to have three separate organizations that they do
business with.

Most groups do policy and boards and then they
make a decision about their evaluators being decision-makers at
the table and discussions. Though many choose to not have that
happen we are aware of other agencies in fact that allow what we
allow in one shape or form or another.

So if the Agency accredits programs and single
program institutions to prepare students for a specific purpose
which is us. ACPE has provided all requested documentation to
substantiate its compliance with this section including the strict
attention to real and perceived conflict of interest issues.

Similarly, in the U.S.D.E.’s guidelines for its
regulations the accompaniment of Section 602.15A4 does not
specific a separation of functions. It simply sets forth the review
elements and sample documentation to demonstrate compliance.

ACPE has provided all requested documentation to
demonstrate compliance with the above. The staff report is
directing ACPE to discontinue the process that the Board and staff
find to be extremely valuable when engaging in in-depth
discussions in order to make the most informed decisions possible.

Such as inner growth the ACPE’s mission and its
responsibility is the U.S.D.E. and CHIA recognized accreditor of
pharmacy programs. This long-standing practice has proven
successful as evidenced by ACPE accreditation programs are
excellent, licensing pass rates, our educational completion data and
our employment data that we will be happy to share with you in a
conversation.
We are doing -- what we are doing at ACPE assures quality and quality improvement and we do not believe a change is needed and we look forward to answering your questions.

CHAIRMAN KEISER: Ralph, Federico?

MR. WOLFF: Well I’ll start. I think we ought to take up this issue. I have a series of other questions I would like to talk with you about but I’m assuming that those who serve on teams when they come to the decision-making process are identified as team members so how do you assure where this practice in the past and where this practice to continue the avoidance of -- you could say either A4 or A6, the appearance of a conflict or role confusion if you will, this evaluator decision-maker and being separate processes.

So how do you take that into account or how has that worked in practice?

MR. VLASSES: The evaluation teams provide their evaluation team report. It identifies who was on the team. The Board members known who they are and then at the table there’s discussion. All of our site teams are led by one of five people -- four are full-time employees and one full-time or retired consultant who used to be a President of our Board.

The conversation goes around did they meet the
standards, what issues are out there that they may not be addressing and what action should the Board take? At that point in time there is a Motion, a second and then a vote based on all voting members of the group.

Some Board members will recuse themselves prior to the discussion even occurring. The people that go on site teams do not have a conflict of interest and that is why they are assigned. And the Dean of the program accepts the individuals as acceptable to them without any known conflicts of interest.

So we do whatever we can and we make people leave the room where there are conversations where they claim, you know, a potential or perceived conflict.

But we see the ability for a group of people to serve in three capacities -- an evaluating capacity which gives them a better personal appreciation of the standards, how they are being interpreted by site teams to be part of that process, to be policy-makers as we change standards and have that and they have their own understanding of what the issues are in the field.

And then to actually make decisions that are strictly driven by standards and whether compliance occurs or not.

MR. WOLFF: I want to see if there are others who want to talk on this issue. Let me just say with this one more
thing. I mean one could say -- one could argue that actually having
been on the team would be an advantage because you actually can
give greater depth about what the report actually meant and said
and what the data was, what the team looked at.

On the other hand, one could argue that having been
on the team that that person could unduly influence a decision by
strongly advocating the recommendation of the evaluation
committee versus the other -- the larger group.

And I think it is the latter that would be the concern,
the undue influence of somebody who had been on the team. I
wonder if you could comment on that balance and how that
balance is struck?

MR. VLASSES: The only thing I can say is in our
85 year history that has never been an issue that was brought up.
We have never had a complaint regarding a Board member being
on the team and then being a decision-maker.

This is a collegial process across ten professionals.
They hold each other very accountable to the standards and that’s
the bottom line. And therefore you could argue that any potential
bias could be pro, could be negative, could be neutral -- there’s no
one depiction of what being on a site team would mean in terms of
the process.
And we have no perception in our history that this in any way interferes with our job that we are supposed to do and our outcomes support that.

MR. ETCHEMENDY: Art? Art can I ask a follow-up?

CHAIRMAN KEISER: Yes.

MR. ETCHEMENDY: So the real question is not whether you have ever had a complaint about this practice in history, the real question is have there ever been cases where the team -- the visiting team recommended one way and the Board -- and then that person participating on the Board, the Board actually went against the recommendation?

MR. BOYER: Absolutely, it happens all the time. When the Board looks at individual particular standards that they might want to monitor or through the discussion decide that the team report or the recommendation from the team is either too harsh or not harsh enough through the process discussion that occurs around the Board table, those decisions are taken by the full group.

MR. ETCHEMENDY: And this is also where you have a member of the visiting team also on the Board?

MR. VLASSES: Absolutely. So I did want to, if I
understood your question correctly I thought if it was a member of
the Board on a team then disagreeing with the evaluation team
report. You are asking the question about do other Board members
feel free to disagree with a team report in which the Board member
was present?

MR. ETCHEMENDY: Right. The concern is that
there is too much influence that that person could exert too much
influence on the Board and so the real evidence against that is that
the Board doesn’t go along and so you have answered that.

CHAIRMAN KEISER: Frank?

MR. WU: I wanted to make sure that I heard
something correctly. Did you say that you are aware of other
agencies that are structured the way you are structured? And I
don’t know if you are comfortable calling them out -- okay so you
decline to do that.

MR. VLASSES: All we are saying is this is a
standard practice that’s not so standard.

MR. WU: Right so I actually have a question for
staff and I’ll preface this with there are two types of consistency
that I think we should be mindful of. One is something that Anne
has mentioned many times and I think she is right -- consistency
agency to agency.
It would not be right to treat one agency one way and to treat the next agency a different way. I actually think it is not likely that any of us would deliberately do that but I think there is a decent chance that we will negligently do that simply because it is a different pair of Primary Readers each time and we are not always focused on the same set of issues, so it is entirely possible that something will slip by us where one agency does something the way they have always been doing it and another agency -- because you are all peers and colleagues you see one another.

They, for some reason get caught up in something and of course, not wanting to throw their colleagues under the bus, you know, we never find out what the other agencies are who engage in the same practice.

So one is consistency agency to agency, the second is a type of consistency I’m not that worried about so long as there is notice which is, we both, the Department and staff and NACIQI sometimes do things differently over time.

And the reason that I am not worried about that is because we are progressing, we make improvements I would like to think and we get better and better. But some might not think we improve, but what would worry me is if we did it erratically and not transparently.
In other words if we just suddenly start to do something differently than the way that it has been done for 50 years or however many years and nobody knows that we are about to turn the corner and suddenly everyone is in trouble.

So I just wonder -- this is for staff as well but also for the members. On these two types of consistency how can we do better both staff and NACIQI both consistency agency to agency.

And second, not so much consistency but notice and fairness if we are going to start -- and sometimes it’s not changing because I know we are bound by the statute but sometimes within the statute some things that we sort of neglected or that nobody was paying attention to become important and the opposite happens too.

Some things we used to be really finicky about so the last vote is an example of this. Sometimes in the past, you look at a number of years we have been really finicky about every little detail of have they filed this and that -- we just took a vote where we said well we are not going to be finicky about a few of these missing things that we deem to be ministerial.

So the change can run in both directions still consistent with the statute. So it is just an open question for
NACIQI members and staff -- how can we do better in both regards?

MR. BOUNDS: I don’t know if I answered the question but I can say that I know Beth is wanting to raise her hand and a couple of folks but we have -- this issue has been brought up before with other agencies and other agencies that we have reviewed we have made this same type of recommendation.

I can also say that, you know, when I first got to the Department I can distinctly remember the discussion occurring at that time about this same issue. And from that point, it was probably maybe before that point, we have been looking at, you know, Commissioners serving on site teams and so many issues that everybody has brought up.

Does that person or does the decision get influenced based on maybe something they saw at the site visit and is that transmitted to the team and transmitted to the Commission when the Commission is supposed to be taking another objective look at the review.

So we have had these discussions before and I think some of the staff reports would probably show that. So we try to be consistent but as you say some things may slip by.

CHAIRMAN KEISER: Jennifer and then Kathleen.
MS. HONG: Real quickly on the NACIQI side of things. I do agree that NACIQI’s work has evolved over the years and I certainly think that we can always take a moment to reflect back on the recommendations that we have made since the Committee was reconstituted or in recent years and kind of look at and reflect on the work that we have done.

So maybe for our next training session we can do that and look at the consistency of our recommendations.

CHAIRMAN KEISER: Kathleen?

MS. ALIOTO: I have another question which is totally, totally off the subject. But you know I can see both sides on this but my question is as a nation we are facing an opioid crisis and you guys are training the doctors who run the pharmacies of America.

And I wondered when you stated that -- I wondered let’s see, are you and your member institutions working with your Doctoral candidates, the programs, the pharmacies, doctors and the insurance companies to address the opioid crisis in any way?

MR. VLASSES: All of the above.

MS. ALIOTO: What are you doing?

MR. VLASSES: It’s part of our curriculum in terms of things that we have an Appendix of what the pharmacy
curriculum should contain content-wise without descriptions of credit hours or courses or whatever and it is embedded there.

We work together with 12 other organizations that we are with in advocating for certain things. There has been legislative changes where pharmacists now are giving Naloxone as part of their ability to distribute as they see fit in the patient care environment as a reverser of the opioid effects.

So it is a high priority for our profession. It is things that we are doing -- we also accredit continuing education providers in our profession so we are working both in the degree side as well as the continuing education side to make sure that pharmacists understand the issues, some of which we work in collaboration with our regulatory body or association. And we make sure that our students are getting proper education on the current state of affairs and things a pharmacist can do to improve it.

MS. ALIOTO: The problem of course is that the pharmacy makes money by giving out drugs or selling drugs. So how do you help them in not doing that?

MR. VLASSES: Well the issue is there are valid reasons why people need opioids. And then the counseling has gone to how can you determine what looks like a valid prescription
and what looks like somebody is an abuser and there is a whole educational process around that as to when do you refuse to fill a prescription versus when do you give it because it is important to the care of a cancer patient or other issues.

And arbitrary things we don’t do this anymore is not acceptable it is how do you discern who might be an abuser and who might need this for medical purposes. So there is a lot of discussion about how do you do that. It is a very dangerous situation.

Pharmacists are being robbed at gunpoint. They give them their opioids because, you know, there’s a high demand. The other thing is we have unscrupulous physicians writing orders and we have unscrupulous pharmacists filling them. And then the issue is our regulatory bodies are after those people and taking away licenses and doing things.

So our job is the educational front of this both degree and continuing education.

CHAIRMAN KEISER: Ralph did you have a comment?

MR. WOLFF: First of all let me just go back to the issue and then I want to move on. But in my view in order for us to accept the staff recommendation with respect to recusal we
would need to make a finding of non-compliance and which regulatory provision it would be and I am still on the fence about whether it is an area of non-compliance.

But common or customary practice does not provide a basis for me to accept non-compliance under the law. I want to first of all say I read through your materials, your website and commend you for the quality of the application, the training materials.

I was overwhelmed by all the rubrics and the work that your teams need to do but I would -- it’s not a but -- and it is really quite exceptionally high quality. So I want to start with that. I have a number of questions just for information.

Four institutions were identified as being on probation. I could not find on your website which four they are. There’s not public that I could find when I looked at the accredited status of your directory everyone is listed as accredited or a pre-candidate.

How do you identify and how would the public or someone know if a program is on probation?

MR. VLASSES: There is the current accreditation standard -- the current accreditation status but there is a link there that says a history of accreditation that goes all the way back to the first time they were accredited all throughout their history.
So if you go back to the four programs which we could name but I don’t know that you want that right now, that in the history is when they were on probation and for what time and when did they get off. And there’s a link under every one of those things in the directory that says history of accreditation decisions.

MR. WOLFF: I would just say my opinion is for those that are currently on accredited probation it is unacceptable to have to go scurry to find it in the history.

MR. VLASSES: There are no programs currently on probation that’s why you couldn’t find them.

MR. WOLFF: I thought the staff or somewhere I read there were four but okay. But if there were I would just say I think that it would need to say accredited on probation but some public notice to that effect rather than having to do another click to read the history.

MR. BOYER: In the last five years we have had five programs on probation and there is language both in the report of our proceedings and our website about the fact that they are on probation and there’s even a link where you click to get the school’s response to that probation statement.

MR. VLASSES: Yeah the confusion I think is that currently these are off probation but that information is still
captured in the history of the organization which is a student or a
parent or somebody can go and do if they are interested in looking
at the history.

MR. WOLFF: I understand, thank you. Another
question is as I understand fairly recently you have begun to
accredit for-profit pharmacy schools. I wasn’t clear how many are
for-profit versus non-profit and have there been any significant
differences in your process in working with the different types of
institutions?

MR. VLASSES: We have five for-profit programs
out of the 141 programs that we have. There is no difference in
approach to site team visit, it is all the same rigor that goes into all
of this. These programs are relatively new in the life of our
Agency so therefore they are monitored by greater rigor as all due
programs are in terms of reporting number of visits that happen
during that early phase of development from pre-K candidate to
full accreditation.

We see them on the ground during that process
which is a four year, really a five year process with the pre-
candidate, we see them four times on the ground during that
window whether they are for-profit or not for profit during the
development phase.
MR. VLASSES: We have a standard that says they have to be regionally accredited as part of our own standards so we monitor carefully the regional accreditation decisions for all programs. But then if there was one where the regional had a concern about how the Board of Directors was structured versus the leadership of the academic institution -- meaning investors versus non-investors.

And we paid very close attention to what the regional was asking and made sure when we went in and did our evaluation we were seeing compliance.

MR. WOLFF: Thank you. I wanted to ask about going through the pre-accredited and accreditation because you said earlier that all states require licensure -- require accreditation for licensure if I understood you correctly.

And it ties into this issue of retroactive decisions so I want to check out because it has been an issue, are your decisions from the date of accreditation forward or is there any retro-activity.

But let me start with that and then I am going to go beyond that.

MR. VLASSES: All decisions are of the date of the Board meeting and there is no retroactive response. It causes some problems. In our candidate status our document says and our regulatory people agree that those graduates can sit for the
licensing exam as a candidate in an accredited status and that is acceptable in the pharmacy world around the exam.

Where it is not acceptable is in the VA where they can’t apply for residency programs because they are not accredited, they are in a candidate program and that’s disadvantaging numbers of students who want to do residency training at the VA.

Even though our language says this is what we do, you know, with candidate status reviews. And more than that that they would hold that against them for the rest of their career if they ever want to work at the VA -- so there are concerns about what we can do about it.

We have had conversations but we still haven’t resolved.

MR. WOLFF: It’s a common issue for any field I must say having worked with that and other disciplines and a real problem. And well let me move on -- you had to collect a whole basket full of outcomes and assessment data and you give a lot of guidance as to what kind of data would be helpful.

I am not clear if you are collecting or developing as you collect this data, benchmarks, pass rates, attrition and the like because I understand that each state, like the bar exam, each state sets its own pass rate or is that true?
But there is a national exam so do you have benchmarks that you are working with because each team is to make an evaluation of the institution’s own evaluation of its data?

MR. VLASSES: The national exam is accepted by all states. The national exam sets its pass cut score each year. So rather than come up with an arbitrary percent pass we have gone the trigger route as we have heard from the previous accrediting body.

And Greg and describe what we evaluated when and what our outcomes are.

MR. BOYER: Every year we get from the national licensing body the exam rate scores for the previous year and we monitor that as the threshold being two standard deviations below the mean of that particular year.

And so each of those programs that trigger that threshold, meaning they fall below that value, are asked to explain to the Board what they are doing to improve their pass rates. Typically there are about 10 - 11 programs annually that fall into that category.

We have kind of a three year and five year rule that if you appear on that list three years in five you actually have to come to the Board and discuss with the Board your process to
improve pass rates on those NAPLEC scores. We just got data from our nationalizing body a couple of weeks ago that we have been asking for to look at multiple takers of the exam, those who took it the first time and did not pass it, second time, third time and from the National Academy we know that 94% pass on the first time they go through it and those who may struggle and have to take it up to three times we can get them up to 96% pass rate.

We are going to be making recommendations to our Board at this coming meeting that we look at that data more closely on those three time pass rates and also include that in our annual monitoring parameters so that we have another data point to look at school performance.

MR. WOLFF: How about attrition?

MR. BOYER: We also looked -- we get data from the American Association of Colleges of Pharmacy that collect data from their member organizations annually and by agreement and school agreement we get that data so it is reported once, used multiple times.

We look at enrollment trends, changes in enrollment, we look at attrition. We look at various types of academic dismissals and then the attrition. We have benchmarks for all of those based upon historic data. We set those about eight
years ago, 6% for some of those comes to mind. The overall attrition for any reason is something like 24%.

If you fall below those triggers then we ask programs to explain annually what’s going on.

MR. WOLFF: Given that was eight years ago is there a plan to review it and see if the benchmarks you are setting and the trigger points are current?

MR. BOYER: We look at those annually to see, you know, are we having more programs appear? Are they in adequate numbers? It has been fairly consistent until recently. We are getting a bit more noise if you will in the system from students who may not be performing quite as well.

They are not coming with the Academic Foundation perhaps this is the first time in the last couple of years that we have had any kind of concern about program enrollments. We have had an expansion of the Academy over the last few years so it is spreading out a bit.

But also other programs that have enhanced their degree offerings are siphoning off some of the people that might come into a Doctor of Pharmacy program going on to be doctors or something else in the health profession so there is a bit of competition that we didn’t have a few years ago at play as well.
MR. WOLFF: And there seems to be a growth of the number of pharmacy schools -- your pre-accreditation status lists four or five in addition to those you have granted accreditation too.

MR. BOYER: We may be just about at the end of that expansion. We only have two people contemplating at this point and that is the lowest number in my tenure at ACPE.

MR. VLASSES: I will say when I joined 18 years ago we had 76 schools for 35 years and now we are at 141 and counting. And that was because there was a severe workforce shortage at the time. The message went out and everybody jumped on the band wagon and now we are probably fairly saturated in the cities but in the urban areas there’s still plenty of job opportunities and people are readjusting why they are going to study and where they are going to work afterwards, so we are seeing some of that going on.

MR. WOLFF: Well I’m mindful of what happened to the legal profession.

MR. VLASSES: So are we.

MR. WOLFF: Healthcare is continuing to grow.

One final question is I saw you were starting to collect placement data and it appears if I have this correct that the average placement
rate was 63% and I just wonder if you would comment on where are you going to go with that data, whether the response rate was very substantial and robust and what you are going to do with the placement work?

MR. VLASSES: That data came from all of our programs that have graduates that year we have asked for that. The first year we did that was last year. We had 100% reporting rate of programs with graduates. Now it is self-reported data from the programs but it follows our common thinking about how placements go.

You are correct it is 63% that are employed in pharmacy but 22% of that number, of another number is those who have chosen not to go into employment but to go seek further education, residencies, graduate school -- so if you combine that 63 with 22% it is up to 85% of the graduates are actually doing what they intended to do -- either work or have further education after school and the other 15% are really lost to follow-up.

It is data that comes in, we don’t know what these students, these graduates decided to do. So it is actually higher we are sure than 85% in that regard because of that unreported number.

MR. BOYER: Because we ask for it in a certain
window of time. So if they get a job like two weeks later it won’t
show up in those numbers. But when we go on site we ask the
question what was the employability of your cohort last year and
that’s where we are getting some of the feedback.

And usually they may not get the job in the
neighborhood they wanted or whatever, but I don’t think we are
seeing an inability for people to find a job if they are looking for it.

MR. WOLFF: You know I assume you will
continue to collect this data and to develop it.

MR. VLASSES: We collect it every July. The
other thing is we made this a requirement that it be transparent so
on the website we have a policy that in a prominent place -- I was
at a place where you had to click 7 times to get to it, that there is
the licensing pass rates, the graduation rates and then we tell them
you can have one other criteria that you select from your own
assessment that you want to put out there.

And obviously they will select something positive
like their residency or something to that effect. But that is to
inform the public about, you know, how that particular program is
doing on these outcome measures.

MR. WOLFF: You know I want to commend you I
thought the required public information was very helpful. So I’m
sorry I did have one other question. You are approved for distance education what does that mean? Do you have any degrees like distance pharmacy degrees or is it continuing Ed -- what does that mean?

MR. VLASSES: We have distance pathways that Craton University has had a pathway for a long time where the majority of the education is in distance and then they come and do like a, you know, an intense two week session on campus to do simulation and then they do the experiential component under appropriate supervision.

So there’s another program that has started recently at the Lake Erie College of Medicine and now their pharmacy school and we have a lot of people that do distance education pathways on different campuses and they are either synchronous or asynchronous and then we have our own criteria about what’s good synchronous or, you know, bad synchronous and good asynchronous and bad asynchronous, et cetera.

MR. BOYER: And then we also get annual data broken down by campus in those situations or a pathway from our licensing body. So we compare the main campus to the branch campus to the online campus if the program has all three of those and we do have one of those that does that annually to be sure that
the outcomes across all three pathways are comparable.

MR. WOLFF: Thank you very much.

CHAIRMAN KEISER: Any other questions, Federico?

MR. ZARAGOZA: I too want to commend you for the quality and quantity of information that you have provided to the Committee. And this question is not necessarily about recognition it is about access.

I didn’t find any demographic data, very limited demographic data on either the students or the accreditors -- is that information available? Do you collect it?

MR. VLASSES: Our Association of Colleges of Pharmacy every year gets that information by college the faculty and the student demographics. We encourage diversity at the student and faculty level and we have conversations about that when we are on site and what people are doing to help increase the nature of the diversity consistent with their mission, but that data is available and our Board has access to it.

MR. ZARAGOZA: How many clicks away?

MR. VLASSES: That’s not our website, it is somebody else’s.

CHAIRMAN KEISER: Any other questions, yes
Kathleen?

MS. ALIOTO: I just looked on your website and I didn’t see anything about opiates or opioids, your concern about that and mine. And I wondered why that was?

MR. VLASSES: If you go into our standards and look up Appendix 1 which is the content of what the curriculum needs to entail on how to address it you will find it there.

MS. ALIOTO: Good, thank you.

CHAIRMAN KEISER: Sensing no more questions, thank you gentlemen.

MR. VLASSES: I just want to close in saying that we appreciate the opportunity. In the reviews that I have been involved with we have gotten very good recommendations that have helped increase the quality of what we do.

I will say that our Board feels strongly that their ability to do a good job in the evaluation of quality is enhanced by their ability to be on site visits and also to be the decision-making body in our profession.

CHAIRMAN KEISER: Thank you. We have no third-party commenters. A member of the staff would you like to return, Chuck?

MR. MULA: Thank you Mr. Chair. Again I would
like to say that the Department’s position is that the consistency is not that a member of the Commission or the decision-making body cannot be on an observation position on a site team.

It’s that that person comes back and recuses himself from voting. So the Department is not against any policies where an Agency allows their Commissioners to go on site visits.

Another thing too I would like to say that if this Agency has any idea who these other agencies are, we would sure like to know that.

And also too if they have any evidence in any of their processes so far in the recognition process would they have squeezed by like this, I would like to see that too. I have no other comments.

CHAIRMAN KEISER: Questions for Chuck?

Thank you, thank you Chuck. Thank you, Ralph, Federico would either of you like to make a Motion?

MR. WOLFF: Well first of all I want to commend the Agency and I appreciate the dilemma that we face. So I am going to -- I want to acknowledge that there can be different approaches that different agencies take to issues.

And unless there is a very clear finding of non-compliance with a regulation and there is a finding that their policy is fine there has been no problem. I would move for -- I welcome
the views of the Committee but I would move for a five year
recognition without the finding of non-compliance or without the
request or requirement that they change their policy. I could be
swayed in the opposite direction.

CHAIRMAN KEISER: In other words a five year
recognition that they are in full compliance?

MR. WOLFF: Right.

CHAIRMAN KEISER: Is there a second?

MR. ZARAGOZA: Second.

CHAIRMAN KEISER: Second by Federico, both
Readers. Question by Mr. Wu?

MR. WU: I’m not signaling support or lack of
support for this. It’s just an observation. We are now becoming
more -- I don’t want to use the word lax because that’s pejorative
but we are showing a willingness to find agencies in compliance
despite technical violations.

I’m just noting that for the record so that if we are
going to do this we are more or less consistent. So this follows on
the Motion that Susan made but it goes a little further. I’m just
noting this does present what lawyers refer to as slippery slope
problems.

So one reason that bright line rules are liked by
some is they are bright line rules, you are either in compliance or
not in compliance. I am just noting that if we go down this path
we just need to be aware of where we are headed which is more
and more agencies will say, “Hey the last Agency had a couple of
little things but this is just a little thing and therefore you should
give us five years too.”

It doesn’t mean I’m against it, I’m just noting it.

CHAIRMAN KEISER: Susan?

MS. PHILLIPS: I think it’s a choice of words of
lax that I wouldn’t use. I would rather call it a difference of
opinion about what counts as evidence of non-compliance so the
evidence that might satisfy the staff might not satisfy us and the
evidence that satisfies us might not satisfy the staff.

So in this context on the earlier one my sense is that
it isn’t about lassitude movement or a slippery slope but a
difference about what counts as persuasive evidence.

CHAIRMAN KEISER: Any other comments,

Ralph?

MR. WOLFF: I want to associate myself with what
Susan said in the sense that there is no finding, there was no visit
to the Agency. There is no finding that notwithstanding that I
might agree with the staff view of what ought to be.
In this case there is no evidence that it is material affected decisions and this is an Agency that in every other respect was found in compliance and I found their submission to be extraordinary complete, thorough and does high quality work.

So in the absence -- I would say in the absence of a finding of the detrimental impact of this procedure that they have and the fact that it has been in place and they have been re-recognized repeatedly, I am persuaded just to say let them continue but when there is a visit next time maybe that would be an issue to further investigate.

CHAIRMAN KEISER: Claude?

MR. PRESSNELL: Just as being new you know on the Board, second meeting. So Ralph I want to make sure I understand where you are coming from because on my screen it shows that they do not meet -- according to the staff’s perspective they do not meet 602.15A4 so it says it does not meet.

What you are saying is that you don’t agree with that assessment is that what you are saying? Because I have heard you say they don’t have a finding that to me signifies a finding or am I reading this wrong?

MR. WOLFF: My reading -- I’m not going to speak for the staff but my reading is that the basis is this is
customary practice which I would agree it could be, but that
because it is customary practice and they don’t follow the practice
which is what the report rationale says, they are then making a
finding it doesn’t meet 15A4 and what I am suggesting is I don’t
feel there is sufficient evidence to support that in light of the fact
they have been re-recognized, there is no finding of a deleterious
impact and so I am prepared not to accept that finding.

CHAIRMAN KEISER: Jill and Anne?

MS. DERBY: On the other hand I am assuming
that we have justification for having the -- it’s not a standard but it
is for the compliance requirement regarding the difference between
the site team and the review team and so on and so forth.

So I see we are making an exception but then it is
interesting that we have that as part of what we consider necessary
to be in compliance. So I am assuming there is a good rationale
for that and I don’t know that I am persuaded although I hear that
they have a very good record, but that I am persuaded that it
doesn’t make a difference that that person on the site team has
greater influence and therefore influences, overly influences the
outcome of a decision.

CHAIRMAN KEISER: Anne?

MS. NEAL: I guess my question goes to the
standard. And as I understand it what the pharmacists are saying is
that this has never been applied in this way before. I happen to
agree with the way the staff is applying it in this particular instance
but it appears that it has been inconsistently applied with different
accrediting bodies.

So I guess my question to staff is how do you solve
that inconsistency?

MR. BOUNDS: So as I said before I can’t speak to
occurrences prior to 2012 which is the date that I joined the
Department. I can just tell you when I joined the Department in
2012 and that was under you know, Kay Gilger we had a big
discussion about this issue at a staff meeting.

And from that point forward I can tell you that as
these issues have arisen we have addressed them the same way.
You know this is one of those things where it is a call. Our
regulations say you have a decision-making body and you have an
evaluation body.

The evaluation body has a call. The decision-
making body has a call. We just look at that and say when one
person is serving in both of those bodies -- again I said before we
could have put it under conflicts of interest or we could put it
under, you know, we put it under composition of site teams
because we didn’t want to distract from their conflict of interest policy.

Maybe it should have been there but I am just saying that we have it there and that’s our rationale is that there is two separate bodies and when you have one person with two hats, you have a person that is serving as pilot and co-pilot, I don’t know what analogy you want to use there, there always seems to be a problem, so that was our rationale.

CHAIRMAN KEISER: Steve?

MR. VAN AUSDLE: Well Ralph what you are saying is a common practice could be that Boards could serve on evaluation teams and then act on the finding or act on the recommendation of those teams. Is that where we are headed?

Or is this something that we need to discuss?

CHAIRMAN KEISER: I think Ralph makes a very good point in that it is not in our regulations and it is not certainly in 601.15A4. All that is is that we have professionals and members of the Board obviously are professionals and they are also on the Board which they are professionals so it meets that particular standard.

It is not necessarily a conflict of interest because we don’t have a specific standard to say that is a prohibitive activity. I
don’t disagree that it’s probably not a wise activity, but it is not a prohibited activity from what I could see from our standards. I’m going to let Jennifer and then Susan, I’m sorry I just had to jump in even though I can’t vote.

MS. HONG: So to Anne’s point I think some of these issues don’t necessary rise to the attention of the staff unless they go to observe a Commission meeting for example and they actually observe site visitors making decisions for example. And I think there are different degrees of that. So I think in the past -- because I believe we have cited agencies in the past and while it may not be as described by this Agency a major conflict we have witnessed, we have had issues with agencies where their site visit team -- it was apparent that their site visit team of representatives from their site visit team were essentially influencing the decision-makers, or they were playing both roles so egregiously that we did have to site them.

So again, I think there are various degrees of violating this, you know, conflict.

CHAIRMAN KEISER: Susan?

MS. PHILLIPS: I want to -- I think I want to underscore again something that has been said a number of times but is worth saying it again -- that this isn’t about whether the
practice is a good idea or not, it is about whether it is in regulation
that it is a good idea or not.

So the way that it is described there is a practice
that the staff thinks is not good. We may agree or disagree that’s
not the point and they are looking for a regulation location for it to
be prohibited.

That doesn’t strike me as how a regulation ought to
function. If there is a concern about a particular practice there
ought to be a regulation about that practice or at least something
closer to that than what we have currently.

So whether or not it is a good idea for multiple
people to play multiple roles and whatever, I’m not even going to
go on record with my views on that. That’s not so much the issue
as whether or not there is a regulation that says that this has to
occur or not occur -- that’s my concern.

MR. FRENCH: Thank you Mr. Chairman. I’m just
trying to make sure like Susan getting clarity here. Does the issue
come down to 602.15 whether or not it would prohibit the practice
of this Agency and do we get an advisory opinion from anyone
else in the Department, from legal -- because that’s what it is
coming down to in my opinion, whether or not it is prohibited by
602 or not.
And if it isn’t then -- if it is prohibited then it should be clear. I think like Frank said if it isn’t then we move on. So Herman you had a discussion about it is that what you said, you had a discussion about this five years ago about this particular matter?

MR. BOUNDS: Right we did.

MR. FRENCH: And what was the resolution?

MR. BOUNDS: The resolution was since that point when we saw this activity we always cited that particular you know for that practice. So we have cited it consistently in the same manner. As far as I am concerned, you know when I first got here I was an analyst looking at some of those issues as they have come up we have.

The issue here is whether a person can serve dual roles on two separate bodies. So while it may not be a direct tie there are some regulatory issues there. You have your Commission and you have evaluators. You know the makeup of the decision-making body and the makeup of the site team and where those blend.

So I understand that there’s nothing there that says you will not do this, but when you look at the roles of the bodies it is still pulled in. So that’s our opinion, the Committee has the right
to make their own opinion and that’s why we have somebody else you know to figure it out.

MR. FRENCH: So Mr. Chairman I guess my last follow-up question is for precedent sake we have cited, we don’t know the number right now?

MR. BOUNDS: No, we don’t know the number right now.

MR. FRENCH: Have we been in precarious situations where we are now where we have not cited someone for the same situation, same not exact but have we not cited anyone that has come before us in the same instance?

MR. BOUNDS: Not that I can -- I’m not sure, I can’t say. But I think every time this issue has come up before I think that the Agency that we have cited has corrected the problem and I think it was probably engulfed in the discussion and the recommendations went forward.

CHAIRMAN KEISER: John?

MR. ETCHEMENDY: So first of all about the other agencies, clearly this Agency every time it comes up for recognition so far has been given a pass so it would be an inconsistency at least there.

I just wanted to say that my position is that this is
not a good practice. In general what happens is visiting teams
often become in a sense captive or in a sense partisan in favor of
the institution and then they do have an influence on their
colleagues when they back on the Board and they are voting, just
like we do.

So I don’t think it is a good practice and I would
urge the Agency to re-think that practice. I’m going to vote for the
Motion however because I think although it is consistent it could
be an interpretation of some of the language here.

It is an extension of that interpretation and I believe
that the federal government already is overly intrusive and I would
just as soon not have yet another in effect, another rule imposed by
interpretation on the agencies, so.

CHAIRMAN KEISER: Frank, tie it up?

MR. WU: I think we are probably headed toward
the Motion passing, I’m not sure. But either way whatever the
result is I would just urge staff because staff has greater continuity
than members.

When we do something like this, whichever way it
comes out let’s just make sure we create institutional memory
around this so that it is fair both to this Agency and to other
agencies because there is no case law that is being made, you
know.

Our transcripts are all online but you would have to spend hours and hours and hours and as enthralled as we are all by the subject I am not sure that people really do that. So we are building up an accretion of these little decisions where each time we do this we are setting some sort of precedent.

And what’s fortunate for us is unlike courts of law our population is only about 75 or so so as long as we are consistent with a population of 75 or 80 we are doing pretty well. So I just urge whatever the decision is, we need to have some method to track this over time rather than relying on an Agency itself mentioning it and then eluding to other agencies which shall not be named, apparently engaged in the same practice.

CHAIRMAN KEISER: George real quick?

MR. FRENCH: You have been here for a while, going back to John’s point. He noted that we passed them on in the past. Are we saying that this particular issue of interpretation of dual roles has occurred with this particular Agency? I know they have been recognized before but this has been a question that has come before us before from this particular Agency is that what we are saying?

MR. ETCHEMENDY: George I didn’t say that it
had come before the question had been actually formulated. I think that’s not the case. I think the staff would say that it was overlooked, it was just not apparent.

MR. FRENCH: So we are not saying that they have come before us before and we passed them on the same issue.

MR. ETCHEMENDY: We have passed them, we have recognized them before and their practice has not changed, that’s all I was saying.

MR. FRENCH: But was it a point of contention is my question?

MR. ETCHEMENDY: No.

MR. FRENCH: Alright.

MR. WU: Wait, wait, wait -- may I just say -- so far as we are aware because nobody has gone through hundreds and hundreds of pages of transcripts. I mean for all we know in 2006 in the last version of NACIQI where this came up we have no way of knowing.

CHAIRMAN KEISER: Ralph, I’d love to -- we are really getting --

MR. WOLFF: If I understand the process let me just say were this Motion to pass and to me it is not clear if it does that it will go to the senior Department official. The staff will have
the opportunity to file independently comments and if the senior
Department official were to act and to declare that -- let me see if I
am correct in this, were to declare that this practice is in violation
of either A4 or A6 I would view that as determinative.

At this stage I would say there is a process by which
that determination could be made and overrule what our
recommendation would be but it is only a recommendation.

CHAIRMAN KEISER: Jennifer, let’s go because
we are --

MS. HONG: I just want to say that there is
precedence for citing agencies on this particular issue. We have
cited them on conflict of interest though but we have cited
agencies for compromised roles in their decision-making and site
visiting process.

CHAIRMAN KEISER: Okay there has been a
Motion and there has been a second. Any further discussion, thank
you -- all in favor of the Motion signify by saying, “Aye”, raise
your hand I mean raise your hand -- let’s count this is going to be a
split vote here.

All of those opposed -- Motion passes thank you
very much members of the team. It’s been a long one that I didn’t
expect.
NACIQI RECOMMENDATION

A five year recognition without the finding of non-compliance or without the request or requirement that they change their policy.

CHAIRMAN KEISER: We have two more for the rest of the day. Do we want to take a break or do we need to continue on? Let’s take a ten minute break, a bathroom break.

(BREAK 3:53 p.m. - 4:03 p.m.)
Renewal of Recognition

Middle States Commission on
Secondary Schools (MSA CSS)

CHAIRMAN KEISER: Thank you Madame bell ringer. Okay we now have -- we are up to the Middle States Commission on Secondary Schools, a Renewal of Recognition. The Primary Readers are Simon Boehme and Jill Derby. The Department staff is Chuck Mula and we have Agency Representatives who will be up in a second.

Simon, Jill would you like to start off and introduce the Agency?

MR. BOEHME: Thank you Mr. Chairman.

CHAIRMAN KEISER: Excuse me one second, we do have one recusal that I am aware of and that’s Brian. I’m still not sure why but that’s okay.

MR. BOEHME: Alright thank you Mr. Chair. The Middle States Commission on Secondary Schools is one of three Commissions of the Middle States Association of Colleges and Schools, primarily an accreditor of secondary education and institutions.

The Agency also accredits post-secondary non-degree granting vocational institutions. These post-secondary
education institutions provide training in vocational, technical

careers within certificated and licensed professions such as

automotive technology, computer networking, cosmetology and

practical nursing. It was first established in 1920.

MR. MULA: Thank you Mr. Chair, members of the

Committee. Again for the record my name is Chuck Mula and I

will be presenting a summary of the Petition for Continued

Recognition by the Middle States Commission on Secondary

Schools hereinafter referred to as Commission or the Agency.

There are no third-party comments in conjunction

with this Agency’s Petition and there are no active complaints

being investigated by the Department. The Department’s concerns

are with the Agency’s documentation -- verifying compliance with

160215.A1 staffing and financial resources and Section 602.15A2

competency of representatives.

In the case of 1602.15A1 it was not clear to the

Department staff what the duties and responsibilities of each staff

member of the Agency are and their qualification and education to

experience to perform those duties.

This is important because in an evaluation we have

to be sure that when we recommend compliance with this criteria

that we can depend on the Agency’s expertise to determine if the
institution is a quality institution.

Again in the case of 602.15A2 competency of representative the Agency needs to provide CV’s or resumes that evidence the competency of the representatives. The Agency also needs to provide documentation to demonstrate training with Commissioners and site team members, including training relative to the accreditation and evaluation of distance education.

The Department did review material of distance education and standards for the appeal’s panel members and we did not see any kind of training material for the Commissioners or the site review team.

The Department has recommended the senior Department officials to continue the Agency’s current recognition and require the Agency to come into compliance within 12 months and submit a compliance report 30 days after the 12 month period. This demonstrates the Agency’s compliance with the identified issues.

This concludes my report. Members of the Commission I am here to answer any of your questions, thank you.

MS. DERBY: Let me just ask you Chuck. I mean clearly this Agency seems to be very clean and in compliance in nearly everything. It’s documentation -- so they didn’t get
Mr. Mula: When the Agency received that draft report I was informed that they were in the process of asking for updated resumes and CV’s. They were not able to get them in time for us to put them in a final report.

If they had put them in that draft report then we would have made a different decision.

Ms. Derby: Thank you.

Chairman Keiser: Will the Agency Representatives please come forward? Please introduce yourselves for the record.

Mr. Tice: Good afternoon. I am Dr. Craig Tice, Chair on the Secondary Commission for the Middle States Association of Colleges and Schools. With me today is Mr. Daniel Rufo, Director of Accreditation and Dr. Jane Pruitt and Dr. Glen Mort, Accreditation Officers who coordinate the accreditation of our post-secondary non-degree granting career institutions.

We appreciate the opportunity to speak with you today regarding our success as a Title IV gatekeeper and our Petition for Reauthorization. Since the early 1900’s accreditation
Accreditation has had a major impact on the field of American education. Accreditation responds to the public’s demands for improved quality and greater accountability for institutions serving society’s needs. Accreditation agencies enjoy unique public trust roles in the United States. In other words, accredited schools can be trusted by the public to be what they claim they are and to do what they claim to do. Whatever an accredited school says about itself is both a sanction and confidence to the profession. Accreditation rests on the dual concepts of self-regulation and quality improvement. A given field such as education uses its own experts to define standards of acceptable operation and performance for the institutions and organizations within it. Thus, accreditation refers to a standard setting and review process. The accreditation of an educational organization is an affirmation that the institution provides the quality of education that the community has a right to expect and that the educational world endorses. Accreditation is a means of showing confidence in an institution’s performance. When a Commission accredits an educational institution it is certifying that the organization has met
prescribed, qualitative and quantitative standards of the
Commission within the terms of the organization’s own stated
philosophy and objectives.

Accreditation is granted on an institution-wide
basis, not just one program or course offering. Since our renewal
in 2012 the range of volume of our accreditation activities has
remained the same.

The Middle States Association Commission on
Secondary Schools accredits 32 post-secondary non-degree
granting institutions 15 of which participate in Title IV. Of these
15 institutions 6 are small, private for-profit career schools.

We currently have 4 institutions in candidacy status
for accreditation. No adverse actions have been taken since the
renewal of our Petition and overall we have experienced favorable
reports resulting from the accreditation protocol used by these
institutions.

We have also received and acted upon requests for
substantive change from our accredited institutions regarding the
addition, deletion and changes to certificate programs in the
addition or discontinuation of campus locations.

Regarding the standards and practices used by the
Middle States Association Commission on Secondary Schools to
address student achievement, Middle States requires all institutions
to be in compliance with the indicators of quality identified for
career and technology institutions for our 12 standards of
institutional quality.

Additionally, Middle States has set a program level
threshold for completion rates, licensing pass rate and job
placement rates at 70%. In our context as a regional accreditor for
non-degree granting post-secondary career institutions this rate
based on the Perkins requirements has proven reasonable to
support consistent expectations for success with respect to student
achievement.

Our accredited institutions find these expectations
challenging but appropriate. Based on suggestions from our
accredited institutions we are in the process of updating the
template for our protocol to make the materials more user-friendly.

But at this time we have no intention of revising our
standards. The challenge we most frequently see regarding student
performance is the lack of supporting documentation provided by
institutions to demonstrate compliance at the time of the on-site
evaluation specifically for job placement rates.

In our experience low job placement rates are often
a function of the lack of effective strategies at the institution to
provide documented evidence on the employment of program
completers. This results in a monitoring issue and the Middle
States Association requires institutions to demonstrate compliance
with a threshold in their annual reports or submit improvement
plans for any program that is out of compliance.

The Middle States Association Commission on
Secondary Schools takes great pride in the fact that our
accreditation protocol and reporting requirements serve as tools for
continuous improvement.

It has been our practice to work with institutions to
identify gaps in student performance and to share current proven
strategies and activities to eliminate those gaps.

Our evaluation process based on peer review and our
annual reporting requirements reviewed by staff, reinforce the
continuous improvement model, the monitoring process in place,
the annual documentation of student performance rates, assisting
the institution with identifying appropriate strategies and activities
to improve upon these rates, and requiring program specific
improvement plans has worked well in correcting any issues
related to student achievement that have been identified either
through on-site evaluation or in the annual data provided by the
institutions for staff review.
Currently the Middle States Association Commission on Secondary Schools does not identify any of our at-risk accredited post-secondary non-degree granting career institutions at risk.

Middle States monitors not only student performance rates and loan default rates, but institutional viability and financial stability by requiring an accredited institution to submit annual enrollment reports and independent audit reports.

The Middle States Association would identify an institution at risk if aggregate student performance data consistently falls below the established thresholds or if the enrollment or financial reports indicate instability.

If such cases were to arise, the Middle States Association would employ the success of our current practice working with the institution to identify appropriate remedies, requiring improvement plans and monitoring annual progress.

Failure to demonstrate improvement would place an institution on probationary status. Although Middle States Association accredits only a small number of post-secondary non-degree granting institutions in our region for Title IV purposes, our member schools appreciate the rigor of our protocol and find that obtaining and maintaining Middle States Accreditation is
invaluable in supporting their mission and in providing a process for data driven decision-making that engages all stakeholders in continuous improvement in order to support the intended outcomes of student achievement.

We appreciate the opportunity to be of service to these institutions and to the U.S. Department of Education and hope that you look favorably on this service by approving our Petition for Reauthorization, thank you.

CHAIRMAN KEISER: Other questions I’m sorry, it was interesting, I thought we would have other people speaking but are there questions from the Committee?

MR. BOEHME: Looking at your and thank you for your presentation and coming here and providing some background information. And you mentioned you have some small schools but looking at your graduation rates they are really quite impressive and your repayment rates are also quite impressive.

Again looking at the narrowly confined data that we have -- could you maybe just explain to us if this is an emphasis that you place within the accreditation process, a culture that maybe you fill within your institutions and maybe how it relates to the data driven activity you have discussed in your testimony.
MS. PRUITT: I’m Jane Pruitt and I’m an Accreditation Officer with Middle States Association and am directly responsible for coordinating the activities of the reviews of career and technology institutions that are non-degree granting, post-secondary.

And I thank you for your question because it hits to the heart and soul of what we believe. If the expectations are high for the institutions and they want our accreditation then they meet the thresholds and it is the case that we have been challenged a couple of times about the 70% rule and that’s what we call it by schools that say this and that and the other and we said if you want to be accredited let us, especially for Title IV purposes, you must meet that threshold.

So the answer to the question that you posed is it is high expectations yes. They want our accreditation. We would like them to meet the accountability. I guess we are calling it bright lines that we have placed.

MR. BOEHME: So it would be fair to say that bright lines have worked in this instance and you are seeing success from having a 70% which maybe it is a bright, bright line or a bright line but it is working for you and it is working for your schools and you are seeing success with your students, is that fair
MS. PRUITT: It is fair to say and I need to make a historical comment before employment with Middle States as an accreditation officer I was in the trenches so to speak and I was called upon to do the peer review.

And at the time the decision was made to go with the Perkins formula, to be our threshold, I was surveyed and then a discussion was held as to whether -- of the rigor of that threshold and how that would be accepted by the people that we accredit.

And I said, I have been living with Perkins for most of my career in career and technology education and I have never questioned that’s what our challenge is to get -- that’s where we want to be.

And even if you think about it in terms of the old grading formula most of us abided by I had to get 96% to get an A, 70% -- we didn’t think was out of the ordinary. And although as I said there has been some pushback, we developed a culture that you give us the data programmatically.

We don’t look at it institutionally, we do look at it programmatically because as you correctly said all day long, you could have one program making 95% completion rate and another have a 35% completion rate.
So we examine that data by program. And then if they are not there -- revelation, they knew that, we want an action plan -- what are you going to do specific to that program to get them from where they are to the 70% and that’s the remedy. And then they will call us up and it’s working.

They devised it -- we didn’t give them the silver bullet we just called their attention to it.

MR. BOEHME: Right and so part of our question and Jill and I will hopefully go back and forth asking different questions off our pilot. But two quick questions are there any other benchmarks or bright lines that you use within your Title IV schools?

And I’m intrigued to just learn a little bit more about the tensions you discuss, you know, about some schools are not happy with this 70% rule. Have you rejected a lot of schools recently or, you know, your process for entry is quite high.

MR. MORT: That is an excellent question. My name is Dr. Glen Mort. I along with Dr. Pruitt am an Accreditation Officer working with the career tech schools as well. The simple answer to your question is yes. This is addressed with the school at the candidacy visit level and this is where we set that bar. We tell them right up front that it is a 70%
We tend to get some pushback there and to answer your question Dr. Pruitt -- I don’t think I have anyone walk away so I think our collective answer would be we probably haven’t had anyone move forward with Middle States based on that criteria. But to answer the first part of your question we utilize bright line benchmark for a completion rate which would also be 70%, a licensing rate at 70% as well.

MS. DERBY: You said that you monitor loan default rates as well. Can you speak to that I mean given that you seem to have that benchmark of a 70% it sounds like employment would follow as a result and loan repayment. But do you have some sense of and figures around that loan default rate figure?

MS. PRUITT: I don’t have any specific numbers but I can with confidence say to you on the last two Commission meetings the schools that we re-accredited or accredited that were career and tech Title IV all fell below the designated threshold that was assigned to them for their loan default rate -- the institutional loan default rate.

MS. DERBY: Okay thank you.

MR. BOEHME: Would you characterize the
schools that have Title IV funding as generally wealthy institutions?

MS. PRUITT: There are two types of schools that we accredit public, secondary that have post-secondary adult education programming embedded in their offerings and then a small number of private for-profit. And to consider them wealthy I think would not be a generalization that I could make. They are profitable and they are comfortable and the students are successful.

MR. BOEHME: And it is also fair to say you see success among students at all of your different types of institutions both for-profit and non-profit?

MS. PRUITT: As measured by the thresholds, yes. Completion rate -- yes and licensing rate and placement rate and loan default rate.

MR. BOEHME: Thank you.

MS. DERBY: And one follow-up of your Title IV institutions, what percentage of your students are on PELL grants for their education, do you have a sense of that?

MS. PRUITT: I think it’s published on the dashboard. It appears to me that 42% of the students are receiving PELL. Of the 15 active Title IV institutions and 39% are receiving
MR. BOEHME: Part of the reason why it is important that we collect the CV’s and resumes is when students and other people complaint it is important that the people are qualified to address those concerns.

And I understand that potentially they were outdated CV’s and I was just hoping you could instill some confidence in our Committee before we make a Motion that if a student or an institution or some other actor wanted to file a grievance or something that you believe in and you have confidence in your current staff and Commissioners that they would be able to adequately handle these issues.

MR. RUFO: Good afternoon. I’m Dan Rufo, the Director of Accreditation at Middle States. For what it is worth my word is yes definitely. The resumes and CV’s are a level that we didn’t submit. We submitted the roster for our Commissioners and our staff and then I went back and did bios so the CV’s are just an additional level.

They are -- the members of our Commission are representative of our membership therefore we are required to have at least two members from the career and tech realm. We currently have three. There’s that and then we have Dr. Mort and Dr. Pruitt
on staff who are primarily responsible for the career and tech
schools, both from the career and tech realm as well.
And then I would say anybody else in charge is in
the learning realm.

MR. BOEHME: So our last question will be in
regards to standards and practices with student achievement. And
if you had any comments about how does your Agency address
success with respect to student achievement or the programs it
accredits?

Why was this strategy chosen? And how is this
appropriate in your context and other responses you wish to make?

MS. PRUITT: I think we already covered that but
just to answer your questions specifically the measurements of
student success were selected because they reflected the Perkin’s
requirements which we thought we appropriate.

And in consultation with those career tech schools
that at that time were accredited, they were surveyed as well as it
was discussed with them and they agreed that it was. I do need to
say as part of one of the people in that discussion, it was originally
75% and that was the proposal.

And the career and technology Directors and the
post-secondary Directors kind of said well can we back it down to
70 because we wanted to be even more aggressive with our expectations.

The other part of your question is how has this contributed to the success of the students? I think the information that is provided in the data that you collected and your remarks when you introduced us, we certainly appreciate the fact that you recognized that our institutions are successful and our students are employed and they are paying back their loans.

MR. BOEHME: Great I have no further questions.

CHAIRMAN KEISER: Any further questions? I have a question. Using a bright line is a positive measure for your institutions to work for to attain. But in let’s say your pass rates, I can’t speak for all the states and certainly the Middle States area but in Florida if you have 70% pass rate on your LPN exam which would be a program that might be in one of your institutions, that would be a failing grade and they would have the potential of losing their license.

Does that create a conflict by having measures that might be below or for that matter above other recognized agencies that set benchmarks?

MS. PRUITT: I understand your question but I think I may have miscommunicated the data. It’s 70% of the
completers who pass the exam, not a 70% cut score on any exam.

And LPN in particular in the Middle States region we have between 80 and 90% pass rate of our member schools on the LPN exam. Does that make sense?

We don’t expect 70% as a cut score on an examination.

CHAIRMAN KEISER: Not a cut score --

MS. PRUITT: Yeah of the people taking the exam should pass.

CHAIRMAN KEISER: But does it create confusion with your institutions where their institutional accreditor has a base of 70% but the licensing boards or others might have a significantly higher?

MS. PRUITT: Yes and that’s why our LPN scores are not even near 70%. They are always the higher expectation, I’m sorry I misunderstood.

CHAIRMAN KEISER: Any further -- Claude?

MR. PRESSNELL: Just to --

CHAIRMAN KEISER: Kathleen?

MR. PRESSNELL: Just to make sure I understand again who you are accrediting as I understand these are pre-degree certificates right? They are largely -- so they are more short-term
programs or training programs, short-term meaning less than two
years or no more than two.

MR. MORT: That is correct.

MR. PRESSNELL: And your total student
population of your institutions that you accredit would be about?

MS. PRUITT: Of those that participate in the Title
IV you are only talking about less than 2,000 students.

MR. PRESSNELL: So the 1926 is what you are
referring to on the data sheet? So are most of those programs that
are Title IV recipient programs are they within a handful of
programs?

In other words are they rather monolithic the
numbers of programs that are in that or how diverse does the Title
IV group look like on the programs end?

MR. MORT: It would be very different per school.

We have schools with 6 or 8 programs and then we have some of
the public schools adult divisions that could have anywhere from
16 to 20 plus types of programs.

MR. PRESSNELL: Okay and again what is the
average length of programs? I said less than two years I know that
but I mean what is the average length of the programs?

MS. PRUITT: The average length of the program I
believe is two years in most of the situations unless it is a short-
term health occupation program that for the licensure or the
certificate doesn’t require that amount of time.

MS. ALIOTO: Were you here for the other
discussions today or the other accrediting agencies? I’m
wondering you are working with a much smaller number of
students and a smaller amount of money -- federal money. But
have you worked with either of those major agencies that are
receiving billions of dollars in terms of this higher expectation that
you bring to the schools that you are serving?

MR. RUFO: Yes we have. In those instances we
are not often what we call the lead agency so the school is
receiving a dual accreditation, original accreditation from us and
then maybe potentially a specific accreditation from the other
agency.

So the other agency takes the lead and we work
with the agency and with the school.

MR. MORT: Kathleen were you talking about the
collaborative effort that some of the other regionals were
embarking on?

MS. ALIOTO: Well I’m just interested in what
works and we are all looking at what works and if this is a model
that seems to be working better. I understand that every -- that we
might be talking apples and oranges here but this high expectation
model sounds pretty good to me. I mean it just seems like
common sense in a way.

MR. MORT: It sounds good to us as well.

MS. PRUITT: It’s a double-edge sword though
even when you are small and you have a program that only has 12
students in it, that 70% takes on a mathematic perspective that
sometimes isn’t easy to swallow.

So I’m not trying to again blow our own horn but
our schools have to work harder with smaller populations to
achieve the percentage results that we expect.

MS. ALIOTO: Well when you also have over 40%
are PELL recipients have any of the schools said, “Well our
students come from disadvantage backgrounds so they can’t make
the cut,” you know, that kind of framework that seems to spin
around education?

MR. MORT: Again that goes back to what we were
saying. We start at the candidacy visit -- that is our standard. We
don’t waver from that standard and we ask the schools to rise to
that occasion.

MS. ALIOTO: Thank you.
CHAIRMAN KEISER: Steven?

MR. VAN AUSDLE: Thank you. We obviously know there is a use for workforce training programs, more jobs than we have students out there right now. I’m a little interested in your vision for the future on this. I think I understand what you are doing.

I could envision you working at a skill center where there are secondary and post-secondary students that could be co-mingled in the same classroom, is that possible?

MS. PRUITT: We have several schools already in our membership that use that model.

MR. VAN AUSDLE: Okay and now we are looking at more charter schools throughout the nation that’s able to have a work force component, is that part of your target audience?

MS. PRUITT: The Secondary Commission also accredits the public charter schools in the District of Columbia and that is who are also assigned to me and we have several currently in the candidate status that have a model of career and vocational education.

MR. VAN AUSDLE: Okay so you see yourselves kind of earning a part of the pipeline or the pathway so your students can go on and get a 2 or 4 year credential. Nurse assistant
-- would that be one of your programs and then an LP and then I
could go on to the Associate Degree?

MS. PRUITT: The old tech prep model.

MR. VAN AUSDLE: Yeah okay. So when you
come back in five years how many students do you expect to have
enrolled and what is your completion rate going to be?

MS. PRUITT: We will serve all of the schools that
come to us and embrace the protocol as a method for school
improvement. We haven’t grown that much since the last time we
were here.

MR. VAN AUSDLE: But do you have a strategic
plan that needs growth?

MS. PRUITT: The new strategic plan does not
directly involve growth for career and technology accreditation
however it does have institutional growth for membership for our
organization.

MR. VAN AUSDLE: Okay.

MS. PRUITT: So we are meeting with that on our
Board in our retreat next week and it might be mentioned to our
President to incorporate that particular objective under our growth
in enrollment role.

MR. VAN AUSDLE: Well you are a unique
accreditor was my initial thought -- a niche. And kind of like Kathleen what’s that niche and is it going to grow and are you in response to some of the changes in educational structure that we see with an emphasis on skills and technology in some areas? I think student achievement is one thing we are going to be very interested in and student achievement can become achievement per student times the number of students that are achieving. Are you going to be access to a lot of students that otherwise would not be in school? MR. RUFO: Yes we hope to be. As Dr. Pruitt said part of our student grant is overall membership growth inclusive of any kind of school that comes to us. We stand proud on the fact that we will work with multiple venues of schools and types of schooling and education. MR. VAN AUSDLE: So you are measuring growth on the number of schools you are participating with rather than the number of students totally, is that what I am hearing? MR. RUFO: Yes. MR. VAN AUSDLE: Thank you. CHAIRMAN KEISER: Any further questions, George?
MR. FRENCH: Just a couple of quick questions following up on Simon. When we looked at the actual report a couple of the issues were the CV’s, resumes of senior staff. Has that been adequately addressed to staff because it is in the report that the criteria had not been there.

MR. BOUNDS: We didn’t get that information to evaluate. So the thing about the CV’s and those things in both of the regulations where it talks about educator practitioner representative and administrator -- those areas, we have to look at the resumes. We have to evaluate whether the members of the bodies kind of meet those roles and also whether it meets the public member roles.

So that’s why we find folks out of compliance when we don’t get the documentation because we can’t demonstrate or we can’t prove that you know, that they are qualified to serve in those positions so that’s why it is important for us to get it.

MR. FRENCH: I fully understand. Did you get it?

MR. BOUNDS: No we have not got that, Chuck I’m not misspeaking am I?

MR. RUPO: If I may? When we got the report for coming in this week it mentioned that we needed these items and I started collecting them already. It was my original hope to bring
them with us but then I was told that it would be better to wait until
6 months or a year I think Chuck said, December.

MR. MULA: I have confidence that they are
getting the documentation together. They just didn’t get it to us in
time so they can make the deadline for the final.

MR. RUFO: Okay it is our hope that we could
bring it to the December meeting and clear it.

CHAIRMAN KEISER: Thank you any further
questions, Anne?

MS. NEAL: Just a quick one. Have you shared
your success with the threshold standard with the Middle States
Commission on Higher Ed?

CHAIRMAN KEISER: You don’t need to respond
to that. As Chair I can overrule that question, Claude?

MR. PRESSNELL: Yeah just a point of
clarification again for the staff. Our decisions are to be made
based on the material received at the time the report was filed with
us not subsequent material, correct? Is that correct?

CHAIRMAN KEISER: That is correct.

MR. BOUNDS: I’m sorry I didn’t --

MR. PRESSNELL: Our decision as a body is to be
made based on the material given to us at the final report not on
subsequent material. So in other words if we go with the staff’s recommendation it is giving them time to become compliant but we have to stay basically at the time that the final report was filed for our review they were not compliant in that area, is this correct?

MR. BOUNDS: We didn’t have as staff we didn’t have the documentation to evaluate at that time. I don’t have any - - I have confidence that they are qualified we just have to have that stuff to evaluate to make that statement.

MR. PRESSNELL: Right so let me phrase this a little bit differently. If they would have come in with a big old stack of resumes we still would have said they are out of compliance because we haven’t had time to review them correct?

MR. BOUNDS: Yes.

MR. PRESSNELL: Okay thanks.

MR. FRENCH: I asked the question, we asked a lot of questions but the bottom line was the criteria were not met would be the CV’s so I was just trying to understand why we don’t have the CV’s and why they haven’t be reviewed and we would be finished.

MR. BOUNDS: Yes if we had the CV’s we would have made a decision based on what we reviewed and we would have either found that they were qualified for those positions or
they are not and our recommendation would have stated as much,
yes.

CHAIRMAN KEISER: Frank?

MR. WU: Just to note a few years ago we did have
an agency where the documents weren’t available but it was
represented to us that they were all forthcoming and I can’t
remember exactly how we handled it.

But this issue recurs and so we just should be
consistent. Either we deem them or we, you know, let it slide. As
I understand it is exactly as Claude has said it is based on what is
in the record at the time, but I am just noting it is often represented
to us that the documents are, you know, forthcoming momentarily.

MS. HONG: To be clear yeah, and we make clear
that we will not accept documents at the meeting, we cannot.

MR. WU: Right, right.

MS. HONG: We define what the record is by
clearing the regulations so.

MR. WU: Right and I am just saying that we just
need to stick to that because if we don’t do that then the whole
thing is going to go haywire and people are just going to start
bringing all sorts of things.

MR. MULA: I would just like to clarify what Frank
is saying is true. We did make an exception to ACCSC’s submission. They had actually sent -- it was in the mail and we got the documentation the day after we pushed the button the final.

MR. WU: Right, right, right, left the record open so to speak.

MR. MULA: The documentation did not come and the Committee determined at the meeting that they would accept that and make their recommendation based on that.

CHAIRMAN KEISER: Okay, any further questions considering that -- Jill, Simon would you like to make a Motion?

MS. DERBY: Yes.

MS. NEAL: Sorry. Just a question regarding our action with SACS -- I’m confused because I thought they were going to be submitting something later.

CHAIRMAN KEISER: I cannot comment on that.

MR. WU: I’ll comment on that. My understanding of that was that the maker of the Motion and then the body as a whole deemed whatever was missing to be de minimis, that it was sufficiently minor, that we were going to let it go and that decision has already been made.

So I’m just trying to clarify this as we go forward
and Anne I share your concern. Once we head down this path, you
know, the next person that is going to come, the next agency is
going to have a more severe issue and then the next one after that
more severe issue so we just need to be mindful about what we are
doing otherwise we are going to have some agency with 50
violations that we let go.

CHAIRMAN KEISER: Jill if you would like to
entertain a Motion?

MS. DERBY: Yes I move that we continue the
Agency’s current recognition and require the Agency to come into
compliance within 6 months and submit its compliance report 30
days after the 6 month period that demonstrates the Agency’s
compliance with the issues identified below.

CHAIRMAN KEISER: Is there a second, Simon is
the second. Further discussion -- what George, Simon said. Is
there a further discussion? Oh we did miss a chance for -- I’m
sorry I did miss Chuck, did you make your comments Chuck?

Okay.

Thank you. All in favor of the Motion raise your
hand please, all opposed -- it passed unanimously. Congratulations
thank you very much for appearing before us.

We are scheduled to finish what time 5?
MS. HONG: 5:30.

NACIQI RECOMMENDATION

Continue the Agency’s current recognition and require the Agency to come into compliance within 6 months and submit its compliance report 30 days after the 6 month period that demonstrates the Agency’s compliance with the issues identified below.
Renewal of Recognition

American Dental Association

Commission on Dental Accreditation

(CODA ADA)

CHAIRMAN KEISER: We will move to our final Agency of the day which is a Renewal of Recognition for the American Dental Association, Commission on Dental Accreditation.

Our Primary Readers are John Etchemendy and Arthur Rothkopf. Department Staff is Valerie Lefor and we have three Agency representatives. Would you like to introduce it Arthur?

MR. ROTHKOPF: I’ll introduce it. This is the Commission on Dental Accreditation related to the American Dental Association. It is a Petition for Continued Recognition. The Commission on Dental Accreditation or CODA and I will refer to it as that is a programmatic accreditor. It’s accrediting activities include accreditation of pre-Doctoral dental educational programs leading to a DDS or DMD, advanced general dentistry education, advanced dental specialty education programs and the allied dental education programs including dental assisting education, dental hygiene education and related matters.
The Agency accredits 1,450 programs currently covering 22 dental education areas. The Recognition by the Secretary if it occurs allows the program to participate in a variety of federal programs.

A couple points of note -- since it is a non-Title IV federal link it does not have to meet the separate and independent requirements. In 1952 the Commissioner on Education listed the Council on Dental Education but over the years additional programs have been added both leading to degrees and some of them in allied fields to dental education.

The last final review full review of the Agency was conducted in June, 2012 at a NACIQI meeting. The Agency completed a compliance report in 2013. This current review for 2017 is the next full review of the Agency since that time.

There has been one complaint during this period. Department staff observed a Commission meeting and did a site visit in March of 2017.

CHAIRMAN KEISER: Thank you Arthur, Valerie?

MS. LEFOR: Good afternoon Mr. Chair and members of the Committee. For the record my name is Valerie Lefor and I will be presenting a summary of the Petition for
Continued Recognition submitted by the Commission on Dental Accreditation referred to as CODA or the Agency.

The staff recommendation to the senior Department official for the Agency is to renew the Agency’s Recognition for a period of five years. Based on a review of the information in the Agency’s Petition and observation of a Board meeting on February 2017 and a site visit in March, 2017 Department staff found that CODA is in compliance with the Secretary’s criteria for recognition with no issues or concerns.

The Department did not receive any written third-party comments and has one active complaint during this review cycle regarding the Agency.

Due to the timing and the submission of the complaint Department staff is still reviewing the materials submitted by the complainant and also those from the Agency.

Therefore, the staff recommendation again to the senior Department official for the Agency is to renew the Agency’s Recognition period for a period of five years. Representatives are here from the Agency and I am happy to answer any questions that you may have. This concludes my report, thank you.

CHAIRMAN KEISER: John, Arthur do you have any questions of staff? Anybody else -- thank you Valerie. Will
members of the American Dental Association please come forward
to the Commission?

Thank you for being here. If you would like to
introduce yourselves we would like to hear that.

MS. TOOKS: Good evening. Thank you for
allowing us to join you this afternoon. My name is Sherin Tooks.
I am the Director of the Commission on Dental Accreditation. I
have been on staff with the Commission -- this is my 16th year with
CODA and my 5th year as the Director of CODA.

MR. LIVINGSTON: Good afternoon, my name is
Dr. Mark Livingston. I am the Chair of the Commission of Dental
Accreditation from the University of Mississippi Medical Center.
I started my time with the Commission as a volunteer in 2013 and
will wind up my term here in a few months so I appreciate
NACIQI giving me this send-off.

MS. ALBRECHT: I’m Cathy Albrecht. I’m the
CODA legal counsel and I have worked with the Commission for
going on 8 years.

MR. LIVINGSTON: I’m assuming giving the hour
brevity has value. Good afternoon members of the National
Advisory Committee on the Institutional Quality and Integrity. My
esteemed colleagues and I from the Commission on Dental
Accreditation appreciate the opportunity to appear before you today.

Our background information has been told to you in the opening statements by one of your own members so I won’t rehash those statistics. I will add that graduation from a CODA accredited program is a requirement for licensure in a state to call oneself a dentist or a dental hygienist.

CODA would like to acknowledge and thank both Valerie Lefor and Herman Bounds for their thoughtful review and the guidance they provided during this process. We anticipate a fruitful dialogue and look forward to answering any questions the Committee might have for us today, thank you.

CHAIRMAN KEISER: Thank you for your brevity and I guess you said you are serving your time I wasn’t sure what that really meant, that’s okay. Members of the Review Committee?

MR. ETCHEMENDY: Yeah so let me start with as you know we have some standard questions or standard topics that we try to raise with all of the accreditation agencies. And one that we think is the key part of the issue is on student achievement completion rates, so forth and so on.

I want to first of all commend you on the
information that you have provided on the student achievement

standards that you set for all the various 22 programs. And I

would just like to ask for a little bit of additional information.

It says here you monitored program success with

student achievement in relation to the institution’s program

mission, that you collect annual data on enrollment rates, attrition

rates, job placement rates, success and so forth and so on. It’s all

great.

I’m curious about what you do with them once you

have collected them and do you -- I assume you look at them and

sometimes you are concerned about them and sometimes you are

not. Do you have guidelines that you use?

MS. TOOKS: We do not have specific benchmarks

if that is what you are alluding to. The Commission does have

accreditation standards that require programs to set their own

benchmarks for student achievement measures and we do collect

the data as you indicated through annual surveys.

We also do an extensive review during an on-site

site visit to the program. We also measure student achievement in

the form of other things such as programmatic changes that are

reported to the Commission, complaints that the Commission may

receive, et cetera.
But we really leave it up to the educational program to establish its student achievement benchmarks and those are assessed then through the Commission to the appropriateness of them and most importantly to ensure that if they are not what the program is expecting, that some corrective actions are made on the programs part to bring those student achievement measures up.

Our annual survey data that we collect, we actually do publish aggregate information on student achievement within the survey data which is made available through our public website. And the student achievement data as you may have noticed is quite high in all of the disciplines that we accredit so we feel that we are doing things appropriately in that regard.

MR. ETCHEMENDY: It’s all very impressive. The pass rates are terrific. I actually -- is it true that the overall attrition rate of .8% for dental programs so only .8% don’t make it through? That’s a one year attrition rate?

MS. TOOKS: Its graduation completion rates. The data that I pulled just prior to the meeting is 96% completion for pre-Doctoral which is the DDS/DMD degree. And as far as clinical examination pass rates it is 98% and the national written board exam is 99%.

MR. ETCHEMENDY: Yeah I’m looking at a
different number, it’s the attrition rate -- the overall attrition rate of

it says .8% for dental, 14% for dental hygiene, 21% for dental
assistant. The .8% is just striking is that correct or is that a typo?

MS. TOOKS: I believe it is correct and I would

attribute it to the fact that our educational standards require that the

programs have admission policies and procedures in place that are

going to ensure that the students they are admitting to the program

have the perpetude to complete the program.

They are going to be ready to, you know, endure a

rigorous training program and have the knowledge and the ability

to be successful in the academic program that they are admitted

into.

MR. ETCHEMENDY: That’s great. It’s terrific, I
don’t think I have any other questions. I do want to know whether

you are going to go back and say, “Look ma, no findings.” That

was a joke for the elderly in the room.

CHAIRMAN KEISER: Something about the joke

is on this side of the table, I’m not sure. Wow. Any jokes on this

side -- I’m sorry. Does anybody have any questions, Kathleen and

then Arthur?

MS. ALIOTO: I have the same basic question that I

had with the previous, not just the previous but the earlier medical
pharmaceutical group and that is with the problems with the opioids. Are you working with your institutions in any way in terms of benchmarks or guidelines so that dentists won’t be likely to over prescribe?

MS. TOOKS: We have -- I’m going to answer my question in a little bit of a roundabout way but I will answer it. We have a process that allows individuals to make comment to the Commission to revise our accreditation standards.

And we happened to receive a comment from the U.S. Senate regarding pre-Doctorial training as it related to the opioid epidemic. Our Review Commission for pre-Doctorial education made recommendations to the Commission and the Commission is now circulating a proposed revision to the pre-Doctorial standards to address this matter, so that’s out for circulation right now.

So we are adding to the educational standards in the area of pre-Doctorial and dental education and the areas of advanced education, and Dr. Livingston being an educator in that area he could speak to this as well.

But in the area of advanced education these are dentists who are going for advanced training and so their educational experience does include, you know, additional
knowledge and skill related to understanding prescribing practices.

MR. LIVINGSTON: In the post-Doctorial realm since they are a graduated dentist they now come under the purview of the institution where they are getting their training whether it be a hospital, another educational institution and they also fall under State Dental Practice Acts and their state bill Board. So also obviously we have the pre-Doctorial accreditation standard that we are modifying but once they become a graduated dentist, even in a post-Doctorial realm, although they are still in a training program now that they are considered a dentists they are in -- pardon the pun, but in the “big leagues” now and can be considered for any type of discipline that would be levied on any dentist in the private sector.

So there are some checks and balances in place in the post-Doc area because they are considered a practicing dentist in some aspects as far as their ethical and professional behavior is concerned even though they are still at part of the time during the day we are the head of the student.

MR. ROTHKOPF: My question is have you taken significant disciplinary action, put a program on probation or done you know, anything to sort of limit any of these programs during this time since the last time you were recognized for a five year
period?

MS. TOOKS: We have taken --

MR. ROTHKOPF: Could you sort of describe if there is a pattern, what is it that happens that you exercise this discipline.

MS. TOOKS: Sure. The most simple of explanations it is programs that just don’t have the ability, potentially, to comply with the accreditation standards within the appropriate timeframe that is designated to them -- and in some instances we were finding particularly in the allied education areas which could be dental assisting, dental hygiene, dental laboratory technology -- that these programs may continue to enroll students in classes even while on reporting requirements that were pretty severe or reaching their time limitation.

And so the Commission recently implemented a status by which a program could be placed on intent to withdraw accreditation which usually comes at a particular timeframe. That status has always been the case but we have recently added an option for the Commission to be able to mandate a period of non-enrollment for programs that the Commission believes should halt enrollment because of some, you know, severe deficiencies that really should be corrected before they continue to enroll additional
students.

So yes, that has happened over the last five years we fluctuate, you know, the numbers in that regard but we do take that process very seriously with regard to holding programs accountable to the standards.

MR. ROTHKOPF: And have you withdrawn recognition, accreditation during that five year period so how many?

MS. TOOKS: We have not withdrawn accreditation during the five year period, we don’t see -- we would certainly do so if we needed to but accreditation is a process whereby programs are intended to improve.

And so the programs recognize the deficiencies and make corrective actions within the appropriate timeframe but the Commission would certainly withdraw it if it felt that it needed to.

MR. ROTHKOPF: Thank you.

MS. DERBY: How many, excuse me, how many dental hygienists are on your Commission?

MS. TOOKS: There’s one dental hygienist on the Commission. There’s one discipline specific individual designated for each of the roles.

MS. DERBY: And how big is the Commission?
MS. TOOKS: The Commission is 30 members.

MS. DERBY: How much of -- I’m trying to get the proportion of dental to dental hygienists programs -- can you give me some sense of that?

MS. TOOKS: So we accredit 66 dental education programs.

MS. DERBY: Okay.

MS. TOOKS: The dental hygiene programs I would say are maybe 250 -- I’m just ball-parking numbers here. The dental assisting are about 300. The advanced general dentistry are about 300 and the advanced specialty areas are about 300.

MS. DERBY: I’m just curious about the proportional representation of those separate professional fields on your Commission.

MS. TOOKS: It is proportionate in the sense that there is one Commissioner in dental assisting which has the same number of programs as dental hygiene. There’s one dental hygiene Commissioner. Dr. Livingston represents post-op general dentistry which there are 300 programs.

And the specialties make up 9 -- we also have 4 public members, we have 4 dental educators and we have 4 dental practitioners.
MS. ALIOTO: I have a couple of other questions about preventative care and how you look at that in terms of your institution’s preventative care including support for fluoride and preventative care in terms of assisting institutions and to use the instruments necessary in regards to early abnormal tissue growth and what guidelines are you giving in terms of over-whitening and dentists doing Botox?

MS. TOOKS: So I am going to let Dr. Livingston answer this but I will start by saying that we don’t dictate the state practice acts. We are the accrediting agency for educational programs. So you know, within the realm of dental education, the student should learn the various aspects of dentistry that they may be performing once they become a practitioner in the field.

But again we don’t dictate the State Practice Acts or the types of procedures that are considered acceptable or unacceptable within the field. We are educating based upon the nationally accepted educational standards that have been set for the discipline.

MR. LIVINGSTON: I would concur there is kind of a jurisdictional issue here but what we have in our training programs and in our accreditation standards -- anything that, especially if you are a generalist if you apply a technique or a
procedure that would normally be utilized by a specialist, you are held to the standard of the specialty not to some sub-par level as a generalist.

For example an obvious example -- everyone either has or has a child who has had their wisdom teeth taken out, whether you go to the generalist or the specialist the level of care is one level of care. There are not multiple levels of care.

My personal feelings about bleaching and Botox aside is that -- well it’s just there are things we should be doing in our profession and there are things we might not ought to be doing in our profession unless one has had an adequate amount of training.

So you know, in our accreditation standards we don’t speak to specifically Botox for the generalist. I think there are some facial plastic accreditation standards that relate to the oral maxillofacial surgery program accreditation requirements but a lot of that revolves around what the State Dental Board and the State Practice Act will allow regarding generalist versus specialist, bleaching and Botox.

On the fluoride addition to water the Department of Health typically is the one that is in favor of that but for us we do believe across the lifespan preventative care needs to be our first
line of defense. If you can avoid it from happening you have
avoided a ton of problems.
So whether it be pediatric, anything in between to
geriatric we do -- we are large proponents of preventative care.

MR. ETCHEMENDY: Let me ask one final
question just to see if you can clarify something. We received a
letter that was addressed to the Commission as a general comment
from the Academy of General Dentistry.
I can’t imagine that it doesn’t actually have to do
with some incident or other and I personally couldn’t figure out
exactly what the concern was. The concern has to do with the
establishment of standards prior to the establishment of a sufficient
number of programs I gather. Could you illuminate the
background here?

MS. TOOKS: I am going to try to but it is based on
my speculation of what might be the background on this letter.
And I agree, I mean when we saw the letter we noticed that there
was no particular agency identified within the letter itself nor does
it indicate a real specific issue.
So CODA does have criteria for areas of dentistry
to make an application to the Commission for us to develop
accreditation standards for a new area of dentistry that may or may
not be new.

And so we do receive those sorts of applications every now and then. We ensure that the discipline I should say, has the potential to satisfy those criteria and we -- if they do have the potential to satisfy and can satisfy those criteria we can develop accreditation standards and begin to implement an accreditation process for a particular discipline.

The most recent discipline that we did this for was for dental therapy which you may or may not have heard about. But when we do establish those educational standards it is through a process by which the Commission receives comment from the broad communities of interest and in fact in this particular discipline we sent out the accreditation standards twice over a period of two years for comment.

Again, by the broad community of interest, the Academy of General Dentistry is certainly one of those communities of interest. So the comment of the letter related to setting standards for a profession or regulation or that sort of thing. You know, we accredit educational programs. We have no purview over the recognition of a profession by any particular state. The Commission has no purview over Practice Acts that are permitted for that particular profession in a particular
state. These are all state specific rights and responsibilities.

We as a Commission simply develop educational standards for a particular discipline that are vetted through a national input-seeking process.

CHAIRMAN KEISER: Sensing no further questions thank you very much for your presentation. I would like to recall Valerie to come up and comment on the Agency response.

MS. LEFOR: Thank you. I have no additional comments but I am happy to answer any questions.

MR. ROTHKOPF: Just one question. Do you have any better idea what that comment letter was about? I share John’s concerns that it didn’t make sense to me and I couldn’t figure out what they were complaining about. Do you have any insight on that?

MS. LEFOR: My best guess and again I am guessing is that it may have to do with the dental therapy standards as mentioned by Dr. Tooks. It is not specific so the way the process goes for us is we have -- and you guys have already discussed this today.

We have the Federal Register process where they are -- anyone can submit comments to us through the Petition, you know written comments and then they can come here and orally
There’s also a process in which those -- there are comments that can be submitted directly to you as the NACIQI members and in that NACIQI process it is my understanding and I can look to Jenn if there is additional clarity that is needed but it is not intended to be specific to an agency.

Because it was a dental comment it makes sense that it sort of got paired to this but the comment isn’t specific enough to release a -- this is what the specific concern was. I can tell you that with the active complaint that I am looking at it is not relative to that, it is by completely different people.

So I don’t have any information about it. My best guess was maybe the dental therapy since that was brand new but I do now that we have been contacted a couple of other times by other groups that are out there that want to come to CODA and go through the process of getting their specific discipline recognized and we have always referred them back to the Agency.

MR. ROTHKOPF: But that -- excuse me, that individual didn’t contact you or seek the ability to appear before NACIQI in connection with this new recognition process?

MS. LAFOR: That is correct. I received no contact.
MR. ROTHKOPF: Thank you.

CHAIRMAN KEISER: Any further questions for Valerie? Then Arthur are you going to make a Motion -- Arthur?

MR. ROTHKOPF: I will make a Motion that this Agency be renewed for a five year period.

CHAIRMAN KEISER: Is there a second.

MR. WU: I'll second.

CHAIRMAN KEISER: Frank Wu seconds it.

Further discussion -- holy cow we are going to finish on time. All in favor of the Motion raise your hand -- all of those opposed -- Motion carries thank you very much. Thank you members of the ADA and members of the Committee I applaud you. We finished on time shockingly. I was getting worried.

NACIQI RECOMMENDATION

Renew the Agency’s recognition for five years.

CHAIRMAN KEISER: Tomorrow we have a number of agencies up for review but also we will have the discussion on the data collection single unit measurement for students and that will be interesting. Bring your questions and have a good evening. Thank you audience have a good evening we will see some of you tomorrow.

(Concluded at 5:17 p.m.)