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U.S. DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

NATIONAL ADVISORY COMMITTEE ON  
INSTITUTIONAL QUALITY AND INTEGRITY

(NACIQI)

JUNE 20, 2017

8:30 A.M. - 5:00 P.M.

WASHINGTON PLAZA  
10 THOMAS CIRCLE, NW  
NATIONAL BALLROOM  
WASHINGTON, DC 20005

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

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

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

9           MR. O'DONNELL: Good morning, Rick  
10 O'Donnell with Skills Fund.

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

14           MR. BOEHME: Simon Boehme, Student Member.

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

17           MR. ZARAGOZA: Federico Zaragoza, Alamo  
18 Colleges.

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

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

1 MR. MANNING: Jim Manning, Acting Under-  
2 Secretary of Education, U.S. Department of Education.

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

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

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

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

11 MR. ETCHEMENDY: John Etchemendy, Stanford  
12 University.

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

15 MR. JONES: Brian Jones from Strayer University.

16 MR. WOLFF: Ralph Wolff, The Quality Assurance  
17 Commons.

18 MR. VAN AUUSDLE: Steven Van Ausdle,  
19 President Emeritus, Walla Walla Community College.

20 MS. SHULTZ: Rachael Shultz, Ed Staff.

21 MS. LEFOR: Valerie Lefor, Department Staff.

22 MS. ABRAMS: Corrine Abrams, Intern.

1 MS. DAGGATT: Elizabeth Daggatt, Ed Staff.

2 MS. MCKISSICK: Stephanie McKissick, Ed Staff.

3 MR. MULA: Chuck Mula, Ed Staff.

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

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

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

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

18 And the Office of Post-Secondary Education I  
19 really can't thank you enough for everything that you do for us  
20 every day. I also want to thank each and every one of the NACIQI  
21 Committee members for dedicating your time and talents to this  
22 important work.

1                   And a special thanks to Art Keiser for serving as  
2 NACIQI's Chairman. I know Art has been around for a while and  
3 his experience is valued.

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

10                  NACIQI plays a vital role in making sure that all  
11 accreditation bodies, institutions and programs are providing a  
12 high-quality education to students. Through its charter, NACIQI's  
13 core mission is to advise the Secretary on issues of accreditation.

14                  Your recommendations provide valuable advice to  
15 the Secretary in carrying out her accreditation responsibilities as  
16 defined under the Higher Education Act of 1965.

17                  And as I said before your service is greatly  
18 appreciated. NACIQI's recommendations also play a critically  
19 important role in assisting the Secretary and the Department in  
20 determining what institutions can access billions of dollars of  
21 federal funding through Title IV. This is a critically important  
22 role.

1                   As you begin your three day meeting today, I want  
2 to encourage you to continue to strive to provide the best advice  
3 possible in all situations within the framework of this core mission.

4                   The Secretary values this body's collective  
5 knowledge and experience and looks forward to benefiting from it  
6 as she continues to execute her duties under the Higher Education  
7 Act.

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

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

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

1 initial and renewal applications.

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

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

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

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

22                   I have to say that we have a packed house and

1 welcome to all members of the community out there. As many of  
2 you know NACIQI was established by Section 114 of the Higher  
3 Education Act in 1965 as amended or HEA and has also governed  
4 the provisions of the Federal Advisory Committee Act as amended,  
5 or FACA which sets forth standards for the formation and use of  
6 advisory committees.

7                   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  
9 require the Secretary to publish lists of state approval agencies,  
10 nationally recognized accrediting agencies and state approval on  
11 crediting agencies of programs of nurse education as the Secretary  
12 determines to be reliable authorities as to the quality of education  
13 provided by the institutions and programs they accredit.

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

17                   As provided in HEA Section 114, NACIQI advises  
18 the Secretary on the discharge of these functions and is also  
19 authorized to provide advice regarding the process of eligibility  
20 and certification of institutions of higher education for  
21 participation in the Federal Student Aid Programs authorized in  
22 Title IV of the HEA.

1                   Further, in addition to these charges, NACIQI  
2 authorizes academic graduate degrees from federal agencies and  
3 institutions. This authorization was provided by letter from the  
4 Office of Management and Budget back in 1954.

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

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1                                   **Renewal of Recognition**  
2                                   **Distance Education Accrediting Commission**  
3                                   **(DEAC)**

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

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

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

17                                  The Agency currently accredits 76 post-secondary  
18 institutions within the United States. It is a Title IV gatekeeper for  
19 11 institutions and 9 that are in the process to participate in Title  
20 IV. Staff has recommended renewal for five years and has found  
21 no issues or problems.

22                                  Third parties don't agree and I look forward to

1 hearing from staff.

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

6 The staff recommendation to the senior Department  
7 official is to renew the Agency's recognition for five years. The  
8 staff recommendation is based upon its review of the Agency's  
9 petition and supporting documentation as well as its observation of  
10 a DEAC on-site review in Arlington, Virginia in March, 2017 and  
11 a DEAC Commission meeting in Cary, North Carolina in June,  
12 2017.

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

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

22 The complainant was a student who had registered a

1 complaint against an institution that was not resolved to the  
2 student's satisfaction and the student is alleging that the Agency  
3 did not follow its published procedures in addressing her  
4 complaint.

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

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

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

18           The Agency has really no way of addressing the  
19 third party comments. Since the complaints were reportedly  
20 lodged with other agencies or organizations, the Department had  
21 no way of verifying the content of the complaint or their relevance  
22 to the criteria for recognition.

1                   Additionally, the Department does not have the  
2 regulatory authority to place any requirements on agencies  
3 regarding the benchmarks that they set. And normally at this point  
4 I would go into the findings but since there are none and we are  
5 expecting questions regarding the third-party comments, I thought  
6 that I would spend a few minutes on those instead.

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

13                   As I said the over-arching concerns were the  
14 benchmarks and the complaints. In going through the comments  
15 some things that popped out at me were comments on the  
16 Agency's outcomes measures. And of course, we have this  
17 discussion at every meeting and the Department cannot dictate to  
18 agencies what their outcomes measures are, they need to have a  
19 process in place for having come up with their benchmarks and as  
20 long as they have some reasonable method that they have used to  
21 arrive at their benchmarks as opposed to just pulling them out of  
22 thin air, that's really all that we are able to ask of them.

1                   So we really can't get involved in how the agencies  
2 are setting their benchmarks. One of the commenters also was  
3 requesting that we single out the Agency for some additional  
4 reporting requirements and we really can't do that either. We can't  
5 impose reporting requirements on one Agency -- we have to be  
6 consistent about how we collect information.

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

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

21                  And another thing that struck me in looking at the  
22 table was that they listed the types of complaints that had been

1 submitted. And when we work with agencies we always tell them  
2 to look for a pattern of complaints. So if you have 10 people at  
3 one school saying, "They told me that if I got this degree I could  
4 sit for state licensure and I can't," that's an issue.

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

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

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

20 But then as I said we have only had one complaint  
21 against this Agency during the five year period so that's not  
22 happening. And while obviously we would be concerned about the

1 complaints that the veterans have, for some reason they are not  
2 getting to us and so we have no way of evaluating them or you  
3 know, knowing how they are resolved or anything.

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

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

18 Again they were talking about how many service  
19 member complaints there are and again I had the question well,  
20 what are you doing to help the service members get the complaints  
21 to the Agency and then in turn to us so that they are addressed if  
22 they feel that they aren't being addressed?

1                   One of the comments was written by two people  
2 who were associated with the previous administration so they were  
3 aware of a GAO study that we were involved in and Herman said  
4 that he would step in to talk a little bit about that because he knows  
5 a good deal more about the details than I do.

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

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

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

19                   We also said that you know, once we compile that  
20 data we could kind of use that data to help us compare accreditor  
21 student achievement standards. I will say here when we look at  
22 DEAC since that was the topic of the issue, DEAC is really the

1 only accreditor of distance education programs so there is not an  
2 apples to apples comparison of standards that you could use.

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

8 If you look at more academic wise you could kind  
9 of compare them to what the regionals do, but we know the  
10 regionals allow their institutions to set their own student  
11 achievement standards. They were here at their last NACIQI  
12 meeting. I think they talked about exploring a 20% rate.

13 But if you look at what DEAC asks for student  
14 achievement you know they have set different standards for  
15 different degree levels which is similar to one of the other agencies  
16 that was here last time and folks thought that was pretty  
17 comparable too.

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

22 MS. SCHULTZ: Thank you Herman. Under the

1 abbreviated reviews that we are doing now Herman has been  
2 asking us to make additional trips. And so for this Agency I  
3 reviewed both an on-site review and a Commission meeting.  
4 When we get the comments we try to summarize them in the  
5 analysis briefly.

6                   And these were very detailed comments and I don't  
7 want you to feel that we didn't take them seriously or look at them  
8 carefully and I'm sure the Agency has as well. But the bottom line  
9 is that we, as a staff, can only base our decision on first-hand  
10 information that the Department has received or that we have  
11 viewed during the course of our review.

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

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

21                   Last week I went to a Commission meeting and the  
22 Commissioners divided into two teams. They reviewed on-site

1 review reports in very great detail. One of the discussions went for  
2 more than two hours on one school and then come back together to  
3 make a decision.

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

12 So some of the commenters were saying, "Well the  
13 Commission had no findings." Well that's because the findings  
14 were a result of the on-site review reports and had been addressed  
15 prior to the Commission as a whole making its final decision. So I  
16 wanted to emphasize that.

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

1 already in place if they need it.

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

7 So I felt like the on-site review was very thorough.  
8 I felt like the Commission did a good job in reaching their  
9 decisions. So again, I just would like to emphasize that we can  
10 only go by what we see and receive. That we have only received  
11 one complaint very recently regarding this Agency and we can't do  
12 anything that is outside of the criteria for recognition.

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

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

19 CHAIRMAN KEISER: Anne, do you have  
20 questions?

21 MS. NEAL: No.

22 CHAIRMAN KEISER: Thank you Rachael. Will

1 the Agency staff please step forward? Please introduce yourselves.

2 And Leah you know about the red button.

3 MS. MATTHEWS: Good morning. I'm Leah  
4 Matthews, I'm the Executive Director of the Distance Education  
5 Accrediting Commission. To my left is Dr. Robert Brodnick, he is  
6 our third-party advisor and special counsel on data, data analytics  
7 and benchmarking.

8 To my right is the Chair of the DEAC Board of  
9 Commission, his name is David Oxenhandler and Mr. Oxenhandler  
10 is going to open our remarks with his statement.

11 MR. OXENHANDLER: Good morning. My name  
12 is David Oxenhandler, the Chair of the Board of Directors for the  
13 Distance Education Accrediting Commission or DEAC.

14 I will leave it to Dr. Leah Matthews, our Executive  
15 Director to provide you with an introduction to DEAC and an  
16 overview of the Agency's operations and approach to the  
17 accreditation process.

18 I would like to say a few words about DEAC  
19 Commissioners. Specifically, I am honored to serve with a group  
20 of extremely well-qualified hard-working and dedicated  
21 Commissioners. They represent an impressively talented group of  
22 people with a useful diverse set of backgrounds.

1                   Many have served as faculty and administration in  
2    accrediting distance education and traditional institutions of  
3    different sizes with different missions. A large number have had  
4    direct experience as members of on-site institutional assessment  
5    teams for other national and all the regional accreditation  
6    organizations as well as program accreditation bodies.

7                   Others bring to the Board independent expertise in  
8    areas such as law or finance. Three of our Board members hold  
9    academic doctoral degrees, three are certified public accountants,  
10   two Board members are attorneys holding Juris Doctorates, who  
11   spent years advising higher education institutions and accrediting  
12   organizations.

13                  Five of our ten Board members, so half the Board,  
14   represent the public. And while each of these public members is  
15   deeply committed to the future of higher education and each has  
16   had various levels of involvement in the field of higher education,  
17   they have no affiliation or conflict of interest with DEAC  
18   accredited or applicant institutions.

19                  In addition to their own personal qualifications,  
20   each of our Commission members receives comprehensive training  
21   on DEAC standards and procedures, the importance of consistency  
22   in their application, the incorporation of due process for

1 institutions through the accreditation process and the value of a  
2 Commissioner's own role as a leader and fiduciary for our Agency.

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

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

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

18                   You will have seen documents within each case that  
19 demonstrates how the accreditation process is implemented both in  
20 general and with respect to each and every standard. We are  
21 certainly gratified by the Department staff's recommendation for a  
22 five year renewal of recognition with no compliance findings.

1                   And we would like to thank the Department staff,  
2 including Mr. Bounds and Dr. Schultz for their professionalism  
3 and technical assistance during this review process. Thank you  
4 much. I would like to return it now to Dr. Matthews for her  
5 opening remarks.

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

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

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

21                   I spent 12 years at the Accrediting Commission of  
22 Career Schools and Colleges and then I spent 3 years as the Vice-

1 President for Recognition Services at the Council for Higher  
2 Education Accreditation. All involved I have nearly 20 years of  
3 experience in varying aspects of accreditation.

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

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

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

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

22 I also reached out to find a statistician and advisor

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

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

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

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

21                   The missions of our institutions are equally varied.  
22 I would like to highlight a few institutions that are among our

1 portfolio of accredited schools. The Hadley Institute for the Blind  
2 and Visually Impaired is a non-profit school founded in 1920. It is  
3 the largest provider of distance education for blind and vision  
4 impaired individuals. It is the largest educator of braille  
5 worldwide.

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

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

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

21                   We accredit American Graduate University. This  
22 institution offers highly specialized graduate degree programs to

1 working adults. And as a final example, we accredit Columbia  
2 Southern University. This is a multi-generation family-owned, for-  
3 profit Title IV institution. It partners with municipalities across the  
4 United States to support students in remote areas.

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

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

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

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

21 The proctoring must be performed by an  
22 independent third party and students must provide a government

1 issued identification when taking their proctored exam.

2 DEAC requires any school that is interested in  
3 being accredited for Title IV participation to undergo a separate  
4 and rigorous individual assessment of regular and substantive  
5 interaction that is faculty initiated. This is a requirement for all  
6 DEAC institutions that participate in Title IV, and when we look at  
7 a substantive change or we go through renewal of accreditation, we  
8 bring that same process into every review.

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

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

20 We treat every new program being introduced by  
21 the institution as a substantive change. We believe that every  
22 program needs review for its context and its setting in the learning

1 management system, the qualifications of faculty to teach the  
2 appropriateness of the curriculum to a distance education model.

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

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

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

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

19 Thank you for patiently listening to my remarks.  
20 My colleagues and I are ready to answer your questions.

21 CHAIRMAN KEISER: Anne?

22 MS. NEAL: Well thank you very much and

1 welcome. I want to start by saying that I was most impressed by  
2 your inclusion of extra public members on your various evaluative  
3 boards, so I think that's an excellent practice. I do want to pursue  
4 with you some of the issues that have been raised by the third-  
5 parties.

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

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

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

18                   In looking at them it appears that you are addressing  
19 grad rates and that you have currently set at 15% below the  
20 national average your standard. So I just needed for you to help  
21 me understand and I see you have Mr. Strategic Initiatives -- so he  
22 can certainly speak to this.

1                   But as I looked at it, it appears that you have taken  
2 the national standards and you have taking your standards, your  
3 average standard and then have reduced it in terms of the standard  
4 that you are going to apply. So if you can help me understand  
5 what you have just put into effect.

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

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

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

22                  So let me introduce Dr. Brodnick to talk about the

1 process that we have been using and how we think that it is  
2 appropriate in the setting for which we accredit distance education.

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

9 Even though it is a small number of students we did  
10 analyze the performance given those. And if we look for example  
11 at the six year rate for the 2009 starting cohort -- the all institution  
12 DEAC rate is 58%. All four-year open admission's institutions is  
13 32% -- that's what I consider a pretty dramatic difference.

14 You can look at Associate's Degrees as well, a  
15 similar comparison the three year rate at 45% and all two-years at  
16 29%. So the, you know, addressing the lack of rigor and the rates  
17 being lower than the average -- and I just gave you the data that  
18 suggests that's not true.

19 Let me scroll down here -- one of the ways that you  
20 establish a threshold or a ceiling or a floor is to look at a  
21 distribution. And we have a distribution of institutional rates. One  
22 of the things that's interesting about DEAC -- and I don't think any

1 of the other accreditors do is actually look at things at the program  
2 level rather than at the institutional level.

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

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

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

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

22                   So we looked at a number of different thresholds.

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

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

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

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

19 MS. MATTHEWS: You are doing great.

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

22 MR. ROTHKOPF: I just want to ask a follow-up

1 question. You said that you use your own data rather than first-  
2 time, full-time in measuring the rates in general. How do you  
3 gather that data and what is it a measure of?

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

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

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

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

22 We are then able to compare similar program types

1 across distance education models and institutions at DEAC. And  
2 then we aggregate those data by program for our benchmarking.  
3 We don't look at an institution rate because that can be skewed by  
4 one large program.

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

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

12 MS. MATTHEWS: Yes.

13 MR. ROTHKOPF: That begins in a cohort.

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

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

20 MR. BRODNICK: For reporting we try to match  
21 the Department of Education standard at the 150% to make it  
22 comparable. But we can track cohorts at any point in time so you

1 can see what's one year persistence, five year persistence, what  
2 happens in eight years which may be the new six year standard in a  
3 few years, who knows.

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

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

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

20 One of those five which you mentioned ma'am in  
21 your opening testimony, Columbia Southern University, was  
22 continued without conditions for five years in 2016. In 2015 two

1 of your schools, Martinsburg College and Lakewood College, had  
2 some of the highest number of veteran's complaints.

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

5 MS. MATTHEWS: Thank you for the question. It  
6 gives me an opportunity to clarify on those comments. We are  
7 always concerned with complaints -- any student complaint.  
8 Certainly if a veteran complaint comes directly to us we will  
9 investigate it thoroughly.

10 The data that is being referred to in the third-party  
11 comments comes from two reports issued by the Department of  
12 Defense. One is for fiscal year 2015, the other is for fiscal year  
13 2014.

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

19 We don't receive the complaint content directly  
20 from the Veteran's Affairs organizations, but the state  
21 organizations that receive these complaints nonetheless were very  
22 open to having lines of communication with them directly. We

1 would love to receive these and be able to do our own analysis if  
2 they are provided to the accreditor.

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

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

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

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

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

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

1 enrollment.

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

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

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

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

22                   I would say that DEAC to the furthest extent

1 possible, requests information from any party associated with any  
2 renewal of accreditation process that we undertake for our  
3 institutions.

4 MR. OXENHANDLER: I would add too, that at  
5 Commission meetings complaint is an agenda items. So they are  
6 dealt with actually at the student level so each and every  
7 complaint, whether they come from VA, Title IV or just you know,  
8 a disgruntled employee -- anything if there is a documented  
9 complaint.

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

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

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

21 MR. OXENHANDLER: Just a handful.

22 MR. BOEHME: Do you have a number?

1 MS. MATTHEWS: Oh boy.

2 MR. OXENHANDLER: I can't remember the  
3 number off the top of my head.

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

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

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

20 CHAIRMAN KEISER: Claude?

21 MR. PRESSNELL: Yeah related to this issue -- can  
22 you describe -- between your five-year visits, if information

1 becomes available, do you -- such as these types of complaints or  
2 something in a newspaper or so forth, can you describe your policy  
3 on whether or not this triggers a visit?

4 MS. MATTHEWS: Sure.

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

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

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

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

20 We got that plan and the Board wanted a team to go  
21 into Weston Distance Learning to verify in fact that there was  
22 architecture in place to teach-out students just in case the owner

1 found that it was going to precipitously close this institution.

2 We had a comprehensive Chair's report that was  
3 then given to my Board for their January meeting. So what Exhibit  
4 122 describes is how DEAC responds to negative information,  
5 even if it isn't directly an institution, if there is an affiliation of an  
6 institution we may not accredit in our ownership structure, we  
7 want to jump on that as soon as possible.

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

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

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

21 Sometimes investigations are confidential and so we  
22 are told by law enforcement, "You may not disclose this incident

1 of investigating,” so sometimes our hands are tied. We can’t be  
2 public-facing with our actions but to the extent an investigation is  
3 in the public domain we will conduct an assessment of the  
4 institution.

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

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

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

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

21 MR. PRESSNELL: Are those the only ones you  
22 use or do you have additional exclusions?

1 MR. BRODNICK: There are some additional  
2 exclusions.

3 MR. PRESSNELL: And what might those be?

4 MS. MATTHEWS: In a correspondence model,  
5 students that are going at their own pace -- we try to group cohorts  
6 but sometimes the pace of their work in a still enrolled status, a  
7 still studying status, we will exclude them from a cohort.

8 Sometimes they go on a leave of absence we will  
9 exclude that from a cohort. We are trying to get to as true a  
10 graduation rate as we can with these factors and also factoring in  
11 students aren't finishing -- and then that goes to a different kind of  
12 analysis, why not?

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

19 There are a lot of traditional four year institutions  
20 that are starting to innovate. And the metrics that we use -- they  
21 don't fit those models any longer so we need to do something  
22 different and you know that's one of the challenges.

1                   And I think the models are changing because the  
2 students are demanding it. It is not that the institutions are saying,  
3 “Okay let’s try something different, let’s do this.” Students are  
4 asking for different kinds of things and institutions are responding.  
5 So we need better metrics, there’s no doubt about that but I will  
6 pause at that.

7                   MR. WOLFF: Good morning. Thanks for you  
8 information I found it really helpful and responding to the  
9 concerns. If I understand though the third-party comments, there is  
10 to me they fall into three categories that you have tried to address.

11                   One is the data setting standards, one is the  
12 complaints -- is dealing with complaints, and the third is rigor in  
13 responding to concerns about institutions. I have a couple of  
14 questions but I just want to clarify.

15                   One of the letters from Spiro -- I can never  
16 pronounce his last name raised the issue of investigations, FTC  
17 findings and the like and I just want to follow-up on your response  
18 earlier.

19                   When there are FTC findings or findings of other  
20 state agencies that you have become aware of, has that triggered --  
21 what kind of follow-up did that trigger and in terms of -- in one of  
22 the cases going on your website it looks like I think it was Ellis

1     withdrew from accreditation.

2                     I'm not sure where Ashworth -- but there were  
3     several listed and I wonder if you could just follow-up on that one  
4     piece?

5                     MS. MATTHEWS: On Ellis?

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

10                    MS. MATTHEWS: It will trigger a review of  
11     compliance with our standards. It could involve any number of  
12     strategies. Our Board has been known to engage a third-party  
13     secret shopping service, make phone calls, find out what is being  
14     told to students, get a report to us so we know what is going on.

15                    It could be a direct visit on an announced or  
16     unannounced basis. It could be additional reporting, interim  
17     financial information, interim financial information prepared by an  
18     auditor. There are a number of strategies and resources that DEAC  
19     will deploy when it receives negative information or an  
20     investigation.

21                    Sometimes institutions just simply cannot meet the  
22     bar. A show cause Order is issued, the public is notified of those

1 circumstances and the basis for show cause. Sometimes  
2 institutions respond in a way that satisfies the Commission and  
3 they renew accreditation. Sometimes accreditation is renewed on a  
4 shortened cycle so the institution can be closely monitored in  
5 between cycles.

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

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

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

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

1 international information.

2 Or it could be literally a student sending an email to  
3 DEAC, all of those would trigger our integrity and our standards  
4 and require a response. So it is really a combination of measures  
5 and I have been quite impressed with, you know, how some of  
6 these metrics and standards you can look at an institution and a lot  
7 of them are comparative which is so critically important.

8 You know, is the population of an institution  
9 increasing? Is their Title IV participation increasing?  
10 Exponentially is it, you know, is it level? Is the program  
11 shrinking? You know so looking at all of these different metrics  
12 we really do get a pretty good idea of where an institution stands  
13 without just utilizing, you know, a complaint by a third-party or --  
14 while those might be helpful a lot of times there's a plethora of  
15 measures that we are using that, you know, that are reviewed not  
16 just at reaccreditation but reviewed on a "when they happen" basis,  
17 a headline of a newspaper or during an annual reporting cycle  
18 where we are measuring these each and every year.

19 So I think the rigor of the standards is actually quite  
20 high because of the multiplicity of measures and the attention it  
21 gets at pretty high levels.

22 MR. WOLFF: Thank you. Let me follow-up in the

1 normal course of a visit I know -- as I understand it you have  
2 student surveys as part of it. Part of the concerns in some of the  
3 FDC for a couple of your institutions, but other institutions as well  
4 are misrepresentations about placement or about licensure or at  
5 least that seemed to be part of the settlements in a couple of the  
6 cases that were cited.

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

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

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

20                   Our teams always have a representative there to  
21 focus on ethical business practices. We do training for our  
22 evaluators on ethical business practices and they are there to

1 observe what is going on with the institution, interview the  
2 relevant key staff, make phone calls, look at web pages in the  
3 months leading up to a website evaluation to get a sense of what's  
4 being communicated to students.

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

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

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

19                   MR. WOLFF: Just one final comment -- given that  
20 your work with trying to develop metrics for your programs.  
21 Certainly all the regionals that I am familiar with are dealing with a  
22 lot of distance education programs as it is growing as other

1 agencies are.

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

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

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

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

22                   With Veteran's Affairs it is a decentralized system

1 across states. We are certainly willing to partner on individual  
2 bases with those entities that work with veterans through the  
3 complaints that they have and these are the -- there are two reports  
4 online through the post-secondary education complaint system  
5 summary reports.

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

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

16           MR. OXENHANDLER: I would add too, just to  
17 clarify -- while we may not get these complaints directly from the  
18 agencies -- that's just how the Department was reporting. You  
19 know, there's not a process to share this data.

20           Because it is public data and the third-party  
21 reporters can see it and we can see it so when we go on a site visit  
22 or have an annual report and we see that there are complaints and

1 the institution says, "Oh we don't have any." Well, now we have  
2 an integrity disconnect.

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

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

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

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

20 MS. PHILLIPS: Thanks.

21 MR. BOEHME: And my colleague Kathleen too,  
22 also. Do you want to go before?

1 MS. ALIOTO: I'm interested Miss Matthews, I  
2 think you make a wonderful presentation but I am interested in  
3 terms of the data question that you don't include, you don't include  
4 people obviously who are dead in terms of the graduation rate, but  
5 you do exclude others and you still have this 15% lower than the  
6 national average on graduation.

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

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

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

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

21 That's not a semester by semester model. It is  
22 sometimes self-paced. It is sometimes competency based. These

1 new forms of education do not have the same kind of structural  
2 metrics that the traditional four-year degree does and that was my  
3 suggestion around innovation and I think Mr. Wolff suggested  
4 collaboration to try to solve this problem that higher education is  
5 faced with.

6 So just to correct the rates are not 15 points below  
7 the average.

8 MS. ALIOTO: Well we do have some educators on  
9 this Board who have very successful rates across different kinds of  
10 students, very diverse students, so I am a bit concerned about your  
11 saying that you have to have different metrics, yes you have to  
12 have different metrics but you still want students to be succeeding.

13 MS. NEAL: I'm still again struggling with the  
14 benchmarks because as I read your material, you have set your 15  
15 points below the Agency's average performance levels as what you  
16 describe as an appropriate trigger because as you say in your  
17 memorandum, you are hoping that it would generate 60 inquiries  
18 across 376 programs or a rate of approximately 16% that if you set  
19 it higher then there would be a lot more inquiries and so you are  
20 thinking that this is a reasonable standard for purposes of the  
21 workload of the accreditor.

22 And while I understand that data is less than perfect

1 and that many don't want to finish and many are not first-time,  
2 full-time -- I guess I'm still having some problem in understanding  
3 this because it appears to me and again, correct me if I'm wrong,  
4 that by taking your average 15 points below, you in fact are at a  
5 standard that is lower than the national graduation rates which are  
6 deplorable.

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

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

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

18                   MR. BRODNICK: It's a trigger.

19                   MS. MATTHEWS: I mean we look at multiple  
20 facets across the institution from how it is achieving the  
21 educational objectives, what the student objectives were in  
22 enrolling in the institution.

1                   Sometimes it is not to graduate it is simply to  
2 engage in distance education course work for personal interest.  
3 We do our best to collect information on why students are  
4 enrolling, is it their intent to graduate, is it their intent to take  
5 courses on a correspondence basis as they go?

6                   Many of our students are paying as they go out of  
7 their personal finances and through their personal interests so I  
8 guess, you know, to your question we see it as a multi-faceted and  
9 not necessarily a solitary indicator about an institution's  
10 performance.

11                  MR. OXENHANDLER: I would also add to that  
12 that, you know, it has been asked if we have done some  
13 comparative work with the regional accreditors or like programs  
14 and where we can compare apples to apples, not looking at a rate  
15 that has a mixture of traditional, you know, first time freshmen  
16 being 90% full-time at a very traditional institution.

17                  But if we peel out some of that data and look at the  
18 other players who are measuring some of these metrics ours are  
19 really not very far off, they are quite comparable. And even when  
20 our Commission Committee looks at this as a study that we are  
21 doing, some of the, you know, educated guesses as to where these  
22 numbers would come out -- before the surveys were even

1 complete, came out almost exactly where you would expect them  
2 where you have this sort of hierarchy that, you know, a Master's  
3 Degree program generally is going to have one of the highest  
4 graduation rates than Bachelor's, than Associate's, than your short  
5 programs.

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

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

13                   MR. OXENHANDLER: Yes.

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

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

22                   MS. MATTHEWS: That's not our calculation.

1 MR. BOEHME: Right.

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

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

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

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

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

22 Many of their students are not coming back on a

1 full-time basis so some of their students switched to part-time or  
2 took a leave of absence for active duty military service that  
3 wouldn't permit them to continue their studies at the time. There  
4 were a number of factors that contributed to that rate so I guess  
5 that's my response in terms of these different scorecards and  
6 public-facing data points.

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

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

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

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

21 MS. MATTHEWS: Certainly we would be happy  
22 to consider it.

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

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

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

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

21                  First I would like to say that DEAC has been  
22   helping military service men and women to achieve their

1 educational objectives for almost 100 years. While DEAC has had  
2 its ups and downs over the years it still stands today as a  
3 monument of good will to the dedicated employee staff and past  
4 Board members as well as to the hundreds of thousands of students  
5 that have passed through their gates.

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

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

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

19 I reviewed volumes of refutable facts and evidence  
20 of pervasive record tampering originating from the DEAC office. I  
21 am hopeful NACIQI will investigate these allegations and send a  
22 clear and tangible message to DEAC to take the appropriate steps

1 to mitigate future similar activities by its leadership.

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

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

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

21 DEAC is managed with a very disappointing style  
22 of management that has no place in the NACIQI's certified

1 accrediting Agency. It is deficient of fairness to all schools on an  
2 equal scale.

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

8 DEAC is not applying its standards equally to all  
9 schools.

10 CHAIRMAN KEISER: Questions -- Susan?

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

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

16 MS. PHILLIPS: I see, thank you.

17 CHAIRMAN KEISER: Frank?

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

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

22 VICE CHAIRMAN WU: Okay and have you

1 spoken with anyone at the Department of Ed?

2 MR. SPADA: No I have not.

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

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

7 VICE CHAIRMAN WU: Thanks.

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

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

14 MR. SPADA: Not through myself.

15 CHAIRMAN KEISER: Ralph?

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

22 How you say you personally have reviewed this

1 information? How have you come to it?

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

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

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

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

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

1 received the five year renewal?

2 MR. BOUNDS: So the regulation allows us to look  
3 at an Agency anytime under 602.33. So if the gentleman were to  
4 submit the complaint we would review the complaint with as much  
5 intensity as we do any and if we found that there was any  
6 wrongdoing we could then bring the Agency back before NACIQI  
7 at any time if we think that complaint is relevant to the Agency's  
8 recognition. So we have a process for that.

9 MS. MATTHEWS: The gentleman that just spoke  
10 with you is a representative of William Loveland College.  
11 William Loveland College has filed a lawsuit against DEAC in  
12 regard to a show cause order that we issued to the organization  
13 following our January 2017 Board of Directors meeting.

14 We stand behind our accreditation procedures  
15 which comply with the Department of Education regulations and  
16 standards. Our procedures include processes that would have dealt  
17 with exactly the kind of complaint that William Loveland College  
18 is making in its lawsuit.

19 The college knows of those procedures and when  
20 they sought accreditation, agreed to follow them. The college is  
21 not following the procedures of responding to a show cause order.  
22 Instead it has gone straight to court. We believe that our internal

1 review processes could have addressed the college's complaints.

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

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

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

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

16 MS. SCHULTZ: I don't have anything to add to  
17 my earlier remarks.

18 CHAIRMAN KEISER: Any questions to Rachael?  
19 If I might -- some of the allegations that were just made -- did you  
20 find any evidence of it in your review of the Agency?

21 MS. SCHULTZ: No.

22 CHAIRMAN KEISER: Frank?

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

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

14                  MS. HONG: So as far as the third-party comments  
15 -- so we go out with a solicitation for both written comments,  
16 Agency-specific, any agency that is on the agenda the public may  
17 submit a written comment to the staff regarding that agency.

18                  And that Federal Register notice goes out first.  
19 That's a 30 day comment period. After that when we go out with  
20 the announcement of the meeting it is the solicitation of oral  
21 comment with very specific directions on how to submit an oral  
22 comment to NACIQI.

1                   And those instructions are also outlined on the  
2 Federal Register notice which are all posted on the NACIQI  
3 website.

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

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

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

18                   So while there is no box there that says Ed  
19 complaints, folks, our accreditation group information is out there  
20 and we get them that way. And a lot of complaints come in  
21 through the Department's controlled mail process. And so we get  
22 complaints that way also.

1 MS. HONG: Just to add to that -- the process for  
2 review of those complaints are outlined under Section 602.33 like  
3 Herman mentioned earlier.

4 VICE CHAIRMAN WU: That was going to be my  
5 second question which is -- is the process set forth in A -- a statute,  
6 B -- regulations or C -- is it just practice? The reason I ask that is I  
7 wonder so if it is a statute we can't change that, we are bound by it.

8 If it is regulations we also can't change that. But if  
9 it is just the standard practice I wonder if it might be useful for  
10 NACIQI as a body to talk to you staff in an appropriate way which  
11 is I think publicly about what process would be best so that the  
12 interface between NACIQI and the Department works well.

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

19 MS. HONG: I would just assure you that when the  
20 public contacts our Department we -- to the extent possible we  
21 offer that guidance right. So we try to learn more about what the  
22 substance of that comment or complaint is and whether if it

1 requires more investigation on the part of a staff, we encourage  
2 them to submit a complaint.

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

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

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

16                   Honestly that has not happened a lot in the past.  
17 You have seen with some agencies we have included the  
18 complaints in the petition for recognition -- that's been because  
19 there has been some issues relevant to recognition and there may  
20 have been some issues where the Agency says, "Well we don't  
21 agree with what you say."

22                   If we review those types of complaints outside the

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

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

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

19 VICE CHAIRMAN WU: So here's just a last  
20 comment for NACIQI. I wonder -- I think we generally informally  
21 already get this but I wonder if we, NACIQI, care and if we do  
22 how much we care and how we should deal with this about the

1 volume of complaints filed?

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

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

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

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

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

20 MR. BOUNDS: No if it is in litigation we are not  
21 going to get involved until that is over. Now I always walk over to  
22 Sally's office and ask her what I should do in that case but

1 normally we kind of let that, we let that play out.

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

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

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

20                   And in their case -- in DEAC's case all complaints  
21 were reported to the Board. But we don't receive, as I am aware,  
22 in the staff review any knowledge about complaints, or I want to

1 know how would we hear in the interim?

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

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

20                   But we do look at those decisions and if any of  
21 them seem to implicate the integrity of the Agency or any of the  
22 criteria for recognition we would then fold that into the recognition

1 process, including an interim -- a mid-cycle review if necessary.

2 CHAIRMAN KEISER: Claude?

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

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

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

22 MS. SHULTZ: We track complaints that come

1 through our office and Cathy Sheffield maintains a record of the  
2 complaints that we receive but I don't think we have any way of  
3 knowing about complaints that come to the Agency but then are  
4 not elevated to our level.

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

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

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

21 I would like to say in this case that you know when  
22 we looked at this particular third-party comment I think this is

1 where these complaint concerns are coming from. You know  
2 Rachael and I looked through this, we looked through this data and  
3 we got some -- look I have to tell you guys we got some low  
4 numbers here and I am not saying that any complaint is not  
5 important but when you get into the numbers and you look at the  
6 comments there are even other institutions here -- I mean, yeah,  
7 other institutions who have some higher complaint ratios than the  
8 Agency that is being reviewed and some of those schools are state  
9 schools that have a higher complaint ratio.

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

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

18 We have to deal with what we can get.

19 MS. HONG: Yes just to add to that, to Claude's  
20 comment. We actually do engage with other agencies to the extent  
21 that a complaint might be relevant to our criteria. But I mean that  
22 is really the test right?

1 I mean we might engage with them, they might  
2 contact us including the VA, DOD, CFPB you know we know how  
3 to contact each other. But there may be times when it just doesn't  
4 apply to our criteria for example. So to answer your question there  
5 is some inter-Agency communication there especially when there  
6 is an institution of concern.

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

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

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

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

19 MS. NEAL: Well in the midst of all of this  
20 conversation I guess the one thing I have concluded is that our  
21 accountability system doesn't work particularly seamlessly. But  
22 that said, since clearly we have had a number of concerns raised

1 today that I think we should take seriously about the veteran's,  
2 concerns raised by the accrediting body in terms of data and how  
3 we determine the right data, questions about uninvestigated  
4 allegations and then the bottom line that under the existing regs the  
5 staff has recommended that we renew the Agency's recognition.

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

11                   CHAIRMAN KEISER: Is there a second?

12                   MR. JONES: Second.

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

17                   **NACIQI RECOMMENDATION**

18                   **Renew the Agency's recognition for five years.**

19                   (Break 10:33 a.m. - 10:42 a.m.)

20

21

22

1                                   **Renewal of Recognition**  
2                                   **Southern Association of Colleges and**  
3                                   **Schools Commission on Colleges**  
4                                   **(SACSCOC)**  
5                                   CHAIRMAN KEISER: I would like to call the  
6 meeting back to order. We are about to look at the Renewal  
7 Recognition for the Southern Association of Colleges and Schools.  
8 There are a number of us who will recuse ourselves starting with  
9 Claude, George, Federico, and myself.  
10                                  And I would like to say as you are aware certain  
11 important politicians questioned whether I would recuse myself  
12 during the debate of the Southern Association of Colleges and  
13 Schools, the institutional accreditor of my institution.  
14                                  As I have always done over the last ten years I  
15 absolutely will. Additional certain commenters previously  
16 attempted to malign both me individually, my institution, my staff,  
17 my faculty and students and made inaccurate accusations which  
18 unfortunately threw a negative light on the Agency we are about to  
19 review.  
20                                  I want to thank both the staff and the Agency for  
21 doing a thorough review which I hope will sign a truthful light  
22 upon the rigor of the accreditation process and the efficacy of my

1 institution. I hereby recuse myself, Frank it's all yours.

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

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

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

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

12 MR. ROTHKOPF: Thank you.

13 MS. HONG: Barely but we do.

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

17 MR. O'DONNELL: Thank you. We are going to  
18 review the Southern Association of Colleges and Schools  
19 Commission on Colleges, a regional accreditor covering 794  
20 degree-granting institutions in 11 southern states. SACS has been  
21 a regional accreditor since 1952 recognized by the Department and  
22 I will turn it over to the Agency official.

1 MS. HARRIS: Thank you. Good morning Mr.  
2 Vice Chair and members of the Committee. For the record my  
3 name is Dr. Nicole S. Harris and I will be presenting information  
4 regarding the renewal petition submitted by the Southern  
5 Association of Colleges and Schools Commission on Colleges,  
6 SACSCOC or the Agency in my presentation.

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

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

18 During the current accreditation cycle the  
19 Department received three third-party comments regarding the  
20 Agency's renewal petition and two complaints. The third-party  
21 comments submitted in regards to the Agency raised concerns with  
22 602.18B Consistent Application of Standards, 602.16A-1(I)

1 Student Achievement, 602.14B Separate and Independent Status,  
2 602.15A5 Public Representatives and 602.15A6 Conflict of  
3 Interest as it relates to the Secretary's criteria.

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

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

14 The three issues that remain are related to missing  
15 evidence to demonstrate compliance with the Agency policies and  
16 the narrative. Therefore, as I stated previously, the staff  
17 recommendation to the senior Department official is to continue  
18 the Agency's current recognition and require the Agency to come  
19 into compliance within 12 months and submit a compliance report  
20 30 days after the 12 month period that demonstrates the Agency's  
21 compliance with the issues identified previously.

22 There are Agency representatives present today and

1 we will be happy to answer the Committee's questions, thank you  
2 for your time.

3 VICE CHAIRMAN WU: Yes, Primary Readers?

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

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

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

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

21 MR. O'DONNELL: Great thank you.

22 MS. HARRIS: No problem.

1 MS. PHILLIPS: And just one question about the  
2 two complaints that were received -- could you tell us a little bit  
3 about those complaints and the disposition?

4 MS. HARRIS: Sorry they were two complaints that  
5 were received by the Department. They pre-date me but in doing  
6 my research and looking at them one complaint was in regards to  
7 602.23C which is the Handling of Complaints at an Institution.  
8 And the Department requested information on how the complaint  
9 was handled by the institution and documentation from SACS on  
10 how they handled the review and they were found to be compliant  
11 in all of the requested documentation and enforcement of their  
12 standards requirements in the 3.11 I think it was.

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

18 The person who submitted the complaint submitted  
19 a complaint to the institution and then a complaint to SACS so we  
20 asked to see how the institution documentation was received and  
21 reviewed by SACS and SACS' findings. Again we found the  
22 Agency to be compliant in the way they enforce their standards

1 and the requirement and review of the documentation did meet the  
2 requirements of the Secretary's criteria.

3 MS. PHILLIPS: Thank you.

4 VICE CHAIRMAN WU: And other NACIQI  
5 members -- I see Ralph?

6 MR. WOLFF: Thank you. I have a couple of  
7 questions about the staff review on the third-party. One of the  
8 issues that is not in the final staff report deals with -- at least I  
9 didn't see it is one of the concerns that is raised around the public  
10 members.

11 And I just wonder how you reviewed that. There  
12 was concern that several members of the SACS' Commission did  
13 not meet the criteria for public members and I didn't see how you  
14 resolved that in your staff review.

15 Presumably you found that it was not a problem but  
16 I would like to just confirm that was what you did.

17 MS. HARRIS: Sure that's no problem. Actually it  
18 is reflected in 602.16A -- I'm sorry 602.15 it's under the Public  
19 Members. The complaint was that two of the Board members were  
20 receiving funds and I did ask the Agency to address it and they did  
21 address it in the final response to the Department after they  
22 received the draft and they did acknowledge that the two public

1 members that they were referring to are not -- meet their definition  
2 which is defined as an individual who is not an employee or  
3 member of a governing or coordinating Board.

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

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

20           I just wonder you having requested that information  
21 have you received and have you reviewed it and made any findings  
22 with respect to are there any concerns? I'm presuming not but it

1 would be helpful to know have you received the additional  
2 information that you have requested?

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

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

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

19 MS. HARRIS: No.

20 MR. WOLFF: Thank you.

21 MS. HARRIS: You are welcome.

22 VICE CHAIRMAN WU: Yes a comment from

1 Herman?

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

9 So we looked at everything and we just didn't have  
10 any concerns.

11 VICE CHAIRMAN WU: Anne?

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

17 And I must confess knowing from reading in the  
18 newspaper about Chapel Hill single digit graduation rates and  
19 other broader issues, there was something almost surreal about the  
20 staff reports this time because it was in a world that seemed  
21 unattached to student success, federal monies and I even think I  
22 saw reflected a little bit of annoyance on the part of some of the

1 staff at SACS as they were being asked for their resumes and I  
2 shared that annoyance because it really is not clear to me how this  
3 goes to really what we are asked to do here in terms of being a  
4 guarantor of reliable quality.

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

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

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

22 VICE CHAIRMAN WU: There's a comment from

1 Herman?

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

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

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

22 So when those things come up we try to get

1 information out to the Agency that they can respond to that  
2 additionally and I think this time we asked SACS for a lot of  
3 documentation and we thought they provided it, so if I missed  
4 anything over the course I know you will --

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

10 VICE CHAIRMAN WU: And Art?

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

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

18 MS. HARRIS: I'll let the Agency speak on that in  
19 detail but in what they did submit to us was their review. They  
20 submitted a request for information from the school and changed  
21 their status as well as they submitted the notification from the  
22 NCAA on their findings as well.

1                   And what I reviewed was to make sure they did take  
2 action and they did. They can go on to detail with how and what  
3 they did in enforcing the action.

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

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

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

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

18                   MS. HARRIS: Well that was a part of the  
19 additional information request. In looking at their consistency in  
20 enforcing and having policies that -- enforcing the policies that  
21 they have in place they have an off-site, on-site and committees  
22 that review documentation and information that comes from the

1 schools and I looked to make sure that all of the criteria for the  
2 Department is included in their standards and their regulations  
3 through their core and their comprehensive standards and their  
4 federal requirements that they enforce.

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

11                   MR. ROTHKOPF: Thank you.

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

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

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

21                   MS. HARRIS: Well listening to the concerns you  
22 all had since I have been attending the NACIQI meetings and they

1 submitted information on student achievement and in their  
2 response I did request them in the draft analysis to give more detail  
3 in how they require the information.

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

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

14                   VICE CHAIRMAN WU: Simon?

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

19                   MS. HARRIS: They took action in the form of  
20 asking for additional information and I'll let them speak to the  
21 additional actions that they took because this was a case in which  
22 they needed to do additional review. They had a special committee

1 review as well so they also spoke on different issues that they had  
2 discovered and found that if they needed additional information  
3 they would have additional people go in and review.

4 So I will have the Agency speak on their particulars.

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

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

10 MR. BOEHME: Right.

11 MS. HARRIS: I reviewed for this recognition  
12 period.

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

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

19 MR. BOEHME: Right, thank you.

20 MS. HARRIS: You are welcome.

21 VICE CHAIRMAN WU: Anything else from  
22 NACIQI members -- okay. Thank you to the staff and we now

1 invite Agency representatives and as you come up if you would  
2 introduce yourself by name and title that would be great.

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

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

16 To my right is Miss Carol Luthman who is a 34  
17 year employee of the Commission, has done 6 of these and she  
18 indicates this is her last since she is scheduled to retire July 4<sup>th</sup>.  
19 And on the far left is Miss Donna Barrett who is our Director of  
20 Institutional Finance. Given the questions from the third-party  
21 comment we thought that we would ask her to come to explain the  
22 financial review that went on.

1 I would like to begin by deferring to Dr.  
2 Westmoreland to make some opening comments.

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

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

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

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

18 MS. WHEELAN: From him. Thank you Mr.  
19 Chairman. The Southern Association of Colleges and Schools has  
20 been around since 1895. The College Commission in 1910 and we  
21 have been recognized by the Department of Ed since 1952 when  
22 this process came into existence.

1                   We currently accredit 794 degree-granting  
2 institutions and 478 public, 303 private and 13 for profit and 6  
3 international institutions. To your comment about the data -- we  
4 submitted information about 75 of our trustees out of the 77  
5 positions we have because we have two vacancies. We failed to  
6 identify the fact that we had two vacancies and sent them in so that  
7 is one of the follow-up questions that was there.

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

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

19                   What we do is ask students to tie their complaint  
20 directly to an accreditation standard otherwise I would have an  
21 entire staff trying to do all complaints that come through. We also  
22 asked them to utilize the complaint process at their own institution

1 first and if they are not able to find a solution then to come to us  
2 but again it needs to be accreditation related.

3                   Since July 1<sup>st</sup> of last year until May 31<sup>st</sup> of this year  
4 which is almost a complete fiscal year for us, we have had 94  
5 complaints and of them 81 have been completed. So the others are  
6 still in the process of we are either gathering information or they  
7 just came in and we haven't dealt with them yet.

8                   So with that I don't know where you want us to go.  
9 Let's start with questions from you and then we can go on.

10                   VICE CHAIRMAN WU: Right, right so we will  
11 proceed to questions from NACIQI members starting with Art.

12                   MR. ROTHKOPF: Yeah I would like to pursue  
13 further this athletic issue which I have to say when I read in the  
14 press and I don't have any information other than the press, I have  
15 not looked into it in any other respect -- but it struck me as  
16 probably the most shocking instance of malfeasance by an  
17 institution graduating students who really had not completed the  
18 curriculum, were not entitled to graduate.

19                   And this happened within the jurisdiction of SACS.  
20 I don't recall how it came to light whether it was the NCAA who  
21 got involved first or some other way but I guess I would like to  
22 know what SACS -- your agency's response was to this really -- I

1 consider horrendous situation?

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

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

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

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

19                   And only about 43% of the students that were  
20 involved were athletes. But because it was athletes and because it  
21 was at Chapel Hill it blew up like a big balloon but it was an  
22 academic integrity issue.

1                   Our Board instead of dropping them from  
2 membership put them on probation which is the severest sanction  
3 that we have short of dropping them from a membership, sent in a  
4 special committee to go and investigate exactly what happened.

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

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

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

18                  MS. LUTHMAN: It really came to us in two  
19 stages. The first one came from the NCAA as you mentioned  
20 earlier under the report of the review of courses the Department of  
21 African American Studies College of Arts and Science and it was  
22 an independent task force and it came to us from them because

1 anytime that there is alleged academic infractions we have been  
2 getting reports from the NCAA.

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

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

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

20                   And we also addressed the issues of we wanted to  
21 know which of those students needed those particular independent  
22 study courses in order to graduate. And if those courses were

1 dependent for their graduation then they had to review them and  
2 come back and review the degrees and whether or not they should  
3 be getting the degrees and what were they going to make available  
4 for them to make up those courses.

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

11           And so it is that many of you may be familiar with  
12 the CAD-WADER report and that is what it resulted in. And from  
13 that report we asked them for additional information, we cited 18  
14 of our standards that were out of compliance and then in the fall of  
15 20 -- I mean in June of 20 -- wait, December of 2014 they  
16 reviewed the reports and they asked for a special committee.

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

22           The institution has since released almost all of the

1 main players and they are in turn in litigation with those  
2 individuals. There were some additional policies in place where  
3 they showed evidence that they were working. Again they had  
4 already done the audit on graduates and they gave us a progress  
5 report on that.

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

11 MR. ROTHKOPF: May I continue?

12 VICE CHAIRMAN WU: Yes.

13 MR. ROTHKOPF: That's very helpful in relation  
14 to the situation at North Carolina. Are they still on probation or  
15 has that ended?

16 MS. LUTHMAN: No sir in June of 2016 they were  
17 removed from probation because they had taken all the measures  
18 and safeguards.

19 MR. ROTHKOPF: I guess my next line of  
20 questioning goes to what your Agency does to be sure that similar  
21 activities and they always take different forms, are not occurring at  
22 other institutions that are let's say I want to use a term here,

1 heavily invested in athletics. And we all know what those  
2 institutions are many, many of them are located within the  
3 jurisdiction of your Agency. How can the public be assured, how  
4 can this Agency be assured, the Department that activities like  
5 these -- and they will never take the same exact form but there will  
6 be something else.

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

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

18                   What do we have? We have a number of standards.  
19 We have one on control of intercollegiate athletics. We have one  
20 on the expectations of the controls and who is in charge of athletics  
21 in the area of education, finances and student support services and  
22 that rests with the President.

1                   And so we have a litany of expectations there as  
2 well as we have policies on academic practices and all of that is  
3 reviewed in our comprehensive review as part of the compliance  
4 certification and I think that that is really the best that we can do.

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

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

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

19                  We have had several who have done what we have  
20 asked them to do and that is talk with other institutions to find out  
21 what kind of documentation did they provide to satisfy  
22 compliance. And we have had several who have done that but

1 have forgotten to take the other institution's name off of the  
2 information that they submitted to us. That's an integrity issue.

3                   And our Board will not tolerate that and so they  
4 understand, you know, how important this is and so we reiterate  
5 that in the training in getting them ready for their own  
6 reaffirmation process but as Carol said, you know, we are talking  
7 about faculty way down the road and everybody doesn't always  
8 check within their own institutions the class schedules and the  
9 rosters and things that come in so we can't find everything.

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

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

19                   MR. WESTMORELAND: Well and I'll remind  
20 you that I serve a university in Alabama so bigtime athletics are  
21 never a problem in our state yeah. But yeah I certainly understand  
22 that and without doubt these are issues that are discussed heavily

1 among college Presidents right now.

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

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

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

14                   MS. PHILLIPS: Thank you. Thank you for joining  
15 us and as you know we have been asking some standard questions  
16 to learn more about how agencies are addressing some of the  
17 things that are of interest.

18                   And so I want to give an opportunity for you to  
19 address those questions. The first one of course is so how are your  
20 institutions doing and how do you know how they are doing? And  
21 we will go from there.

22                   MS. WHEELAN: Some of our institutions are

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

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

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

20                   We are one of the regions that have participated in  
21 that. We have also expanded our project this year because the  
22 National Student Clearinghouse data includes part-time students

1 and transfer students and we believe that that gives a more  
2 complete picture of the success of our institutions. You know on  
3 many occasions you will have students, you know, who will start  
4 for example at a community college and then transfer to a senior  
5 institution.

6                   Because they don't graduate from the community  
7 college the community college doesn't get credit for them and  
8 because they transfer in the senior institution doesn't get credit for  
9 them. So you have a student who put in all of this work who does  
10 indeed earn a credential but they are not accounted for anywhere.

11                   So we have stepped up our game and started  
12 looking at those particular numbers as well and I believe that  
13 information was put in to your -- some of that was put into the  
14 report.

15                   We also looked at 6 year graduation rates of  
16 community college students because since such a large percentage  
17 of them go part-time, many more of them will finish in 6 years  
18 than finish in 3 years which is 150% of the time to graduate which  
19 is what the Department uses.

20                   An example of that is the 3 year graduation rate  
21 nationally for community colleges is 21.4%. In our region it is  
22 20.6% so we are right on time with them. But when we look at 6

1 year graduation rates it almost doubles, it is 40.9% for a national  
2 level and 41.9 in my region.

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

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

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

21                   MS. WHEELAN: That's exactly where we are  
22 going with that. But rather than setting what has been called a

1 bright line indicator we feel that there is too much diversity among  
2 our institutions, even among our research 1 institution there is  
3 diversity there let alone among our state colleges and universities.  
4 So that is why we identified peer groups to try to make sure that at  
5 least they are, you know, performing along with their peers.

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

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

19 It has gotten better. Institutions are better able to  
20 use that assessment data because that was the bigger issue, what  
21 are you doing going forward but that is still a big one. Financial  
22 indicators are another one and when we gather financial

1 information annually and when we see that institutions are going  
2 up and down or up and down or they are going constantly down  
3 then we immediately call them in and say let's talk about this and  
4 see what you are doing and how are you reporting it.

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

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

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

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

1 show their support for compliance.

2                   And so that is reviewed by one committee and then  
3 they have an on-site review committee, so that's a whole different  
4 group and then they have our Board. Well for the on-site  
5 committee two of the areas in student success student learning,  
6 64% of the institutions are cited for institutional effectiveness, the  
7 standard that Dr. Wheelan just referred to.

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

13                   In our standard under 4.1 which is Student  
14 Achievement which is exactly the statement out of the regulations,  
15 37% are found to be out of compliance at the initial review. That  
16 drops down significantly on the on-site review to 3% and then as a  
17 follow-up from reaffirmation to 1%.

18                   Those are our two primary standards for looking at  
19 student achievement. We also have one that looks at general  
20 education competency skills at our institutions. That particular  
21 standard is never one of what we would call the top 10 so I don't  
22 have the specific percentages for you there.

1                   But those two always have some prevalence for us.  
2   The other ones were -- the other standards are usually, some of our  
3   sustaining factors which would be faculty competence -- not  
4   competence but their qualifications to teach the programs and  
5   usually that is fairly high. It starts out with a 93% non-compliance  
6   and then will drop down considerably to about 32% and then  
7   there's usually follow-up following-up on that following review by  
8   the Board because usually they can provide additional information.

9                   But I would say that those are our top ones.

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

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

22                  So we have always monitored those numbers that

1 way. We don't have bright line indicators and so we have not had  
2 a standard to which they had to aspire other than just telling us  
3 about ways that they are improving.

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

9 MS. PHILLIPS: Thank you.

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

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

20 MS. WHEELAN: Well that's what I just said to Dr.  
21 Phillips over here that we use the two standards on institutional  
22 effectiveness and the federal requirement to monitor institutions to

1 provide -- we develop training workshops where we share data  
2 with institutions so they can improve on those numbers. We are  
3 now changing our strategy to get them to look at their own peer  
4 groups so that they can see their own competition if you will and  
5 try to improve the things that they have, otherwise we have no  
6 bright line indicators.

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

12 So I'm curious if it is one peer group for all  
13 measures?

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

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

21 Institutions that have a lot of incoming students that  
22 need developmental education that do exceptionally better so that

1 your -- the other schools in that peer group can see institutions that  
2 might be doing things differently and better for student  
3 achievement?

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

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

18 MR. O'DONNELL: Great, thank you.

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

22 First of all there was a severe lack of information

1 about what we do. We have 5 standards, we have 4 standards and  
2 we have the quality enhancement plan that is an improvement part  
3 of our -- and as a Reader you know that, this is an improvement  
4 part for institutions to look at student achievement.

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

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

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

21                   Our standards that were just established were put  
22 into place in 2012. Since then over 600 institutions have been

1 reviewed and it was none of those that they selected under the  
2 current standards so it was completely, completely misleading. I  
3 just wanted to make that point for the record.

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

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

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

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

16 And you have said yourselves that the North  
17 Carolina case was a quintessential matter of academic standards,  
18 academic integrity and that you just can't find everything and that  
19 you do your best. And I guess I'm just wondering if that best is  
20 good enough because as I look at this and I hear what you have  
21 done and that you are still doing some reviews this year, December  
22 of 2017 -- I can go back on the News Observer back in 2012 could

1 tell me in a headline report finds academic fraud, evidence in UNC  
2 Department.

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

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

16                   MS. WHEELAN: Thank you Miss Neal. First of  
17 all our Board did not slap the hand of the Governor. We cited the  
18 University of Louisville's Board for their policies not matching  
19 state statute which meant that the statute the Governor had to  
20 change out that Board which he had never used for higher  
21 education Board, had used for community Boards but not that one,  
22 was not in their standard.

1                   And so subsequently we found them out of  
2 compliance because their own policies did not reflect the ability of  
3 the Governor to do that. We don't accredit Governors and so we  
4 did not slap the Governor's hand. We slapped the institution's  
5 hand for their policies being out of compliance.

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

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

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

21                  It was not until a new Chancellor came in and there  
22 had been a lot of retirements and resignations there and uncovered

1 that this had been an issue for them and self-reported it. So to say  
2 that our organization or any other regional accreditor, you know,  
3 cannot be depended upon to identify the good quality of the  
4 institution based on that one institution, or even a handful of  
5 institutions I think is unfair.

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

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

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

20 We sent a letter to the University of Louisville and  
21 we asked them to respond to at that point three of our standards  
22 that made claims regarding the allegations and those were on

1 institution related entities that gets to foundations that gets to  
2 financial stability and also control to finances.

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

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

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

21           And our letters specifically say to our institutions  
22 when we have a special committee that anything else that we find

1 on your campus you are susceptible for additional review and  
2 pretty much the paragraph said so here's a head's up.

3 And they have gotten three of those letters and it is  
4 a greatly expanded special committee and they will be before the  
5 Board with an interview on all of these issues in December of  
6 2017.

7 MS. NEAL: If I can proceed again to look again at  
8 whether or not you are a reliable authority on educational quality --  
9 you have just been talking about governance issues and I know in  
10 your standards you have two pages of governance standards.

11 And there are interspersed various educational  
12 quality standards. There is no mention of governance in the  
13 Higher Education Act but in fact as you have already indicated you  
14 have spent significant amounts of time dealing with governance  
15 questions or questioning whether or not the Governor's should be  
16 appointing Trustees, various issues that really relate to matters of  
17 federalism and state law.

18 And then when I look at the bottom line of looking  
19 at your schools for instance graduation rates -- and I understand,  
20 we all understand that data is difficult, but I am looking at  
21 Bachelor's Degrees within 4 years, Amerage - zero, College of the  
22 Local Students, zero, South Texas College, graduation rates,

1 Concordia College Alabama, zero in 4 years, Southwestern  
2 Christian College 3% in 4 years, University of Houston  
3 Downtown, 1% in 4 years, Texas College, 6% in 4 years it goes on  
4 and on and on so I am left to wonder again whether or not you are  
5 focusing on the achievement and capacity of the students of the  
6 schools that you oversee.

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

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

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

20                   Some of those institutions -- again I'll refer you  
21 back to the IPEDS data that looks at first-time, full-time students.  
22 The University of Houston is a perfect example of that. You know

1 they have a very small percentage of their students, it's a  
2 commuter institution and many of those students are working and  
3 going part-time.

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

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

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

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

20           I have 76% of the HBCU's and another 20% of  
21 minority-serving institutions in my region. Many of them are first-  
22 time students, they are not prepared either academically or

1 financially when they get there but if these institutions were not  
2 serving them they would not have an opportunity for a college  
3 education.

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

9                   I spent 28 years in community colleges.  
10 Community colleges with those same open door institutions where  
11 we take students where they are. Many of them come with just the  
12 intent of taking one or two classes so that they can either get into a  
13 new job or get a promotion on the job that they are already in, not  
14 for a college degree.

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

1 evidence that value added has been provided.

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

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

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

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

21                   MS. NEAL: And again if I might quote from a  
22 diverse article on March 2015 and you say, “We are not here to get

1 you, this is a continuous improvement process. I go to bat for the  
2 institutions. They understand we work for them. We are a service  
3 provider.” I guess again I am disturbed by that because you just  
4 said that and I believe strongly that accreditors are working for  
5 students and the taxpayer, but in fact self-improvement is not  
6 quality assurance.

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

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

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

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

1 comment was.

2 VICE CHAIRMAN WU: Anything else Anne?

3 MS. NEAL: Maybe later.

4 VICE CHAIRMAN WU: Okay, John?

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

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

14 187 of them are below 20% versus 26 that are above  
15 80%, that's sort of very lop-sided. And I understand it and I really  
16 do appreciate the problems with the IPEDS data and how the  
17 IPEDS data does not give a good picture of many, many  
18 institutions.

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

21 MS. WHEELAN: We have not found that to be  
22 true but I suppose it could happen.

1                   MR. ETCHEMENDY: In any event it seems to me  
2 that -- and I understand the hesitation to adopt bright lines but I  
3 think the approach of allowing the institution basically complete  
4 freedom to choose a peer group or if they are not doing well to  
5 explain to you, you know, what are they dealing with.

6                   Is it because of the students they bring in? And of  
7 course every institution is very good at explaining that. It makes  
8 me wonder whether or not you should be rethinking that approach.  
9 Perhaps we should be demanding graduation rates, not necessarily  
10 the same for every institution but the same for different types of  
11 institutions.

12                   And if the institution is not achieving that because  
13 of the students that they are bringing in who are not prepared, then  
14 perhaps the institution needs to work harder with those students to  
15 help them get through.

16                   We have an obligation not just to the taxpayers but  
17 to the students not to bring in students that are just going to fail and  
18 not make it through. And if they are not prepared then we have an  
19 obligation to figure out a way of helping them make it through the  
20 institution.

21                   I actually think that that is something that we tend  
22 not to demand enough of of our institutions. One comment that



1 with you. As I mentioned probation is the most serious sanction  
2 that we give and an institution tends to experience number one --  
3 bad publicity. Number two, a decrease in enrollment which they  
4 did for a little bit, people kind of didn't want to go.

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

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

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

17           MS. WHEELAN: Loss of membership.

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

22           MS. WHEELAN: No, no, no, they had to change

1 policies, they had to change procedures, they got rid of people -- I  
2 mean people lost their jobs -- it was more than just writing a report.  
3 The report had to have some actions behind them.

4 MS. LUTHMAN: Excuse me I think this is what  
5 people may not understand about accreditors. Accreditors are staff  
6 members of the membership there's no question about that. But  
7 they walk a very fine line. When an institution has an egregious  
8 type of -- not a systemic but an egregious non-compliance issue  
9 what do you do?

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

15 What evidence do we have that those changes have  
16 been effective and what additional safeguards have they put into  
17 place? Once we monitor them on those particular issues then in  
18 the past they felt comfortable for schools that have been on  
19 probation for non-systemic problems releasing them from  
20 probation that we did have those assurances with that school and  
21 with other schools even though it was so very egregious they  
22 weren't cited for integrity issues and they did provide us a number

1 of piece of documentation none of which they were pleased to do.

2                   They were asked to provide assurances on every  
3 point of our non-compliance issues and then they were monitored  
4 on those assurances. So I guess that is a fine line between saying  
5 you are no longer a member and okay this is out there, it's an  
6 episodic event, what are we going to do about it and can we do it  
7 with intellectual integrity?

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

10                   VICE CHAIRMAN WU: Was there more John?

11                   Alright Steve?

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

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

21                   We have standards. I sit here wondering does the  
22 federal government, through NACIQI, need to raise our

1 expectations? Would that help you in your role as a regional  
2 accreditor? Do we need to see more evidence from each of these  
3 institutions around what we are talking about priorities, student  
4 achievement and I like the value added concept because some of  
5 our students are not at the starting line with others.

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

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

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

19 We have not waited however for any of you to do  
20 that. That's why we have started -- because it had not been a  
21 requirement by anybody prior to that, but given last spring when  
22 this data first surfaced we took it upon ourselves as regionals to

1 start, technical term “jacking up” our institutions, you know, to do  
2 better.

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

5 MS. WHEELAN: Yes, yes we are.

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

9 MS. WHEELAN: That is the intent.

10 MR. VAN AUDLE: This is where we are.

11 MS. WHEELAN: That is the intent.

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

14 MS. WHEELAN: Yes.

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

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

22 And for those that don’t listen to us we close them,

1 we drop them from membership and they either go find another  
2 accreditor that is not as demanding or they close their doors. But  
3 our job is not to put them out of business -- it is to help them  
4 improve so that students do have choices in higher Ed.

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

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

11 MR. VAN AUDDLE: It's a bit of a rhetorical  
12 question it's one we all have to pay attention to.

13 MR. WHEELAN: Yes.

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

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

20 One as you have talked about is clear that the data  
21 that we all have to work with today is flawed. And I will say it  
22 doesn't reflect the diversity of the student populations, diversity of

1 admissions of institutions and that is one reason why I find myself  
2 weary of the idea of bright lines or the idea that you ought to  
3 approach your work as something of a law enforcement agency or  
4 a quality compliance organization that precedes from some set  
5 definition of quality.

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

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

17 And so I guess what I would love to in fact Dr.  
18 Westmoreland this actually might be a good place for you to start  
19 and that is if you could share with us, tell me your perspective as  
20 someone who leads an institution give us a sense of how you think  
21 this Agency does in terms of that balance between holding you  
22 accountable for quality outcomes, holding you accountable for

1 continuing improvement in terms of what you provide your  
2 students in balancing that against all of these compliance and  
3 bureaucratic obligations that some of my colleagues have talked  
4 about today.

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

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

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

21 For the -- but that does impede progress toward  
22 getting to bright line indicators that work effectively in all

1 segments. As to the pressures that we feel from our accreditors,  
2 the regionals and the programmatic accreditors I can tell you that  
3 that is real and when we are anticipating changes with programs  
4 we want to make sure that what we are doing can be appropriately  
5 measured, that we can report that out, that outcomes can be easily  
6 understood and I will go ahead and admit to the whole world here  
7 today that we had our ten year reaffirmation visit just a couple of  
8 months ago from my institution.

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

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

19                   Without doubt we do make the occasional error but  
20 as far as our commitment to the process and to each other but  
21 especially to our students and to the taxpayers we take all of those  
22 things very seriously.

1 MR. JONES: Thank you and I know how you feel  
2 having just gone through our 10 year reaffirmation.

3 MR. WESTMORELAND: How did you come out?

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

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

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

19 And so to penalize them when students are not in a  
20 position to pay their money back is very frustrating for them. We  
21 have just undergone a review of our principles and in response to  
22 this we are putting in a standard that says all of our institutions

1 have to offer financial counseling or financial planning or some  
2 piece of their curriculum that has to do with financial management  
3 because many of these students -- this is the first time in their lives  
4 they have ever actually had real money in their hands and they  
5 don't understand, you know, what happens when the bill comes  
6 due.

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

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

15                   VICE CHAIRMAN WU: Okay Ralph?

16                   MR. WOLFF: Thank you. I want to say I  
17 appreciate your responding to all of these questions which really  
18 are questions that are not singular to SACS, they are systemic  
19 questions and I would also want to say that there is no legal  
20 requirement for bright line indicators or regulatory requirement  
21 and in fact there is a legal requirement in the law that allows or  
22 actually expects, says that institutions are to set their own

1 standards and prohibits accrediting agencies from defining  
2 precisely what data and what the standards would be.

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

7                   So I would like to give you a respite for a moment.  
8 I do want to come back but there are three issues that the staff  
9 identified and it is so ironic the staff report has at least in terms of  
10 the final report, it does not relate to the conversation, but all three  
11 of these seem to be so administrative and I'm wondering can we  
12 eliminate them rather than requiring a 12 month review?

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

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

21                   MS. LUTHMAN: I will respond to that because I  
22 am the guilty person who is in charge of the administration of this.

1 And as you said before Ralph those are easy fixes. We have  
2 probably about 40 level changes per year and one of the things that  
3 I thought I had effectively uploaded and I thought they were called  
4 Exhibits 58, 58C and 60 was that a total case from Methodist  
5 University that did a level change and so they started offering, I  
6 think they begin a Master's or a Doctorate program.

7                   So I had submitted their application, the visiting  
8 committee reports and all subsequent letters from our Board  
9 regarding their decisions but I don't know if there were problems  
10 finding that because some of them I had attached at the end of the  
11 report.

12                   I did have a full one -- we had a problem I thought  
13 we have had so many mergers, consolidations and acquisitions so I  
14 thought another good example was a merger of four of our  
15 individually accredited technical schools in Texas that were  
16 coming together into one institution and so in attempting to  
17 provide that it was such a huge document that the system couldn't  
18 absorb it.

19                   And so I backtracked on that one. I uploaded our  
20 school in Dubois on a program expansion and I thought with that I  
21 had also had the application, the report and subsequent  
22 Commission reports. If they were not easily accessible or not user

1 friendly then that was my fault, but I thought that I had uploaded  
2 them successfully. And I apologize for that.

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

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

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

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

20                   So that 30 day period in the middle preparing for  
21 our Board meeting and in the middle of litigation did provide some  
22 time constraints but we did collect as many as we could because in

1 the past and I have done a number of these, we would just submit  
2 the names and their title and their institution and we have never  
3 been cited before even though we did have quite a bit of the  
4 information I still had to notify or go online and get some of that  
5 material.

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

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

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

18 I would point out that institutional data is  
19 completely different from program level data. The physics  
20 completion rate may be very different from math from sociology,  
21 psychology and even using the National Clearinghouse data which  
22 I think is really important to use, begs the issue about

1 disaggregation of data with the data difference between first  
2 generation students, all different kinds of students, race ethnicity  
3 and the like and so I would just say that it is a caution that to use  
4 the frame of a bright line at an institutional level itself can be a  
5 Tierney of a number that begs the kind of analysis that institutions  
6 need to do and that teams would need to review.

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

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

21                   And the timeline for change is also a relevant  
22 question given the two year rule that all accrediting agencies

1 operate under. And so I would just say that this is an area where I  
2 feel that the quality of the conversation needs to be moved forward  
3 at a greater level of depth than just a singular, we need a bright line  
4 or there are “x” numbers of institutions.

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

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

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

20                   I want to say that I think it has got to include all of  
21 the regionals not just you and that I would say that your process is  
22 one that at least with your region seems to be working well. And

1 we copied parts of it and so I can't --

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

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

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

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

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

20 And so that's why we made it retroactive because  
21 they did have a status and within that status they met all the federal  
22 regulations.

1 MR. WOLFF: Got it.

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

9 MR. WOLFF: No retro activity?

10 MS. WHEELAN: No.

11 MR. WOLFF: It's only going forward?

12 MS. WHEELAN: That's right.

13 MR. WOLFF: Thank you.

14 VICE CHAIRMAN WU: Okay Jill?

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

20 It's primarily oversight but these kinds of major  
21 challenges, these macro issues that really we deal with when we  
22 are talking about higher education and the underperformance of

1 institutions and our role in all of that.

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

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

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

20                   For instance what you mentioned in terms of the  
21 standard around financial counseling I think that's very important  
22 and I want to acknowledge you for doing that. And the regional

1 initiatives you were talking about that you are taking a leadership  
2 role in. I think that too is very critical.

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

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

13 MS. WHEELAN: Thank you.

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

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

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

1 understand that.

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

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

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

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

21                   And I understand that the IPEDS data is not perfect  
22 and I am sure, feel free to critique that but it still tracks students

1 and we cannot discredit IPEDS data just because it doesn't provide  
2 a complete picture because I know when we got into this national  
3 student record debate and if any action comes of that people will  
4 still be yelling that the data is not perfect.

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

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

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

19                   But quite honestly its baby steps for us. You know  
20 we have identified the fact that this is an issue not a problem. We  
21 have come up with what we think is a process by which we can  
22 identify where institutions really are or a better representation than

1 just IPEDS because if you remember I said we included IPEDS  
2 data, Clearinghouse data and self-reported data, so we have not  
3 excluded IPEDS data we have just chosen not to rely on it solely,  
4 okay.

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

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

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

22                   Our energies will be in reporting those but in

1 working with the institutions that are the ones that you just  
2 identified that have anywhere from a zero to a 50% graduation rate  
3 because the average graduation rate is 50%. We have got to at  
4 least get them up to that.

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

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

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

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

21 MR. BOEHME: And I think that we often times  
22 and particularly when we look at gainful employment and we look

1 at for-profit schools, there's a special attention paid to repayment  
2 rates getting jobs. But there are also serious issues within your  
3 schools on that issue, particularly 89 institutions have a repayment  
4 rate below 25% and those schools receive 3 billion dollars in  
5 federal student aid.

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

9 MS. WHEELAN: Yep it is.

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

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

20 MS. WHEELAN: Yes.

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

1   troubling.

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

3                   MR. BOEHME: Right and so we have to pay  
4   attention to the for-profits, the non-profits and every school in  
5   between and the data is just not looking good.

6                   VICE CHAIRMAN WU: Okay Herman?

7                   MR. BOUNDS: Yeah I just wanted to point out a  
8   couple of things just relative to the staff report and the staff's  
9   confidence when we conduct an accreditation review. We have to  
10  -- I understand all of this discussion is going on but I just want to  
11  make clear we give the agencies guidance on how to meet the  
12  current, you know, the current regulations.

13                   And we have already discussed that -- I think Ralph  
14  brought it up, that the current regulations, you know really don't  
15  require the Agency to have these benchmarks and it really does  
16  speak to the institution establishing a student achievement  
17  standard.

18                   There's nothing that prevents an Agency from  
19  doing that but the regulation really says it is established by the  
20  institutions based on the institution's mission. So I just want to say  
21  I wonder if I would understand that we as a staff are not cognizant  
22  of what everybody things but when we review the Agency we have

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

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

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

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

20                   VICE CHAIRMAN WU: Great so we have Susan  
21 and Kathleen and are there any other members of NACIQI with  
22 comments? We will pick up after lunch with more comments but I

1 think after Susan and Kathleen we will break for lunch for one  
2 hour, Susan?

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

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

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

15 MS. WHEELAN: Yes we do.

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

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

22 MS. PHILLIPS: So there is written material that we

1 received with raised questions of integrity and control.

2 MS. WHEELAN: Okay.

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

6 VICE CHAIRMAN WU: So I'm sorry Susan were  
7 you proceeding or no?

8 MS. PHILLIPS: Proceeding.

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

13 MS. PHILLIPS: The concern that was raised in the  
14 additional materials that we received was about how well  
15 SACSCOC addressed issues of integrity and control in relation to  
16 financial materials for actually a couple of different institutions.

17 I don't particularly want to talk about specific  
18 institutions but you may want to address them in a general sense.

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

1 different things about the institutions from a financial standpoint.

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

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

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

19                   We know we are watching all of them. So we don't  
20 miss a whole lot because we don't let a whole lot by. I don't  
21 know a specific case but I will tell you we ride herd. One  
22 component of that is the fragile institution base that we do have

1 small, private liberal arts institutions in addition to some others  
2 that were mentioned in your materials.

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

8 But I will tell you we watch all the time.

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

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

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

21 To understand how it is working and how that is  
22 affecting the institution and so there are times when a school could

1 fail that score and we would say -- you know, we understand --  
2 investment losses will do it. Sometimes a committee will receive  
3 additional information documentation on a visit that hasn't hit the  
4 audit yet or maybe the Department is a little bit behind and our  
5 information is more current because we are looking up those audits  
6 as soon as they are produced.

7 I don't know exactly what you want.

8 MS. PHILLIPS: That's a great start.

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

12 MS. PHILLIPS: And questions of the integrity?

13 MS. BARRETT: Are you referring financially?

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

16 MS. BARRETT: It may not me a "me" question  
17 but I will tell you this. If you want to get specific about a case that  
18 was mentioned earlier for which there was a conflict on this panel.  
19 The Board looked at that specific institution in December of 2014  
20 based on unsolicited information letter that came out of my office  
21 and said we really need to look at this issue with this parent of this  
22 institution and the Board gave it a thorough review with extensive

1 discussion and found that there was not a problem at that  
2 institution I don't know if that helps.

3 MS. PHILLIPS: Thank you.

4 MS. BARRETT: Thank you.

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

11 VICE CHAIRMAN WU: Okay Kathleen?

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

17 And the head of the Department was absolutely  
18 insistent that all -- every single athlete was being watched, was  
19 being watched and pampered. I don't mean with clothes or cars or  
20 anything, they were being watched in study hall, in classes and  
21 followed so that they would be successful and it just seems to me  
22 to be such a reasonable model.

1                   Plus the models that Steve has and Paul LeBlanc  
2 have -- these are models that are working and I think I would love  
3 to have you with UNC which of course I can't tell you what to do,  
4 but I would love to have you ask them what safeguards do they  
5 have in place so that students who they want to have there are  
6 helped so that they do graduate and they do have a real degree.

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

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

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

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

19                  But for the most part every one of our schools have  
20 -- I mean those Division 1 schools, have huge facilities to  
21 accommodate academic support for these athletes. So how they  
22 work those you know, every one of those schools again is very

1 different. I mean I hate to use that word but it is very different.  
2 The leadership and the Board set the pace for the entire institution  
3 in how it controls athletics and that's the most important.

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

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

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

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

19                   MS. LUTHMAN: It absolutely is because of how  
20 they are reporting and they are submitting syllabus and who they  
21 are reporting to and who it has to sign off to. These are all  
22 independent courses and so they have all of these structures now of

1 sign offs that they never had before. It just rested in one  
2 department.

3 MS. WHEELAN: And we will review them again  
4 this December with their reaffirmation and again in five years in  
5 their 5<sup>th</sup> year follow-up to make sure those things are still in place.

6 MS. ALIOTO: Well assuming that in December  
7 you decide to give them that five year.

8 MS. WHEELAN: Well that's what I am saying --  
9 that's part of that review though is what I am saying, yeah.

10 MS. ALIOTO: Thank you.

11 VICE CHAIRMAN WU: Okay so I have one  
12 question but I am just mindful it is almost 1 o'clock so I am going  
13 to hold my one question until after our lunch break. So we will  
14 take a one hour lunch break.

15 But I will tell you what the question is so that you  
16 can mull it over at lunch. And this goes back to something that  
17 John said -- that this whole system depends on honesty and  
18 everyone taking part.

19 My question is just what, if anything, and maybe  
20 the answer is nothing but I would invite you to think about it --  
21 what, if anything, could we, NACIQI in any way do to help give  
22 you the tools that you need? Because it seems to me that your

1 Agency and all agencies are between a rock and a hard place.

2 All of these demands are put on you yet you don't  
3 have some of the powers that we might imagine that you could  
4 have and some wouldn't want you to have them. But what is there  
5 that NACIQI could do that would help improve, in terms of  
6 specifically integrity, honesty, transparency data and if there is  
7 anything at all because I would welcome your thoughts.

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

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

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

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

16 VICE CHAIRMAN WU: That's fine, that's fine.  
17 So we had just that last question. Is there anything that we,  
18 NACIQI, could do or are there improvements that we could make  
19 that would address this issue about honesty in some practical  
20 matter?

21 MS. WHEELAN: We thought about it and did  
22 discuss it over lunch. Where we could use your support is

1 regarding the quality of the data and the information that is  
2 presented in some better way not to have three different data points  
3 all with the same information but all interpreted differently like the  
4 scorecard, you know, and everything.

5 I don't know that the unit record system is the best  
6 answer but some way that we can have, you know, better data by  
7 which to use. One of the examples Ms. Neal was using earlier was  
8 an institution that had a zero graduation rate. They have a total of  
9 483 students and there were only 2 students in that cohort, so yes  
10 they have a zero percent graduation rate.

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

18 We do believe that our institutions do practice  
19 integrity by and large but there is always one bad apple in every  
20 bunch and I don't know, you know, how we can address the  
21 minority of institutions that you know, tend not to be honest in the  
22 process that we do.

1                   So no, I don't know of anything else with which we  
2 can use your assistance.

3                   VICE CHAIRMAN WU: So if I might restate that.  
4 I hear you say that at least with the federal government data that  
5 improvements could be made and earlier I think you or perhaps  
6 somebody else had mentioned that one of the problems is IPEDS  
7 only tracks --

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

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

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

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

22                  I'll note there are no third-party commentators.

1 That person is not here, so there are no third-party commentators.

2 Okay any responses to Agency comments?

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

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

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

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

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

21 So you are asking could the action be taken faster  
22 than a year from now so it could be resolved and we didn't take up

1 time one year from now is that right?

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

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

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

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

11 MS. PHILLIPS: No that was all.

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

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

1                   MR. BOUNDS: I'd like to respond to that question.  
2 We actually discovered several agencies that were, you know,  
3 practicing retroactive accreditations. When we approached those  
4 agencies they agreed to fix the issue. The agencies are going to  
5 come up for review next also had that opportunity.

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

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

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

21                   VICE CHAIRMAN WU: Did you want to follow-  
22 up Anne?

1 MS. NEAL: I'll wait.

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

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

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

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

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

20 We are here to improve the life and lives and  
21 education of students so that would be my one concern about this.  
22 That we are accrediting two accreditation agencies today and we

1 have challenges with both of them. I'm still going to vote yes.

2 VICE CHAIRMAN WU: Okay Anne?

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

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

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

19 And as the Center for American Progress said in its  
20 third-party report, it is not clear if this kind of review can be  
21 considered a rigorous application of standards and I quite frankly  
22 do not feel that it is. And so notwithstanding the ministerial

1 fixation with VITA's and conflict of interest forms and resumes as  
2 I look at the record of this regional accrediting body with 33 billion  
3 dollars in federal financial aid that it serves as a gatekeeper for and  
4 I look at the array of schools with single digit graduation rates and  
5 I think the dis-service we do to students by saying that these  
6 schools are accredited and giving them some expectation that they  
7 will graduate and find success -- I feel we are really doing students  
8 a dis-service by continuing to allow substantial amounts of federal  
9 dollars to go to schools with this very limited performance.

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

19                   VICE CHAIRMAN WU: Further discussion, yes  
20 Simon?

21                   MR. BOEHME: I will also be voting against it and  
22 this should come to no surprise to many of my colleagues here at

1 NACIQI for many some of our new members that I have expressed  
2 with previous regional accreditors that I do not believe that they  
3 are up to the task.

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

12                   VICE CHAIRMAN WU: Jill?

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

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

1 we have to recognize that.

2 VICE CHAIRMAN WU: Okay, any other  
3 comments? I think we are ready for a vote then. The Motion  
4 which I will read it back -- Renew the Agency's Recognition for  
5 five years, all in favor please signify by raising your hands -- all  
6 opposed please signify by raising your hands -- okay. Are there  
7 any abstentions who wish to be noted as such -- Arthur okay and  
8 the recusals have been noted already.

9 Okay I think that concludes our discussion of this  
10 Agency. Why don't we take a brief break --

11 MR. WOLFF: Could you just say what was the  
12 final tally I couldn't --

13 VICE CHAIRMAN WU: The final numbers?

14 MS. HONG: 6-2 with one abstention.

15 VICE CHAIRMAN WU: 6-2 with one recusal --  
16 I'm sorry with four or five recusals and one abstention. And in my  
17 role of Vice Chair serving as Chair I did not vote. Okay, let's just  
18 take a 2 minute break to allow our absent colleagues to come back,  
19 again feel free to talk amongst yourselves.

20 **NACIQI RECOMMENDATION**

21 **Renew the Agency's recognition for five years.**

22 (Break 2:31 p.m. - 2:33 p.m.)

1                                   **Renewal of Recognition**

2                                   **Accreditation Council for Pharmacy**

3                                   **Education (ACPE)**

4                                   CHAIRMAN KEISER: I'll call this meeting back  
5 to order. Frank, thank you. We are now looking at the Renewal of  
6 Recognition for the Accreditation Council for Pharmacy  
7 Education. The Primary Readers are Ralph Wolff and Federico  
8 Zaragoza. Chuck Mula is the staff member and we have three  
9 Agency representatives who we will introduce later.

10                                  And Ralph or Federico who wants to introduce this  
11 Agency?

12                                  MR. ZARAGOZA: I'll do that.

13                                  CHAIRMAN KEISER: Thank you Federico.

14                                  MR. ZARAGOZA: The Accrediting Council for  
15 Pharmacy Education, ACPE, is a programmatic agency  
16 continuously recognized by the Secretary of the U.S. Department  
17 of Education since 1952.

18                                  In fact the Agency was on the first list of nationally  
19 recognized accrediting agencies published in 1952. Since that time  
20 the Secretary has periodically reviewed the Agency and has  
21 granted continued recognition.

22                                  Originally known as the American Council on

1     Pharmaceutical Education, the Agency was renamed Accreditation  
2     Council of Pharmacy Education, ACPE, in 2003. The scope of  
3     ACPE's recognition is for the accreditation and pre-accreditation  
4     of professional degree programs in pharmacy leading to the  
5     Doctorate of Pharmacy within the U.S. including programs offered  
6     via distance education.

7                     Accreditation by ACPE does not enable programs  
8     to participate in Title IV programs. However, ACPE accredits  
9     programs that do participate in non-HEA federal programs under  
10    Title VII.

11                    Currently the Agency accredits approximately 114  
12    programs and pre-accredits 16 programs throughout the United  
13    States, Puerto Rico and the District of Columbia.

14                    The last review of the Agency took place in the  
15    June, 2012 meeting of the NACIQI. The Agency is before us with  
16    a Petition for Continued Recognition by the Secretary and the  
17    subject of the analysis of this report.

18                    As part of its evaluation of the Agency's current  
19    Petition for Continued Recognition the Department staff reviewed  
20    the Agency's narrative and supporting documents and determined  
21    that ACP does not meet the requirements of 602.15A-4.

22                    There were no third-party comments as part of this

1 Agency's Petition. Mr. Chairman at this point I will defer to staff  
2 for the review and recommendations.

3 CHAIRMAN KEISER: Thank you very much, Mr.  
4 Mula?

5 MR. MULA: Good afternoon Mr. Chair and  
6 members of the Committee. For the record my name is Chuck  
7 Mula and I will be presenting a brief summary of the Petition for  
8 Continued Recognition from the Accreditation Council for  
9 Pharmacy Education hereinafter referred to as the Council or the  
10 Agency.

11 The Agency's Petition for Continued Recognition  
12 by the Secretary is the subject of my report. There are no third-  
13 party comments in connection with the Agency's Petition however  
14 the Department is working on one active complaint.

15 That complaint is centered around a student's  
16 allegations about the unfair treatment by faculty staff and the  
17 unwillingness of the organization that's accredited by the  
18 pharmacy to grant her her classes so that she can finish her  
19 Doctorate Degree.

20 So far the Department has reviewed this three times  
21 and has made determinations that there is no substantive issues that  
22 can be addressed by the criteria and we continue to get complaints

1 so we continue to review them.

2                   The Department only has one concern with the  
3 Agency's Petition for Recognition and it is affirmation that it has  
4 always included Board members as active participants of the on-  
5 site evaluation teams and that the Council does not recuse the  
6 Board member that serves on the evaluation team from discussing  
7 or voting on the programs of accreditation at the decision  
8 meetings.

9                   The Agency's narratives basically state that its  
10 evaluation teams are carefully created to ensure a balance of  
11 perspective, evaluation of representative members and to protect  
12 against conflicts of interest.

13                   In addition the Agency's evaluation process  
14 requires that individual programs review the proposed site teams  
15 for potential conflicts of interest and provide verification regarding  
16 the absence of any conflicts of interest among the selected  
17 evaluation team members.

18                   The Department staff agrees that the Agency has  
19 provided sufficient documentation demonstrating it has a rigorous  
20 conflict of interest policy. However, with regards to having Board  
21 members serving in an active role on site teams the Department is  
22 very concerned.

1                   While it is an accepted practice with accrediting  
2 bodies to have Board members of company site evaluation teams  
3 as observers, it is not commonly accepted practice for accrediting  
4 bodies to allow Board members to have a direct role in the  
5 evaluation process and to make evaluation decisions and  
6 recommendations or to allow them to vote at Board meetings on  
7 specific programs visited.

8                   Serving in both roles evaluator and decision-maker  
9 can change a perspective of the other decision-makers. While the  
10 Department does support the policy and practice it allows Agency  
11 Board members to participate as site team evaluators when they are  
12 needed as specialists who serve on a team in a specific role and  
13 then recuse themselves from the decision-making process.

14                   Therefore the Department has requested that the  
15 Council revise its policies to stipulate that Board members who  
16 participate in the evaluation process as active evaluators recuse  
17 themselves during decision-making process per the requirements  
18 of 602.15A4 and that the NACIQI recommend to the senior  
19 Department official to continue the Agency's current recognition  
20 and require the Agency to come into compliance within 12 months  
21 and submit a compliance report 30 days after the 12 month period  
22 that demonstrates Agency's compliance with identified issue.

1                   This concludes my report. Members of the Council  
2 are present and I am happy to answer any questions you may have.

3                   CHAIRMAN KEISER: Ralph?

4                   MR. WOLFF: Thank you for that summary and I  
5 do want to hear from the Agency representatives. But I am  
6 confused and so I want to know the staff position before we hear  
7 from the Agency.

8                   To require a compliance report within 12 months  
9 requires a finding of non-compliance. The Agency has been found  
10 in compliance in your staff report with the conflict of interest  
11 policy. And quoting from the staff report -- the basis for a -- you  
12 used the word request, but I would say it would appear that the  
13 Department and if your recommendation were accepted and  
14 adopted it would be a requirement that they change a practice  
15 which is defined as a "commonly accepted practice".

16                  So I'm trying to understand. On the one hand there  
17 is a finding they are in compliance with conflict. This is an issue  
18 of what's common practice and may make good sense but we are  
19 in the business of saying is there a finding of non-compliance? So  
20 help me understand why the requirement would be made for  
21 something that is a commonly accepted practice but not apparently  
22 a non-compliance issue?

1                   MR. MULA: That's a good question. Their  
2 standards for conflict of interest are very strong. The Department  
3 looks at this process as not so much a conflict of interest process  
4 but a process of determining the accreditation of an institution or a  
5 program.

6                   And when we have 602.15 basically says that there  
7 are certain roles played by certain members of the Commission.  
8 Its site evaluation team members do the evaluation. Its  
9 Commissioners do the decision-making. We have found out in  
10 observation of decision-making process with other agencies, and  
11 with common practice those other agencies -- they do not allow  
12 their Commissioners, their decision-making body members to be  
13 on an evaluation team and then come back and actually do a vote  
14 on the accreditation of that organization.

15                   Therefore we are -- the Department has stepped  
16 forward to try to enforce that requirement. We looked back on this  
17 Agency's record for several re-justification periods and I could not  
18 find anywhere where this was mentioned before.

19                   So we tried very hard to say well we can't do this  
20 without a really good reason. Well the only reason we really had  
21 was the basis that everybody else in the business is not doing it and  
22 that is a common accepted practice among the accrediting bodies

1 and they do not do this for a reason.

2                   So we have determined that we will do our best to  
3 enforce this requirement under 602.15 and of course the Agency is  
4 right to, you know, come and give its story and you have your right  
5 to do what you feel is best but the Department is concerned that  
6 this practice could be very -- set a very bad precedent where the  
7 Commissioners have voting rights.

8                   MR. WOLFF: Can I just ask -- thank you. I remain  
9 a little bit confused but I understand what got you to this point.  
10 Did you when you visited the Agency did you observe a situation  
11 in which this practice actually occurred?

12                   MR. MULA: I actually did not have an opportunity  
13 to visit the Agency. I was -- this Agency was Steve Porcelli's  
14 agency and with Steve retired I inherited the last portion of the  
15 process. So I did not get a chance -- I did however, do as much  
16 research as I possibly could and they have a very, very strong --  
17 like you said Mr. Wolff, they have a very strong conflict of interest  
18 policy and we did find them in compliance with that.

19                   But the process itself is very concerning and that's  
20 why we made this decision.

21                   MR. WOLFF: Thank you.

22                   CHAIRMAN KEISER: John?

1                   MR. ETCHEMENDY: So I'm just curious what  
2 section are you saying -- are you putting this under since you are  
3 not saying they don't comply?

4                   MR. MULA: Section 602.15A through 4 where it  
5 actually breaks down the rules of each of the members of an  
6 accrediting body. There are review panels, the appeal panel, there  
7 are evaluation team members and there are decision-making  
8 bodies.

9                   Those roles are specific. The qualifications for  
10 those roles are very specific. When it comes to evaluation team  
11 members we even break that down further and require educators,  
12 professional people who actually do the work, administrator of  
13 sorts.

14                   So we know that we break that down and when we  
15 review the qualifications of these people we actually review the  
16 resumes and their experience to see if they are qualified in those  
17 positions.

18                   The Commission itself is a very unique body. It has  
19 only one purpose and that's to make accrediting decisions in a very  
20 unbiased and a very strategic and planned out portion. They go by  
21 regulations. They go step by step by procedures and in those  
22 procedures they make decisions based on the material they have.

1                   And one set of material they receive is from the site  
2 evaluation team. Now the site evaluation team goes in there for  
3 the main purpose of evaluating them against a self-study and the  
4 standards of the accrediting body.

5                   And they are in there to do one thing only -- not  
6 make decisions, they are in there to see if they are compliant with  
7 those and then report their findings to the Commission so the  
8 Commission can make a determination.

9                   We think -- we believe, we have seen that if a  
10 Commissioner goes into a site, a visiting team and actually  
11 participates in the site visit and becomes an evaluator -- when that  
12 person comes back to the Commission meeting that person can  
13 throw influence on the rest of the Commission.

14                   So they are not seeing the evidence the same way  
15 everybody else sees it. They have seen it beforehand, they have  
16 been involved in discussions of the evaluation team and they made  
17 their decision before all the evidence is given. There's more than  
18 just evaluation evidence.

19                   MR. ETCHEMENDY: So let me just make clear  
20 that I understand the reason and your concern and I actually agree  
21 with the concern. I think it is not a good practice. I was just trying  
22 to figure out what clause it fit under here and it seemed to me that

1 it was actually the conflict of interest 602.15A6 rather than the one  
2 that you singled out but I don't -- that's fine whatever.

3 MR. BOUNDS: So I just wanted to clear up some  
4 issues. So as Chuck said we reviewed their conflict of interest  
5 policy, the policy did look well. We have them non-compliant  
6 under the 602.15A4 which is basically for the composition of the  
7 site team. They both play up on one another but to answer your  
8 question we have them non-compliant under composition of site  
9 team.

10 It still is a conflict of interest issue. We could have  
11 put it under conflicts of interest which is a concern but it also  
12 bleeds over into the makeup of a site team also so that's where the  
13 link is. Again it could have went up top or it could have went  
14 down below, that's not a good analogy but it could have went into  
15 the conflicts of interest or the site team representative.

16 We just chose the site team representative because  
17 we thought they did have a pretty good conflict of interest policy  
18 and when you find somebody non-complaint because of conflicts  
19 of interest, you know, that stirs a lot of angst so that's why we put  
20 it there.

21 It may not be there but that's where we put it.

22 CHAIRMAN KEISER: I have a question Chuck or

1 Herman. What I hear is your talking about best practices versus  
2 regulatory requirement. Is that where we are and what we are  
3 recommending?

4 MR. BOUNDS: It comes with some of that and it  
5 also comes with past practice and we have always said that -- at  
6 least since I joined the accreditation group it has always been the  
7 issue that a person could only serve in one role at a time because  
8 they are supposed to be serving on unique role.

9 So you know it depends on how you interpret the  
10 rule. It has just been interpreted that way since I got to the group  
11 and even before I got to the group so that's why we have it there. I  
12 will say that when we have had issues -- again I bring up issues of  
13 complaints and folks question the decisions of agencies. This issue  
14 does come up and it makes it weedy when you have to go in and  
15 figure out, you know, was there an issue because this guy was  
16 serving as a practitioner, was he serving as a Commissioner or was  
17 he serving as a site team member.

18 CHAIRMAN KEISER: Maybe we will move on  
19 and we will listen to the Agency's response if that would be okay.  
20 Chuck thank you very much we will see you in a minute.

21 Would you members of the Agency please  
22 introduce yourselves and proceed?

1                   MR. VLASSES: Good afternoon my name is Pete  
2 Vlasses, I am the Executive Director of the Accreditation Council  
3 for Pharmacy Education. This is my 18<sup>th</sup> year as the Executive  
4 Director and my 4<sup>th</sup> time addressing NACIQI as part of that  
5 process.

6                   As mentioned ACPE accredits the Doctor of  
7 Pharmacy degree programs which is the entry level degree for the  
8 practice of pharmacy and as a requirement for licensure in all U.S.  
9 states and territories.

10                  There was a minor error in the report from the staff  
11 in that we actually have 141 programs that are either accredited or  
12 pre-accredited by ACPE.

13                  With me today are two colleagues and they will  
14 introduce themselves.

15                  MR. TUCKER: Good afternoon my name is Tim  
16 Tucker. I am a community pharmacist from rural West Tennessee.  
17 My family has own City Drug in Huntingdon, Tennessee for 52  
18 years.

19                  As President of the American Pharmacist  
20 Association in 2008 and 2009 and currently have the privilege of  
21 serving as President of the ACPE Board of Directors. My Board is  
22 made up of ten individuals representing experts in practice,

1 education and regulatory and we have one public member. Thank  
2 you for having us this afternoon.

3 MR. BOYER: And I'm Greg Boyer, Director of the  
4 Colleges and Schools Accreditation Program at ACPE and I have  
5 been with the Agency 15 years.

6 MR. VLASSES: We appreciate the opportunity to  
7 be here today to address NACIQI to discuss our Agency and  
8 answer your questions. We want to thank Mr. Bounds and the  
9 Department staff for their service and for allowing us to be on the  
10 Agenda today as our Board of Director meeting starts tomorrow.

11 We want specifically to thank Mr. Mula for his  
12 guidance to us in preparing our response and to the preparation of  
13 his report. Of note however we do wish to take this opportunity to  
14 provide NACIQI a statement in response to the recent U.S.D.E.  
15 staff report submitted to the senior Department official on  
16 recognition compliance issues.

17 Specifically, we wish to address the Director for  
18 ACPE to revise our policies related to Board member participation  
19 in on-site program evaluations and the decision-making process at  
20 our Board of Director's meetings.

21 ACPE has employed the policy under discussion  
22 substantially unchanged since its founding in 1932 and through the

1 time of our U.S.D.E. recognition initially in 1952 and since. Until  
2 the present staff report the manner in which ACPE Board members  
3 addressed their responsibilities as on-site reviewers and decision-  
4 makers has never been challenged by the U.S.D.E.

5           The report states that ACPE does not meet the  
6 requirements of this section. ACPE needs to revise its policy to  
7 stipulate to Board members who participate in the evaluation  
8 process as an active evaluator must be recused during the decision-  
9 making process.

10           The report then cites the U.S.D.E. Regulation  
11 602.15A4. However, this cited section does not require of the  
12 accreditors specifically that is set forth in the report to ACPE.

13           Section 602.15A4 simply states an agency must  
14 demonstrate that it has educators and practitioners on its evaluation  
15 policy and decision-making bodies. And this is important --  
16 evaluation policy and decision-making bodies. Otherwise agencies  
17 would have to have three separate organizations that they do  
18 business with.

19           Most groups do policy and boards and then they  
20 make a decision about their evaluators being decision-makers at  
21 the table and discussions. Though many choose to not have that  
22 happen we are aware of other agencies in fact that allow what we

1 allow in one shape or form or another.

2                   So if the Agency accredits programs and single  
3 program institutions to prepare students for a specific purpose  
4 which is us. ACPE has provided all requested documentation to  
5 substantiate its compliance with this section including the strict  
6 attention to real and perceived conflict of interest issues.

7                   Similarly, in the U.S.D.E.'s guidelines for its  
8 regulations the accompaniment of Section 602.15A4 does not  
9 specific a separation of functions. It simply sets forth the review  
10 elements and sample documentation to demonstrate compliance.

11                   ACPE has provided all requested documentation to  
12 demonstrate compliance with the above. The staff report is  
13 directing ACPE to discontinue the process that the Board and staff  
14 find to be extremely valuable when engaging in in-depth  
15 discussions in order to make the most informed decisions possible.

16                   Such as inner growth the ACPE's mission and its  
17 responsibility is the U.S.D.E. and CHIA recognized accreditor of  
18 pharmacy programs. This long-standing practice has proven  
19 successful as evidenced by ACPE accreditation programs are  
20 excellent, licensing pass rates, our educational completion data and  
21 our employment data that we will be happy to share with you in a  
22 conversation.

1                   We are doing -- what we are doing at ACPE assures  
2 quality and quality improvement and we do not believe a change is  
3 needed and we look forward to answering your questions.

4                   CHAIRMAN KEISER: Ralph, Federico?

5                   MR. WOLFF: Well I'll start. I think we ought to  
6 take up this issue. I have a series of other questions I would like to  
7 talk with you about but I'm assuming that those who serve on  
8 teams when they come to the decision-making process are  
9 identified as team members so how do you assure where this  
10 practice in the past and where this practice to continue the  
11 avoidance of -- you could say either A4 or A6, the appearance of a  
12 conflict or role confusion if you will, this evaluator decision-maker  
13 and being separate processes.

14                   So how do you take that into account or how has  
15 that worked in practice?

16                   MR. VLASSES: The evaluation teams provide  
17 their evaluation team report. It identifies who was on the team.  
18 The Board members known who they are and then at the table  
19 there's discussion. All of our site teams are led by one of five  
20 people -- four are full-time employees and one full-time or retired  
21 consultant who used to be a President of our Board.

22                   The conversation goes around did they meet the

1 standards, what issues are out there that they may not be  
2 addressing and what action should the Board take? At that point in  
3 time there is a Motion, a second and then a vote based on all voting  
4 members of the group.

5           Some Board members will recuse themselves prior  
6 to the discussion even occurring. The people that go on site teams  
7 do not have a conflict of interest and that is why they are assigned.  
8 And the Dean of the program accepts the individuals as acceptable  
9 to them without any known conflicts of interest.

10           So we do whatever we can and we make people  
11 leave the room where there are conversations where they claim,  
12 you know, a potential or perceived conflict.

13           But we see the ability for a group of people to serve  
14 in three capacities -- an evaluating capacity which gives them a  
15 better personal appreciation of the standards, how they are being  
16 interpreted by site teams to be part of that process, to be policy-  
17 makers as we change standards and have that and they have their  
18 own understanding of what the issues are in the field.

19           And then to actually make decisions that are strictly  
20 driven by standards and whether compliance occurs or not.

21           MR. WOLFF: I want to see if there are others who  
22 want to talk on this issue. Let me just say with this one more

1 thing. I mean one could say -- one could argue that actually having  
2 been on the team would be an advantage because you actually can  
3 give greater depth about what the report actually meant and said  
4 and what the data was, what the team looked at.

5                   On the other hand, one could argue that having been  
6 on the team that that person could unduly influence a decision by  
7 strongly advocating the recommendation of the evaluation  
8 committee versus the other -- the larger group.

9                   And I think it is the latter that would be the concern,  
10 the undue influence of somebody who had been on the team. I  
11 wonder if you could comment on that balance and how that  
12 balance is struck?

13                   MR. VLASSES: The only thing I can say is in our  
14 85 year history that has never been an issue that was brought up.  
15 We have never had a complaint regarding a Board member being  
16 on the team and then being a decision-maker.

17                   This is a collegial process across ten professionals.  
18 They hold each other very accountable to the standards and that's  
19 the bottom line. And therefore you could argue that any potential  
20 bias could be pro, could be negative, could be neutral -- there's no  
21 one depiction of what being on a site team would mean in terms of  
22 the process.

1                   And we have no perception in our history that this  
2 in any way interferes with our job that we are supposed to do and  
3 our outcomes support that.

4                   MR. ETCHEMENDY: Art? Art can I ask a  
5 follow-up?

6                   CHAIRMAN KEISER: Yes.

7                   MR. ETCHEMENDY: So the real question is not  
8 whether you have ever had a complaint about this practice in  
9 history, the real question is have there ever been cases where the  
10 team -- the visiting team recommended one way and the Board --  
11 and then that person participating on the Board, the Board actually  
12 went against the recommendation?

13                  MR. BOYER: Absolutely, it happens all the time.  
14 When the Board looks at individual particular standards that they  
15 might want to monitor or through the discussion decide that the  
16 team report or the recommendation from the team is either too  
17 harsh or not harsh enough through the process discussion that  
18 occurs around the Board table, those decisions are taken by the full  
19 group.

20                  MR. ETCHEMENDY: And this is also where you  
21 have a member of the visiting team also on the Board?

22                  MR. VLASSES: Absolutely. So I did want to, if I

1 understood your question correctly I thought if it was a member of  
2 the Board on a team then disagreeing with the evaluation team  
3 report. You are asking the question about do other Board members  
4 feel free to disagree with a team report in which the Board member  
5 was present?

6 MR. ETCHEMENDY: Right. The concern is that  
7 there is too much influence that that person could exert too much  
8 influence on the Board and so the real evidence against that is that  
9 the Board doesn't go along and so you have answered that.

10 CHAIRMAN KEISER: Frank?

11 MR. WU: I wanted to make sure that I heard  
12 something correctly. Did you say that you are aware of other  
13 agencies that are structured the way you are structured? And I  
14 don't know if you are comfortable calling them out -- okay so you  
15 decline to do that.

16 MR. VLASSES: All we are saying is this is a  
17 standard practice that's not so standard.

18 MR. WU: Right so I actually have a question for  
19 staff and I'll preface this with there are two types of consistency  
20 that I think we should be mindful of. One is something that Anne  
21 has mentioned many times and I think she is right -- consistency  
22 agency to agency.

1                   It would not be right to treat one agency one way  
2 and to treat the next agency a different way. I actually think it is  
3 not likely that any of us would deliberately do that but I think there  
4 is a decent chance that we will negligently do that simply because  
5 it is a different pair of Primary Readers each time and we are not  
6 always focused on the same set of issues, so it is entirely possible  
7 that something will slip by us where one agency does something  
8 the way they have always been doing it and another agency --  
9 because you are all peers and colleagues you see one another.

10                   They, for some reason get caught up in something  
11 and of course, not wanting to throw their colleagues under the bus,  
12 you know, we never find out what the other agencies are who  
13 engage in the same practice.

14                   So one is consistency agency to agency, the second  
15 is a type of consistency I'm not that worried about so long as there  
16 is notice which is, we both, the Department and staff and NACIQI  
17 sometimes do things differently over time.

18                   And the reason that I am not worried about that is  
19 because we are progressing, we make improvements I would like  
20 to think and we get better and better. But some might not think we  
21 improve, but what would worry me is if we did it erratically and  
22 not transparently.

1                   In other words if we just suddenly start to do  
2 something differently than the way that it has been done for 50  
3 years or however many years and nobody knows that we are about  
4 to turn the corner and suddenly everyone is in trouble.

5                   So I just wonder -- this is for staff as well but also  
6 for the members. On these two types of consistency how can we  
7 do better both staff and NACIQI both consistency agency to  
8 agency.

9                   And second, not so much consistency but notice and  
10 fairness if we are going to start -- and sometimes it's not changing  
11 because I know we are bound by the statute but sometimes within  
12 the statute some things that we sort of neglected or that nobody  
13 was paying attention to become important and the opposite  
14 happens too.

15                  Some things we used to be really finicky about so  
16 the last vote is an example of this. Sometimes in the past, you look  
17 at a number of years we have been really finicky about every little  
18 detail of have they filed this and that -- we just took a vote where  
19 we said well we are not going to be finicky about a few of these  
20 missing things that we deem to be ministerial.

21                  So the change can run in both directions still  
22 consistent with the statute. So it is just an open question for

1 NACIQI members and staff -- how can we do better in both  
2 regards?

3 MR. BOUNDS: I don't know if I answered the  
4 question but I can say that I know Beth is wanting to raise her hand  
5 and a couple of folks but we have -- this issue has been brought up  
6 before with other agencies and other agencies that we have  
7 reviewed we have made this same type of recommendation.

8 I can also say that, you know, when I first got to the  
9 Department I can distinctly remember the discussion occurring at  
10 that time about this same issue. And from that point, it was  
11 probably maybe before that point, we have been looking at, you  
12 know, Commissioners serving on site teams and so many issues  
13 that everybody has brought up.

14 Does that person or does the decision get influenced  
15 based on maybe something they saw at the site visit and is that  
16 transmitted to the team and transmitted to the Commission when  
17 the Commission is supposed to be taking another objective look at  
18 the review.

19 So we have had these discussions before and I think  
20 some of the staff reports would probably show that. So we try to  
21 be consistent but as you say some things may slip by.

22 CHAIRMAN KEISER: Jennifer and then Kathleen.

1 MS. HONG: Real quickly on the NACIQI side of  
2 things. I do agree that NACIQI's work has evolved over the years  
3 and I certainly think that we can always take a moment to reflect  
4 back on the recommendations that we have made since the  
5 Committee was reconstituted or in recent years and kind of look at  
6 and reflect on the work that we have done.

7 So maybe for our next training session we can do  
8 that and look at the consistency of our recommendations.

9 CHAIRMAN KEISER: Kathleen?

10 MS. ALIOTO: I have another question which is  
11 totally, totally off the subject. But you know I can see both sides  
12 on this but my question is as a nation we are facing an opioid crisis  
13 and you guys are training the doctors who run the pharmacies of  
14 America.

15 And I wondered when you stated that -- I wondered  
16 let's see, are you and your member institutions working with your  
17 Doctoral candidates, the programs, the pharmacies, doctors and the  
18 insurance companies to address the opioid crisis in any way?

19 MR. VLASSES: All of the above.

20 MS. ALIOTO: What are you doing?

21 MR. VLASSES: It's part of our curriculum in  
22 terms of things that we have an Appendix of what the pharmacy

1 curriculum should contain content-wise without descriptions of  
2 credit hours or courses or whatever and it is embedded there.

3 We work together with 12 other organizations that  
4 we are with in advocating for certain things. There has been  
5 legislative changes where pharmacists now are giving Naloxone as  
6 part of their ability to distribute as they see fit in the patient care  
7 environment as a reverser of the opioid effects.

8 So it is a high priority for our profession. It is  
9 things that we are doing -- we also accredit continuing education  
10 providers in our profession so we are working both in the degree  
11 side as well as the continuing education side to make sure that  
12 pharmacists understand the issues, some of which we work in  
13 collaboration with our regulatory body or association.

14 And we make sure that our students are getting  
15 proper education on the current state of affairs and things a  
16 pharmacist can do to improve it.

17 MS. ALIOTO: The problem of course is that the  
18 pharmacy makes money by giving out drugs or selling drugs. So  
19 how do you help them in not doing that?

20 MR. VLASSES: Well the issue is there are valid  
21 reasons why people need opioids. And then the counseling has  
22 gone to how can you determine what looks like a valid prescription

1 and what looks like somebody is an abuser and there is a whole  
2 educational process around that as to when do you refuse to fill a  
3 prescription versus when do you give it because it is important to  
4 the care of a cancer patient or other issues.

5 And arbitrary things we don't do this anymore is  
6 not acceptable it is how do you discern who might be an abuser  
7 and who might need this for medical purposes. So there is a lot of  
8 discussion about how do you do that. It is a very dangerous  
9 situation.

10 Pharmacists are being robbed at gunpoint. They  
11 give them their opioids because, you know, there's a high demand.  
12 The other thing is we have unscrupulous physicians writing orders  
13 and we have unscrupulous pharmacists filling them. And then the  
14 issue is our regulatory bodies are after those people and taking  
15 away licenses and doing things.

16 So our job is the educational front of this both  
17 degree and continuing education.

18 CHAIRMAN KEISER: Ralph did you have a  
19 comment?

20 MR. WOLFF: First of all let me just go back to the  
21 issue and then I want to move on. But in my view in order for us  
22 to accept the staff recommendation with respect to recusal we

1 would need to make a finding of non-compliance and which  
2 regulatory provision it would be and I am still on the fence about  
3 whether it is an area of non-compliance.

4 But common or customary practice does not  
5 provide a basis for me to accept non-compliance under the law. I  
6 want to first of all say I read through your materials, your website  
7 and commend you for the quality of the application, the training  
8 materials.

9 I was overwhelmed by all the rubrics and the work  
10 that your teams need to do but I would -- it's not a but -- and it is  
11 really quite exceptionally high quality. So I want to start with that.

12 I have a number of questions just for information.  
13 Four institutions were identified as being on probation. I could not  
14 find on your website which four they are. There's not public that I  
15 could find when I looked at the accredited status of your directory  
16 everyone is listed as accredited or a pre-candidate.

17 How do you identify and how would the public or  
18 someone know if a program is on probation?

19 MR. VLASSES: There is the current accreditation  
20 standard -- the current accreditation status but there is a link there  
21 that says a history of accreditation that goes all the way back to the  
22 first time they were accredited all throughout their history.

1                   So if you go back to the four programs which we  
2 could name but I don't know that you want that right now, that in  
3 the history is when they were on probation and for what time and  
4 when did they get off. And there's a link under every one of those  
5 things in the directory that says history of accreditation decisions.

6                   MR. WOLFF: I would just say my opinion is for  
7 those that are currently on accredited probation it is unacceptable  
8 to have to go scurry to find it in the history.

9                   MR. VLASSES: There are no programs currently  
10 on probation that's why you couldn't find them.

11                  MR. WOLFF: I thought the staff or somewhere I  
12 read there were four but okay. But if there were I would just say I  
13 think that it would need to say accredited on probation but some  
14 public notice to that effect rather than having to do another click to  
15 read the history.

16                  MR. BOYER: In the last five years we have had  
17 five programs on probation and there is language both in the report  
18 of our proceedings and our website about the fact that they are on  
19 probation and there's even a link where you click to get the  
20 school's response to that probation statement.

21                  MR. VLASSES: Yeah the confusion I think is that  
22 currently these are off probation but that information is still

1 captured in the history of the organization which is a student or a  
2 parent or somebody can go and do if they are interested in looking  
3 at the history.

4 MR. WOLFF: I understand, thank you. Another  
5 question is as I understand fairly recently you have begun to  
6 accredit for-profit pharmacy schools. I wasn't clear how many are  
7 for-profit versus non-profit and have there been any significant  
8 differences in your process in working with the different types of  
9 institutions?

10 MR. VLASSES: We have five for-profit programs  
11 out of the 141 programs that we have. There is no difference in  
12 approach to site team visit, it is all the same rigor that goes into all  
13 of this. These programs are relatively new in the life of our  
14 Agency so therefore they are monitored by greater rigor as all due  
15 programs are in terms of reporting number of visits that happen  
16 during that early phase of development from pre-K candidate to  
17 full accreditation.

18 We see them on the ground during that process  
19 which is a four year, really a five year process with the pre-  
20 candidate, we see them four times on the ground during that  
21 window whether they are for-profit or not for profit during the  
22 development phase.

1                   MR. VLASSES: We have a standard that says they  
2 have to be regionally accredited as part of our own standards so we  
3 monitor carefully the regional accreditation decisions for all  
4 programs. But then if there was one where the regional had a  
5 concern about how the Board of Directors was structured versus  
6 the leadership of the academic institution -- meaning investors  
7 versus non-investors.

8                   And we paid very close attention to what the  
9 regional was asking and made sure when we went in and did our  
10 evaluation we were seeing compliance.

11                  MR. WOLFF: Thank you. I wanted to ask about  
12 going through the pre-accredited and accreditation because you  
13 said earlier that all states require licensure -- require accreditation  
14 for licensure if I understood you correctly.

15                  And it ties into this issue of retroactive decisions so  
16 I want to check out because it has been an issue, are your decisions  
17 from the date of accreditation forward or is there any retro-activity.  
18 But let me start with that and then I am going to go beyond that.

19                  MR. VLASSES: All decisions are of the date of the  
20 Board meeting and there is no retroactive response. It causes some  
21 problems. In our candidate status our document says and our  
22 regulatory people agree that those graduates can sit for the

1 licensing exam as a candidate in an accredited status and that is  
2 acceptable in the pharmacy world around the exam.

3                   Where it is not acceptable is in the VA where they  
4 can't apply for residency programs because they are not accredited,  
5 they are in a candidate program and that's disadvantaging numbers  
6 of students who want to do residency training at the VA.

7                   Even though our language says this is what we do,  
8 you know, with candidate status reviews. And more than that that  
9 they would hold that against them for the rest of their career if they  
10 ever want to work at the VA -- so there are concerns about what  
11 we can do about it.

12                   We have had conversations but we still haven't  
13 resolved.

14                   MR. WOLFF: It's a common issue for any field I  
15 must say having worked with that and other disciplines and a real  
16 problem. And well let me move on -- you had to collect a whole  
17 basket full of outcomes and assessment data and you give a lot of  
18 guidance as to what kind of data would be helpful.

19                   I am not clear if you are collecting or developing as  
20 you collect this data, benchmarks, pass rates, attrition and the like  
21 because I understand that each state, like the bar exam, each state  
22 sets its own pass rate or is that true?

1                   But there is a national exam so do you have  
2 benchmarks that you are working with because each team is to  
3 make an evaluation of the institution's own evaluation of its data?

4                   MR. VLASSES: The national exam is accepted by  
5 all states. The national exam sets its pass cut score each year. So  
6 rather than come up with an arbitrary percent pass we have gone  
7 the trigger route as we have heard from the previous accrediting  
8 body.

9                   And Greg and describe what we evaluated when  
10 and what our outcomes are.

11                  MR. BOYER: Every year we get from the national  
12 licensing body the exam rate scores for the previous year and we  
13 monitor that as the threshold being two standard deviations below  
14 the mean of that particular year.

15                  And so each of those programs that trigger that  
16 threshold, meaning they fall below that value, are asked to explain  
17 to the Board what they are doing to improve their pass rates.  
18 Typically there are about 10 - 11 programs annually that fall into  
19 that category.

20                  We have kind of a three year and five year rule that  
21 if you appear on that list three years in five you actually have to  
22 come to the Board and discuss with the Board your process to

1 improve pass rates on those NAPLEC scores. We just got data  
2 from our nationalizing body a couple of weeks ago that we have  
3 been asking for to look at multiple takers of the exam, those who  
4 took it the first time and did not pass it, second time, third time and  
5 from the National Academy we know that 94% pass on the first  
6 time they go through it and those who may struggle and have to  
7 take it up to three times we can get them up to 96% pass rate.

8 We are going to be making recommendations to our  
9 Board at this coming meeting that we look at that data more  
10 closely on those three time pass rates and also include that in our  
11 annual monitoring parameters so that we have another data point to  
12 look at school performance.

13 MR. WOLFF: How about attrition?

14 MR. BOYER: We also looked -- we get data from  
15 the American Association of Colleges of Pharmacy that collect  
16 data from their member organizations annually and by agreement  
17 and school agreement we get that data so it is reported once, used  
18 multiple times.

19 We look at enrollment trends, changes in  
20 enrollment, we look at attrition. We look at various types of  
21 academic dismissals and then the attrition. We have benchmarks  
22 for all of those based upon historic data. We set those about eight

1 years ago, 6% for some of those comes to mind. The overall  
2 attrition for any reason is something like 24%.

3 If you fall below those triggers then we ask  
4 programs to explain annually what's going on.

5 MR. WOLFF: Given that was eight years ago is  
6 there a plan to review it and see if the benchmarks you are setting  
7 and the trigger points are current?

8 MR. BOYER: We look at those annually to see,  
9 you know, are we having more programs appear? Are they in  
10 adequate numbers? It has been fairly consistent until recently. We  
11 are getting a bit more noise if you will in the system from students  
12 who may not be performing quite as well.

13 They are not coming with the Academic Foundation  
14 perhaps this is the first time in the last couple of years that we have  
15 had any kind of concern about program enrollments. We have had  
16 an expansion of the Academy over the last few years so it is  
17 spreading out a bit.

18 But also other programs that have enhanced their  
19 degree offerings are siphoning off some of the people that might  
20 come into a Doctor of Pharmacy program going on to be doctors or  
21 something else in the health profession so there is a bit of  
22 competition that we didn't have a few years ago at play as well.

1                   MR. WOLFF: And there seems to be a growth of  
2 the number of pharmacy schools -- your pre-accreditation status  
3 lists four or five in addition to those you have granted accreditation  
4 too.

5                   MR. BOYER: We may be just about at the end of  
6 that expansion. We only have two people contemplating at this  
7 point and that is the lowest number in my tenure at ACPE.

8                   MR. VLASSES: I will say when I joined 18 years  
9 ago we had 76 schools for 35 years and now we are at 141 and  
10 counting. And that was because there was a severe workforce  
11 shortage at the time. The message went out and everybody jumped  
12 on the band wagon and now we are probably fairly saturated in the  
13 cities but in the urban areas there's still plenty of job opportunities  
14 and people are readjusting why they are going to study and where  
15 they are going to work afterwards, so we are seeing some of that  
16 going on.

17                  MR. WOLFF: Well I'm mindful of what happened  
18 to the legal profession.

19                  MR. VLASSES: So are we.

20                  MR. WOLFF: Healthcare is continuing to grow.  
21 One final question is I saw you were starting to collect placement  
22 data and it appears if I have this correct that the average placement

1 rate was 63% and I just wonder if you would comment on where  
2 are you going to go with that data, whether the response rate was  
3 very substantial and robust and what you are going to do with the  
4 placement work?

5 MR. VLASSES: That data came from all of our  
6 programs that have graduates that year we have asked for that.  
7 The first year we did that was last year. We had 100% reporting  
8 rate of programs with graduates. Now it is self-reported data from  
9 the programs but it follows our common thinking about how  
10 placements go.

11 You are correct it is 63% that are employed in  
12 pharmacy but 22% of that number, of another number is those who  
13 have chosen not to go into employment but to go to seek further  
14 education, residencies, graduate school -- so if you combine that 63  
15 with 22% it is up to 85% of the graduates are actually doing what  
16 they intended to do -- either work or have further education after  
17 school and the other 15% are really lost to follow-up.

18 It is data that comes in, we don't know what these  
19 students, these graduates decided to do. So it is actually higher we  
20 are sure than 85% in that regard because of that unreported  
21 number.

22 MR. BOYER: Because we ask for it in a certain

1 window of time. So if they get a job like two weeks later it won't  
2 show up in those numbers. But when we go on site we ask the  
3 question what was the employability of your cohort last year and  
4 that's where we are getting some of the feedback.

5 And usually they may not get the job in the  
6 neighborhood they wanted or whatever, but I don't think we are  
7 seeing an inability for people to find a job if they are looking for it.

8 MR. WOLFF: You know I assume you will  
9 continue to collect this data and to develop it.

10 MR. VLASSES: We collect it every July. The  
11 other thing is we made this a requirement that it be transparent so  
12 on the website we have a policy that in a prominent place -- I was  
13 at a place where you had to click 7 times to get to it, that there is  
14 the licensing pass rates, the graduation rates and then we tell them  
15 you can have one other criteria that you select from your own  
16 assessment that you want to put out there.

17 And obviously they will select something positive  
18 like their residency or something to that effect. But that is to  
19 inform the public about, you know, how that particular program is  
20 doing on these outcome measures.

21 MR. WOLFF: You know I want to commend you I  
22 thought the required public information was very helpful. So I'm

1 sorry I did have one other question. You are approved for distance  
2 education what does that mean? Do you have any degrees like  
3 distance pharmacy degrees or is it continuing Ed -- what does that  
4 mean?

5 MR. VLASSES: We have distance pathways that  
6 Craton University has had a pathway for a long time where the  
7 majority of the education is in distance and then they come and do  
8 like a, you know, an intense two week session on campus to do  
9 simulation and then they do the experiential component under  
10 appropriate supervision.

11 So there's another program that has started recently  
12 at the Lake Erie College of Medicine and now their pharmacy  
13 school and we have a lot of people that do distance education  
14 pathways on different campuses and they are either synchronous or  
15 asynchronous and then we have our own criteria about what's good  
16 synchronous or, you know, bad synchronous and good  
17 asynchronous and bad asynchronous, et cetera.

18 MR. BOYER: And then we also get annual data  
19 broken down by campus in those situations or a pathway from our  
20 licensing body. So we compare the main campus to the branch  
21 campus to the online campus if the program has all three of those  
22 and we do have one of those that does that annually to be sure that

1 the outcomes across all three pathways are comparable.

2 MR. WOLFF: Thank you very much.

3 CHAIRMAN KEISER: Any other questions,  
4 Federico?

5 MR. ZARAGOZA: I too want to commend you for  
6 the quality and quantity of information that you have provided to  
7 the Committee. And this question is not necessarily about  
8 recognition it is about access.

9 I didn't find any demographic data, very limited  
10 demographic data on either the students or the accreditors -- is that  
11 information available? Do you collect it?

12 MR. VLASSES: Our Association of Colleges of  
13 Pharmacy every year gets that information by college the faculty  
14 and the student demographics. We encourage diversity at the  
15 student and faculty level and we have conversations about that  
16 when we are on site and what people are doing to help increase the  
17 nature of the diversity consistent with their mission, but that data is  
18 available and our Board has access to it.

19 MR. ZARAGOZA: How many clicks away?

20 MR. VLASSES: That's not our website, it is  
21 somebody else's.

22 CHAIRMAN KEISER: Any other questions, yes

1 Kathleen?

2 MS. ALIOTO: I just looked on your website and I  
3 didn't see anything about opiates or opioids, your concern about  
4 that and mine. And I wondered why that was?

5 MR. VLASSES: If you go into our standards and  
6 look up Appendix 1 which is the content of what the curriculum  
7 needs to entail on how to address it you will find it there.

8 MS. ALIOTO: Good, thank you.

9 CHAIRMAN KEISER: Sensing no more questions,  
10 thank you gentlemen.

11 MR. VLASSES: I just want to close in saying that  
12 we appreciate the opportunity. In the reviews that I have been  
13 involved with we have gotten very good recommendations that  
14 have helped increase the quality of what we do.

15 I will say that our Board feels strongly that their  
16 ability to do a good job in the evaluation of quality is enhanced by  
17 their ability to be on site visits and also to be the decision-making  
18 body in our profession.

19 CHAIRMAN KEISER: Thank you. We have no  
20 third-party commenters. A member of the staff would you like to  
21 return, Chuck?

22 MR. MULA: Thank you Mr. Chair. Again I would

1 like to say that the Department's position is that the consistency is  
2 not that a member of the Commission or the decision-making body  
3 cannot be on an observation position on a site team.

4           It's that that person comes back and recuses himself  
5 from voting. So the Department is not against any policies where  
6 an Agency allows their Commissioners to go on site visits.  
7 Another thing too I would like to say that if this Agency has any  
8 idea who these other agencies are, we would sure like to know that.

9           And also too if they have any evidence in any of  
10 their processes so far in the recognition process would they have  
11 squeezed by like this, I would like to see that too. I have no other  
12 comments.

13           CHAIRMAN KEISER: Questions for Chuck?  
14 Thank you, thank you Chuck. Thank you, Ralph, Federico would  
15 either of you like to make a Motion?

16           MR. WOLFF: Well first of all I want to commend  
17 the Agency and I appreciate the dilemma that we face. So I am  
18 going to -- I want to acknowledge that there can be different  
19 approaches that different agencies take to issues.

20           And unless there is a very clear finding of non-  
21 compliance with a regulation and there is a finding that their policy  
22 is fine there has been no problem. I would move for -- I welcome

1 the views of the Committee but I would move for a five year  
2 recognition without the finding of non-compliance or without the  
3 request or requirement that they change their policy. I could be  
4 swayed in the opposite direction.

5 CHAIRMAN KEISER: In other words a five year  
6 recognition that they are in full compliance?

7 MR. WOLFF: Right.

8 CHAIRMAN KEISER: Is there a second?

9 MR. ZARAGOZA: Second.

10 CHAIRMAN KEISER: Second by Federico, both  
11 Readers. Question by Mr. Wu?

12 MR. WU: I'm not signaling support or lack of  
13 support for this. It's just an observation. We are now becoming  
14 more -- I don't want to use the word lax because that's pejorative  
15 but we are showing a willingness to find agencies in compliance  
16 despite technical violations.

17 I'm just noting that for the record so that if we are  
18 going to do this we are more or less consistent. So this follows on  
19 the Motion that Susan made but it goes a little further. I'm just  
20 noting this does present what lawyers refer to as slippery slope  
21 problems.

22 So one reason that bright line rules are liked by

1 some is they are bright line rules, you are either in compliance or  
2 not in compliance. I am just noting that if we go down this path  
3 we just need to be aware of where we are headed which is more  
4 and more agencies will say, "Hey the last Agency had a couple of  
5 little things but this is just a little thing and therefore you should  
6 give us five years too."

7 It doesn't mean I'm against it, I'm just noting it.

8 CHAIRMAN KEISER: Susan?

9 MS. PHILLIPS: I think it's a choice of words of  
10 lax that I wouldn't use. I would rather call it a difference of  
11 opinion about what counts as evidence of non-compliance so the  
12 evidence that might satisfy the staff might not satisfy us and the  
13 evidence that satisfies us might not satisfy the staff.

14 So in this context on the earlier one my sense is that  
15 it isn't about lassitude movement or a slippery slope but a  
16 difference about what counts as persuasive evidence.

17 CHAIRMAN KEISER: Any other comments,  
18 Ralph?

19 MR. WOLFF: I want to associate myself with what  
20 Susan said in the sense that there is no finding, there was no visit  
21 to the Agency. There is no finding that notwithstanding that I  
22 might agree with the staff view of what ought to be.

1                   In this case there is no evidence that it is material  
2 affected decisions and this is an Agency that in every other respect  
3 was found in compliance and I found their submission to be  
4 extraordinary complete, thorough and does high quality work.

5                   So in the absence -- I would say in the absence of a  
6 finding of the detrimental impact of this procedure that they have  
7 and the fact that it has been in place and they have been re-  
8 recognized repeatedly, I am persuaded just to say let them continue  
9 but when there is a visit next time maybe that would be an issue to  
10 further investigate.

11                   CHAIRMAN KEISER: Claude?

12                   MR. PRESSNELL: Just as being new you know on  
13 the Board, second meeting. So Ralph I want to make sure I  
14 understand where you are coming from because on my screen it  
15 shows that they do not meet -- according to the staff's perspective  
16 they do not meet 602.15A4 so it says it does not meet.

17                   What you are saying is that you don't agree with  
18 that assessment is that what you are saying? Because I have heard  
19 you say they don't have a finding that to me signifies a finding or  
20 am I reading this wrong?

21                   MR. WOLFF: My reading -- I'm not going to  
22 speak for the staff but my reading is that the basis is this is

1 customary practice which I would agree it could be, but that  
2 because it is customary practice and they don't follow the practice  
3 which is what the report rationale says, they are then making a  
4 finding it doesn't meet 15A4 and what I am suggesting is I don't  
5 feel there is sufficient evidence to support that in light of the fact  
6 they have been re-recognized, there is no finding of a deleterious  
7 impact and so I am prepared not to accept that finding.

8 CHAIRMAN KEISER: Jill and Anne?

9 MS. DERBY: On the other hand I am assuming  
10 that we have justification for having the -- it's not a standard but it  
11 is for the compliance requirement regarding the difference between  
12 the site team and the review team and so on and so forth.

13 So I see we are making an exception but then it is  
14 interesting that we have that as part of what we consider necessary  
15 to be in compliance. So I am assuming there is a good rationale  
16 for that and I don't know that I am persuaded although I hear that  
17 they have a very good record, but that I am persuaded that it  
18 doesn't make a difference that that person on the site team has  
19 greater influence and therefore influences, overly influences the  
20 outcome of a decision.

21 CHAIRMAN KEISER: Anne?

22 MS. NEAL: I guess my question goes to the

1 standard. And as I understand it what the pharmacists are saying is  
2 that this has never been applied in this way before. I happen to  
3 agree with the way the staff is applying it in this particular instance  
4 but it appears that it has been inconsistently applied with different  
5 accrediting bodies.

6 So I guess my question to staff is how do you solve  
7 that inconsistency?

8 MR. BOUNDS: So as I said before I can't speak to  
9 occurrences prior to 2012 which is the date that I joined the  
10 Department. I can just tell you when I joined the Department in  
11 2012 and that was under you know, Kay Gilger we had a big  
12 discussion about this issue at a staff meeting.

13 And from that point forward I can tell you that as  
14 these issues have arisen we have addressed them the same way.  
15 You know this is one of those things where it is a call. Our  
16 regulations say you have a decision-making body and you have an  
17 evaluation body.

18 The evaluation body has a call. The decision-  
19 making body has a call. We just look at that and say when one  
20 person is serving in both of those bodies -- again I said before we  
21 could have put it under conflicts of interest or we could put it  
22 under, you know, we put it under composition of site teams

1 because we didn't want to distract from their conflict of interest  
2 policy.

3                   Maybe it should have been there but I am just  
4 saying that we have it there and that's our rationale is that there is  
5 two separate bodies and when you have one person with two hats,  
6 you have a person that is serving as pilot and co-pilot, I don't know  
7 what analogy you want to use there, there always seems to be a  
8 problem, so that was our rationale.

9                   CHAIRMAN KEISER: Steve?

10                  MR. VAN AUSDLE: Well Ralph what you are  
11 saying is a common practice could be that Boards could serve on  
12 evaluation teams and then act on the finding or act on the  
13 recommendation of those teams. Is that where we are headed?

14                  Or is this something that we need to discuss?

15                  CHAIRMAN KEISER: I think Ralph makes a very  
16 good point in that it is not in our regulations and it is not certainly  
17 in 601.15A4. All that is is that we have professionals and  
18 members of the Board obviously are professionals and they are  
19 also on the Board which they are professionals so it meets that  
20 particular standard.

21                  It is not necessarily a conflict of interest because we  
22 don't have a specific standard to say that is a prohibitive activity. I

1 don't disagree that it's probably not a wise activity, but it is not a  
2 prohibited activity from what I could see from our standards. I'm  
3 going to let Jennifer and then Susan, I'm sorry I just had to jump in  
4 even though I can't vote.

5 MS. HONG: So to Anne's point I think some of  
6 these issues don't necessary rise to the attention of the staff unless  
7 they go to observe a Commission meeting for example and they  
8 actually observe site visitors making decisions for example.

9 And I think there are different degrees of that. So I  
10 think in the past -- because I believe we have cited agencies in the  
11 past and while it may not be as described by this Agency a major  
12 conflict we have witnessed, we have had issues with agencies  
13 where their site visit team -- it was apparent that their site visit  
14 team of representatives from their site visit team were essentially  
15 influencing the decision-makers, or they were playing both roles so  
16 egregiously that we did have to site them.

17 So again, I think there are various degrees of  
18 violating this, you know, conflict.

19 CHAIRMAN KEISER: Susan?

20 MS. PHILLIPS: I want to -- I think I want to  
21 underscore again something that has been said a number of times  
22 but is worth saying it again -- that this isn't about whether the

1 practice is a good idea or not, it is about whether it is in regulation  
2 that it is a good idea or not.

3 So the way that it is described there is a practice  
4 that the staff thinks is not good. We may agree or disagree that's  
5 not the point and they are looking for a regulation location for it to  
6 be prohibited.

7 That doesn't strike me as how a regulation ought to  
8 function. If there is a concern about a particular practice there  
9 ought to be a regulation about that practice or at least something  
10 closer to that than what we have currently.

11 So whether or not it is a good idea for multiple  
12 people to play multiple roles and whatever, I'm not even going to  
13 go on record with my views on that. That's not so much the issue  
14 as whether or not there is a regulation that says that this has to  
15 occur or not occur -- that's my concern.

16 MR. FRENCH: Thank you Mr. Chairman. I'm just  
17 trying to make sure like Susan getting clarity here. Does the issue  
18 come down to 602.15 whether or not it would prohibit the practice  
19 of this Agency and do we get an advisory opinion from anyone  
20 else in the Department, from legal -- because that's what it is  
21 coming down to in my opinion, whether or not it is prohibited by  
22 602 or not.

1                   And if it isn't then -- if it is prohibited then it should  
2 be clear. I think like Frank said if it isn't then we move on. So  
3 Herman you had a discussion about it is that what you said, you  
4 had a discussion about this five years ago about this particular  
5 matter?

6                   MR. BOUNDS: Right we did.

7                   MR. FRENCH: And what was the resolution?

8                   MR. BOUNDS: The resolution was since that point  
9 when we saw this activity we always cited that particular you  
10 know for that practice. So we have cited it consistently in the same  
11 manner. As far as I am concerned, you know when I first got here  
12 I was an analyst looking at some of those issues as they have come  
13 up we have.

14                   The issue here is whether a person can serve dual  
15 roles on two separate bodies. So while it may not be a direct tie  
16 there are some regulatory issues there. You have your  
17 Commission and you have evaluators. You know the makeup of  
18 the decision-making body and the makeup of the site team and  
19 where those blend.

20                   So I understand that there's nothing there that says  
21 you will not do this, but when you look at the roles of the bodies it  
22 is still pulled in. So that's our opinion, the Committee has the right

1 to make their own opinion and that's why we have somebody else  
2 you know to figure it out.

3 MR. FRENCH: So Mr. Chairman I guess my last  
4 follow-up question is for precedent sake we have cited, we don't  
5 know the number right now?

6 MR. BOUNDS: No, we don't know the number  
7 right now.

8 MR. FRENCH: Have we been in precarious  
9 situations where we are now where we have not cited someone for  
10 the same situation, same not exact but have we not cited anyone  
11 that has come before us in the same instance?

12 MR. BOUNDS: Not that I can -- I'm not sure, I  
13 can't say. But I think every time this issue has come up before I  
14 think that the Agency that we have cited has corrected the problem  
15 and I think it was probably engulfed in the discussion and the  
16 recommendations went forward.

17 CHAIRMAN KEISER: John?

18 MR. ETCHEMENDY: So first of all about the  
19 other agencies, clearly this Agency every time it comes up for  
20 recognition so far has been given a pass so it would be an  
21 inconsistency at least there.

22 I just wanted to say that my position is that this is

1 not a good practice. In general what happens is visiting teams  
2 often become in a sense captive or in a sense partisan in favor of  
3 the institution and then they do have an influence on their  
4 colleagues when they back on the Board and they are voting, just  
5 like we do.

6 So I don't think it is a good practice and I would  
7 urge the Agency to re-think that practice. I'm going to vote for the  
8 Motion however because I think although it is consistent it could  
9 be an interpretation of some of the language here.

10 It is an extension of that interpretation and I believe  
11 that the federal government already is overly intrusive and I would  
12 just as soon not have yet another in effect, another rule imposed by  
13 interpretation on the agencies, so.

14 CHAIRMAN KEISER: Frank, tie it up?

15 MR. WU: I think we are probably headed toward  
16 the Motion passing, I'm not sure. But either way whatever the  
17 result is I would just urge staff because staff has greater continuity  
18 than members.

19 When we do something like this, whichever way it  
20 comes out let's just make sure we create institutional memory  
21 around this so that it is fair both to this Agency and to other  
22 agencies because there is no case law that is being made, you

1 know.

2 Our transcripts are all online but you would have to  
3 spend hours and hours and hours and as enthralled as we are all by  
4 the subject I am not sure that people really do that. So we are  
5 building up an accretion of these little decisions where each time  
6 we do this we are setting some sort of precedent.

7 And what's fortunate for us is unlike courts of law  
8 our population is only about 75 or so so as long as we are  
9 consistent with a population of 75 or 80 we are doing pretty well.  
10 So I just urge whatever the decision is, we need to have some  
11 method to track this over time rather than relying on an Agency  
12 itself mentioning it and then eluding to other agencies which shall  
13 not be named, apparently engaged in the same practice.

14 CHAIRMAN KEISER: George real quick?

15 MR. FRENCH: You have been here for a while,  
16 going back to John's point. He noted that we passed them on in  
17 the past. Are we saying that this particular issue of interpretation  
18 of dual roles has occurred with this particular Agency?

19 I know they have been recognized before but this  
20 has been a question that has come before us before from this  
21 particular Agency is that what we are saying?

22 MR. ETCHEMENDY: George I didn't say that it

1 had come before the question had been actually formulated. I  
2 think that's not the case. I think the staff would say that it was  
3 overlooked, it was just not apparent.

4 MR. FRENCH: So we are not saying that they have  
5 come before us before and we passed them on the same issue.

6 MR. ETCHEMENDY: We have passed them, we  
7 have recognized them before and their practice has not changed,  
8 that's all I was saying.

9 MR. FRENCH: But was it a point of contention is  
10 my question?

11 MR. ETCHEMENDY: No.

12 MR. FRENCH: Alright.

13 MR. WU: Wait, wait, wait -- may I just say -- so  
14 far as we are aware because nobody has gone through hundreds  
15 and hundreds of pages of transcripts. I mean for all we know in  
16 2006 in the last version of NACIQI where this came up we have no  
17 way of knowing.

18 CHAIRMAN KEISER: Ralph, I'd love to -- we are  
19 really getting --

20 MR. WOLFF: If I understand the process let me  
21 just say were this Motion to pass and to me it is not clear if it does  
22 that it will go to the senior Department official. The staff will have

1 the opportunity to file independently comments and if the senior  
2 Department official were to act and to declare that -- let me see if I  
3 am correct in this, were to declare that this practice is in violation  
4 of either A4 or A6 I would view that as determinative.

5 At this stage I would say there is a process by which  
6 that determination could be made and overrule what our  
7 recommendation would be but it is only a recommendation.

8 CHAIRMAN KEISER: Jennifer, let's go because  
9 we are --

10 MS. HONG: I just want to say that there is  
11 precedence for citing agencies on this particular issue. We have  
12 cited them on conflict of interest though but we have cited  
13 agencies for compromised roles in their decision-making and site  
14 visiting process.

15 CHAIRMAN KEISER: Okay there has been a  
16 Motion and there has been a second. Any further discussion, thank  
17 you -- all in favor of the Motion signify by saying, "Aye", raise  
18 your hand I mean raise your hand -- let's count this is going to be a  
19 split vote here.

20 All of those opposed -- Motion passes thank you  
21 very much members of the team. It's been a long one that I didn't  
22 expect.

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**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.)

1                                   **Renewal of Recognition**  
2                                   **Middle States Commission on**  
3                                   **Secondary Schools (MSA CSS)**

4                                   CHAIRMAN KEISER: Thank you Madame bell  
5 ringer. Okay we now have -- we are up to the Middle States  
6 Commission on Secondary Schools, a Renewal of Recognition.  
7 The Primary Readers are Simon Boehme and Jill Derby. The  
8 Department staff is Chuck Mula and we have Agency  
9 Representatives who will be up in a second.

10                                  Simon, Jill would you like to start off and introduce  
11 the Agency?

12                                  MR. BOEHME: Thank you Mr. Chairman.

13                                  CHAIRMAN KEISER: Excuse me one second, we  
14 do have one recusal that I am aware of and that's Brian. I'm still  
15 not sure why but that's okay.

16                                  MR. BOEHME: Alright thank you Mr. Chair. The  
17 Middle States Commission on Secondary Schools is one of three  
18 Commissions of the Middle States Association of Colleges and  
19 Schools, primarily an accreditor of secondary education and  
20 institutions.

21                                  The Agency also accredits post-secondary non-  
22 degree granting vocational institutions. These post-secondary

1 education institutions provide training in vocational, technical  
2 careers within certificated and licensed professions such as  
3 automotive technology, computer networking, cosmetology and  
4 practical nursing. It was first established in 1920.

5 MR. MULA: Thank you Mr. Chair, members of the  
6 Committee. Again for the record my name is Chuck Mula and I  
7 will be presenting a summary of the Petition for Continued  
8 Recognition by the Middle States Commission on Secondary  
9 Schools hereinafter referred to as Commission or the Agency.

10 There are no third-party comments in conjunction  
11 with this Agency's Petition and there are no active complaints  
12 being investigated by the Department. The Department's concerns  
13 are with the Agency's documentation -- verifying compliance with  
14 160215.A1 staffing and financial resources and Section 602.15A2  
15 competency of representatives.

16 In the case of 1602.15A1 it was not clear to the  
17 Department staff what the duties and responsibilities of each staff  
18 member of the Agency are and their qualification and education to  
19 experience to perform those duties.

20 This is important because in an evaluation we have  
21 to be sure that when we recommend compliance with this criteria  
22 that we can depend on the Agency's expertise to determine if the

1 institution is a quality institution.

2                   Again in the case of 602.15A2 competency of  
3 representative the Agency needs to provide CV's or resumes that  
4 evidence the competency of the representatives. The Agency also  
5 needs to provide documentation to demonstrate training with  
6 Commissioners and site team members, including training relative  
7 to the accreditation and evaluation of distance education.

8                   The Department did review material of distance  
9 education and standards for the appeal's panel members and we  
10 did not see any kind of training material for the Commissioners or  
11 the site review team.

12                   The Department has recommended the senior  
13 Department officials to continue the Agency's current recognition  
14 and require the Agency to come into compliance within 12 months  
15 and submit a compliance report 30 days after the 12 month period.  
16 This demonstrates the Agency's compliance with the identified  
17 issues.

18                   This concludes my report. Members of the  
19 Commission I am here to answer any of your questions, thank you.

20                   MS. DERBY: Let me just ask you Chuck. I mean  
21 clearly this Agency seems to be very clean and in compliance in  
22 nearly everything. It's documentation -- so they didn't get

1 documentation to you in those areas that are listed. Do you feel  
2 like they could come back within 6 months rather than 12 or tell  
3 me about the recommendation?

4 MR. MULA: When the Agency received that draft  
5 report I was informed that they were in the process of asking for  
6 updated resumes and CV's. They were not able to get them in time  
7 for us to put them in a final report.

8 If they had put them in that draft report then we  
9 would have made a different decision.

10 MS. DERBY: Thank you.

11 CHAIRMAN KEISER: Will the Agency  
12 Representatives please come forward? Please introduce yourselves  
13 for the record.

14 MR. TICE: Good afternoon. I am Dr. Craig Tice,  
15 Chair on the Secondary Commission for the Middle States  
16 Association of Colleges and Schools. With me today is Mr. Daniel  
17 Rufo, Director of Accreditation and Dr. Jane Pruitt and Dr. Glen  
18 Mort, Accreditation Officers who coordinate the accreditation of  
19 our post-secondary non-degree granting career institutions.

20 We appreciate the opportunity to speak with you  
21 today regarding our success as a Title IV gatekeeper and our  
22 Petition for Reauthorization. Since the early 1900's accreditation

1 has had a major impact on the field of American education.  
2 Accreditation responds to the public's demands for improved  
3 quality and greater accountability for institutions serving society's  
4 needs.

5           Accreditation agencies enjoy unique public trust  
6 roles in the United States. In other words, accredited schools can  
7 be trusted by the public to be what they claim they are and to do  
8 what they claim to do.

9           Whatever an accredited school says about itself is  
10 both a sanction and confidence to the profession. Accreditation  
11 rests on the dual concepts of self-regulation and quality  
12 improvement. A given field such as education uses its own experts  
13 to define standards of acceptable operation and performance for  
14 the institutions and organizations within it.

15           Thus, accreditation refers to a standard setting and  
16 review process. The accreditation of an educational organization is  
17 an affirmation that the institution provides the quality of education  
18 that the community has a right to expect and that the educational  
19 world endorses.

20           Accreditation is a means of showing confidence in  
21 an institution's performance. When a Commission accredits an  
22 educational institution it is certifying that the organization has met

1 prescribed, qualitative and quantitative standards of the  
2 Commission within the terms of the organization's own stated  
3 philosophy and objectives.

4           Accreditation is granted on an institution-wide  
5 basis, not just one program or course offering. Since our renewal  
6 in 2012 the range of volume of our accreditation activities has  
7 remained the same.

8           The Middle States Association Commission on  
9 Secondary Schools accredits 32 post-secondary non-degree  
10 granting institutions 15 of which participate in Title IV. Of these  
11 15 institutions 6 are small, private for-profit career schools.

12           We currently have 4 institutions in candidacy status  
13 for accreditation. No adverse actions have been taken since the  
14 renewal of our Petition and overall we have experienced favorable  
15 reports resulting from the accreditation protocol used by these  
16 institutions.

17           We have also received and acted upon requests for  
18 substantive change from our accredited institutions regarding the  
19 addition, deletion and changes to certificate programs in the  
20 addition or discontinuation of campus locations.

21           Regarding the standards and practices used by the  
22 Middle States Association Commission on Secondary Schools to

1 address student achievement, Middle States requires all institutions  
2 to be in compliance with the indicators of quality identified for  
3 career and technology institutions for our 12 standards of  
4 institutional quality.

5           Additionally, Middle States has set a program level  
6 threshold for completion rates, licensing pass rate and job  
7 placement rates at 70%. In our context as a regional accreditor for  
8 non-degree granting post-secondary career institutions this rate  
9 based on the Perkins requirements has proven reasonable to  
10 support consistent expectations for success with respect to student  
11 achievement.

12           Our accredited institutions find these expectations  
13 challenging but appropriate. Based on suggestions from our  
14 accredited institutions we are in the process of updating the  
15 template for our protocol to make the materials more user-friendly.

16           But at this time we have no intention of revising our  
17 standards. The challenge we most frequently see regarding student  
18 performance is the lack of supporting documentation provided by  
19 institutions to demonstrate compliance at the time of the on-site  
20 evaluation specifically for job placement rates.

21           In our experience low job placement rates are often  
22 a function of the lack of effective strategies at the institution to

1 provide documented evidence on the employment of program  
2 completers. This results in a monitoring issue and the Middle  
3 States Association requires institutions to demonstrate compliance  
4 with a threshold in their annual reports or submit improvement  
5 plans for any program that is out of compliance.

6                   The Middle States Association Commission on  
7 Secondary Schools takes great pride in the fact that our  
8 accreditation protocol and reporting requirements serve as tools for  
9 continuous improvement.

10                   It has been our practice to work with institutions to  
11 identify gaps in student performance and to share current proven  
12 strategies and activities to eliminate those gaps.

13                   Our evaluation process based on peer review and our  
14 annual reporting requirements reviewed by staff, reinforce the  
15 continuous improvement model, the monitoring process in place,  
16 the annual documentation of student performance rates, assisting  
17 the institution with identifying appropriate strategies and activities  
18 to improve upon these rates, and requiring program specific  
19 improvement plans has worked well in correcting any issues  
20 related to student achievement that have been identified either  
21 through on-site evaluation or in the annual data provided by the  
22 institutions for staff review.

1                   Currently the Middle States Association  
2 Commission on Secondary Schools does not identify any of our at-  
3 risk accredited post-secondary non-degree granting career  
4 institutions at risk.

5                   Middle States monitors not only student  
6 performance rates and loan default rates, but institutional viability  
7 and financial stability by requiring an accredited institution to  
8 submit annual enrollment reports and independent audit reports.

9                   The Middle States Association would identify an  
10 institution at risk if aggregate student performance data  
11 consistently falls below the established thresholds or if the  
12 enrollment or financial reports indicate instability.

13                   If such cases were to arise, the Middle States  
14 Association would employ the success of our current practice  
15 working with the institution to identify appropriate remedies,  
16 requiring improvement plans and monitoring annual progress.

17                   Failure to demonstrate improvement would place an  
18 institution on probationary status. Although Middle States  
19 Association accredits only a small number of post-secondary non-  
20 degree granting institutions in our region for Title IV purposes, our  
21 member schools appreciate the rigor of our protocol and find that  
22 obtaining and maintaining Middle States Accreditation is

1 invaluable in supporting their mission and in providing a process  
2 for data driven decision-making that engages all stakeholders in  
3 continuous improvement in order to support the intended outcomes  
4 of student achievement.

5 We appreciate the opportunity to be of service to  
6 these institutions and to the U.S. Department of Education and  
7 hope that you look favorably on this service by approving our  
8 Petition for Reauthorization, thank you.

9 CHAIRMAN KEISER: Other questions I'm sorry,  
10 it was interesting, I thought we would have other people speaking  
11 but are there questions from the Committee?

12 MR. BOEHME: Looking at your and thank you for  
13 your presentation and coming here and providing some  
14 background information. And you mentioned you have some  
15 small schools but looking at your graduation rates they are really  
16 quite impressive and your repayment rates are also quite  
17 impressive.

18 Again looking at the narrowly confined data that we  
19 have -- could you maybe just explain to us if this is an emphasis  
20 that you place within the accreditation process, a culture that  
21 maybe you fill within your institutions and maybe how it relates to  
22 the data driven activity you have discussed in your testimony.

1 MS. PRUITT: I'm Jane Pruitt and I'm an  
2 Accreditation Officer with Middle States Association and am  
3 directly responsible for coordinating the activities of the reviews of  
4 career and technology institutions that are non-degree granting,  
5 post-secondary.

6 And I thank you for your question because it hits to  
7 the heart and soul of what we believe. If the expectations are high  
8 for the institutions and they want our accreditation then they meet  
9 the thresholds and it is the case that we have been challenged a  
10 couple of times about the 70% rule and that's what we call it by  
11 schools that say this and that and the other and we said if you want  
12 to be accredited let us, especially for Title IV purposes, you must  
13 meet that threshold.

14 So the answer to the question that you posed is it is  
15 high expectations yes. They want our accreditation. We would  
16 like them to meet the accountability. I guess we are calling it  
17 bright lines that we have placed.

18 MR. BOEHME: So it would be fair to say that  
19 bright lines have worked in this instance and you are seeing  
20 success from having a 70% which maybe it is a bright, bright line  
21 or a bright line but it is working for you and it is working for your  
22 schools and you are seeing success with your students, is that fair

1 to say?

2 MS. PRUITT: It is fair to say and I need to make a  
3 historical comment before employment with Middle States as an  
4 accreditation officer I was in the trenches so to speak and I was  
5 called upon to do the peer review.

6 And at the time the decision was made to go with  
7 the Perkins formula, to be our threshold, I was surveyed and then a  
8 discussion was held as to whether -- of the rigor of that threshold  
9 and how that would be accepted by the people that we accredit.

10 And I said, I have been living with Perkins for most  
11 of my career in career and technology education and I have never  
12 questioned that's what our challenge is to get -- that's where we  
13 want to be.

14 And even if you think about it in terms of the old  
15 grading formula most of us abided by I had to get 96% to get an A,  
16 70% -- we didn't think was out of the ordinary. And although as I  
17 said there has been some pushback, we developed a culture that  
18 you give us the data programmatically.

19 We don't look at it institutionally, we do look at it  
20 programmatically because as you correctly said all day long, you  
21 could have one program making 95% completion rate and another  
22 have a 35% completion rate.

1                   So we examine that data by program. And then if  
2 they are not there -- revelation, they knew that, we want an action  
3 plan -- what are you going to do specific to that program to get  
4 them from where they are to the 70% and that's the remedy.

5                   And then they will call us up and it's working.  
6 They devised it -- we didn't give them the silver bullet we just  
7 called their attention to it.

8                   MR. BOEHME: Right and so part of our question  
9 and Jill and I will hopefully go back and forth asking different  
10 questions off our pilot. But two quick questions are there any  
11 other benchmarks or bright lines that you use within your Title IV  
12 schools?

13                   And I'm intrigued to just learn a little bit more  
14 about the tensions you discuss, you know, about some schools are  
15 not happy with this 70% rule. Have you rejected a lot of schools  
16 recently or, you know, your process for entry is quite high.

17                   MR. MORT: That is an excellent question. My  
18 name is Dr. Glen Mort. I along with Dr. Pruitt am an  
19 Accreditation Officer working with the career tech schools as well.

20                   The simple answer to your question is yes. This is  
21 addressed with the school at the candidacy visit level and this is  
22 where we set that bar. We tell them right up front that it is a 70%

1 rule.

2 We tend to get some pushback there and to answer  
3 your question Dr. Pruitt -- I don't think I have anyone walk away  
4 so I think our collective answer would be we probably haven't had  
5 anyone move forward with Middle States based on that criteria.

6 But to answer the first part of your question we  
7 utilize bright line benchmark for a completion rate which would  
8 also be 70%, a licensing rate at 70% as well.

9 MS. DERBY: You said that you monitor loan  
10 default rates as well. Can you speak to that I mean given that you  
11 seem to have that benchmark of a 70% it sounds like employment  
12 would follow as a result and loan repayment.

13 But do you have some sense of and figures around  
14 that loan default rate figure?

15 MS. PRUITT: I don't have any specific numbers  
16 but I can with confidence say to you on the last two Commission  
17 meetings the schools that we re-accredited or accredited that were  
18 career and tech Title IV all fell below the designated threshold that  
19 was assigned to them for their loan default rate -- the institutional  
20 loan default rate.

21 MS. DERBY: Okay thank you.

22 MR. BOEHME: Would you characterize the

1 schools that have Title IV funding as generally wealthy  
2 institutions?

3 MS. PRUITT: There are two types of schools that  
4 we accredit public, secondary that have post-secondary adult  
5 education programming embedded in their offerings and then a  
6 small number of private for-profit.

7 And to consider them wealthy I think would not be  
8 a generalization that I could make. They are profitable and they  
9 are comfortable and the students are successful.

10 MR. BOEHME: And it is also fair to say you see  
11 success among students at all of your different types of institutions  
12 both for-profit and non-profit?

13 MS. PRUITT: As measured by the thresholds, yes.  
14 Completion rate -- yes and licensing rate and placement rate and  
15 loan default rate.

16 MR. BOEHME: Thank you.

17 MS. DERBY: And one follow-up of your Title IV  
18 institutions, what percentage of your students are on PELL grants  
19 for their education, do you have a sense of that?

20 MS. PRUITT: I think it's published on the  
21 dashboard. It appears to me that 42% of the students are receiving  
22 PELL. Of the 15 active Title IV institutions and 39% are receiving

1 federal loans.

2 MR. BOEHME: Part of the reason why it is  
3 important that we collect the CV's and resumes is when students  
4 and other people complaint it is important that the people are  
5 qualified to address those concerns.

6 And I understand that potentially they were  
7 outdated CV's and I was just hoping you could instill some  
8 confidence in our Committee before we make a Motion that if a  
9 student or an institution or some other actor wanted to file a  
10 grievance or something that you believe in and you have  
11 confidence in your current staff and Commissioners that they  
12 would be able to adequately handle these issues.

13 MR. RUFO: Good afternoon. I'm Dan Rufo, the  
14 Director of Accreditation at Middle States. For what it is worth  
15 my word is yes definitely. The resumes and CV's are a level that  
16 we didn't submit. We submitted the roster for our Commissioners  
17 and our staff and then I went back and did bios so the CV's are just  
18 an additional level.

19 They are -- the members of our Commission are  
20 representative of our membership therefore we are required to have  
21 at least two members from the career and tech realm. We currently  
22 have three. There's that and then we have Dr. Mort and Dr. Pruitt

1 on staff who are primarily responsible for the career and tech  
2 schools, both from the career and tech realm as well.

3 And then I would say anybody else in charge is in  
4 the learning realm.

5 MR. BOEHME: So our last question will be in  
6 regards to standards and practices with student achievement. And  
7 if you had any comments about how does your Agency address  
8 success with respect to student achievement or the programs it  
9 accredits?

10 Why was this strategy chosen? And how is this  
11 appropriate in your context and other responses you wish to make?

12 MS. PRUITT: I think we already covered that but  
13 just to answer your questions specifically the measurements of  
14 student success were selected because they reflected the Perkin's  
15 requirements which we thought we appropriate.

16 And in consultation with those career tech schools  
17 that at that time were accredited, they were surveyed as well as it  
18 was discussed with them and they agreed that it was. I do need to  
19 say as part of one of the people in that discussion, it was originally  
20 75% and that was the proposal.

21 And the career and technology Directors and the  
22 post-secondary Directors kind of said well can we back it down to

1 70 because we wanted to be even more aggressive with our  
2 expectations.

3 The other part of your question is how has this  
4 contributed to the success of the students? I think the information  
5 that is provided in the data that you collected and your remarks  
6 when you introduced us, we certainly appreciate the fact that you  
7 recognized that our institutions are successful and our students are  
8 employed and they are paying back their loans.

9 MR. BOEHME: Great I have no further questions.

10 CHAIRMAN KEISER: Any further questions? I  
11 have a question. Using a bright line is a positive measure for your  
12 institutions to work for to attain. But in let's say your pass rates, I  
13 can't speak for all the states and certainly the Middle States area  
14 but in Florida if you have 70% pass rate on your LPN exam which  
15 would be a program that might be in one of your institutions, that  
16 would be a failing grade and they would have the potential of  
17 losing their license.

18 Does that create a conflict by having measures that  
19 might be below or for that matter above other recognized agencies  
20 that set benchmarks?

21 MS. PRUITT: I understand your question but I  
22 think I may have miscommunicated the data. It's 70% of the

1 completers who pass the exam, not a 70% cut score on any exam.  
2 And LPN in particular in the Middle States region we have  
3 between 80 and 90% pass rate of our member schools on the LPN  
4 exam. Does that make sense?

5 We don't expect 70% as a cut score on an  
6 examination.

7 CHAIRMAN KEISER: Not a cut score --

8 MS. PRUITT: Yeah of the people taking the exam  
9 should pass.

10 CHAIRMAN KEISER: But does it create  
11 confusion with your institutions where their institutional accreditor  
12 has a base of 70% but the licensing boards or others might have a  
13 significantly higher?

14 MS. PRUITT: Yes and that's why our LPN scores  
15 are not even near 70%. They are always the higher expectation,  
16 I'm sorry I misunderstood.

17 CHAIRMAN KEISER: Any further -- Claude?

18 MR. PRESSNELL: Just to --

19 CHAIRMAN KEISER: Kathleen?

20 MR. PRESSNELL: Just to make sure I understand  
21 again who you are accrediting as I understand these are pre-degree  
22 certificates right? They are largely -- so they are more short-term

1 programs or training programs, short-term meaning less than two  
2 years or no more than two.

3 MR. MORT: That is correct.

4 MR. PRESSNELL: And your total student  
5 population of your institutions that you accredit would be about?

6 MS. PRUITT: Of those that participate in the Title  
7 IV you are only talking about less than 2,000 students.

8 MR. PRESSNELL: So the 1926 is what you are  
9 referring to on the data sheet? So are most of those programs that  
10 are Title IV recipient programs are they within a handful of  
11 programs?

12 In other words are they rather monolithic the  
13 numbers of programs that are in that or how diverse does the Title  
14 IV group look like on the programs end?

15 MR. MORT: It would be very different per school.  
16 We have schools with 6 or 8 programs and then we have some of  
17 the public schools adult divisions that could have anywhere from  
18 16 to 20 plus types of programs.

19 MR. PRESSNELL: Okay and again what is the  
20 average length of programs? I said less than two years I know that  
21 but I mean what is the average length of the programs?

22 MS. PRUITT: The average length of the program I

1 believe is two years in most of the situations unless it is a short-  
2 term health occupation program that for the licensure or the  
3 certificate doesn't require that amount of time.

4 MS. ALIOTO: Were you here for the other  
5 discussions today or the other accrediting agencies? I'm  
6 wondering you are working with a much smaller number of  
7 students and a smaller amount of money -- federal money. But  
8 have you worked with either of those major agencies that are  
9 receiving billions of dollars in terms of this higher expectation that  
10 you bring to the schools that you are serving?

11 MR. RUFO: Yes we have. In those instances we  
12 are not often what we call the lead agency so the school is  
13 receiving a dual accreditation, original accreditation from us and  
14 then maybe potentially a specific accreditation from the other  
15 agency.

16 So the other agency takes the lead and we work  
17 with the agency and with the school.

18 MR. MORT: Kathleen were you talking about the  
19 collaborative effort that some of the other regionals were  
20 embarking on?

21 MS. ALIOTO: Well I'm just interested in what  
22 works and we are all looking at what works and if this is a model

1 that seems to be working better. I understand that every -- that we  
2 might be talking apples and oranges here but this high expectation  
3 model sounds pretty good to me. I mean it just seems like  
4 common sense in a way.

5 MR. MORT: It sounds good to us as well.

6 MS. PRUITT: It's a double-edge sword though  
7 even when you are small and you have a program that only has 12  
8 students in it, that 70% takes on a mathematic perspective that  
9 sometimes isn't easy to swallow.

10 So I'm not trying to again blow our own horn but  
11 our schools have to work harder with smaller populations to  
12 achieve the percentage results that we expect.

13 MS. ALIOTO: Well when you also have over 40%  
14 are PELL recipients have any of the schools said, "Well our  
15 students come from disadvantage backgrounds so they can't make  
16 the cut," you know, that kind of framework that seems to spin  
17 around education?

18 MR. MORT: Again that goes back to what we were  
19 saying. We start at the candidacy visit -- that is our standard. We  
20 don't waver from that standard and we ask the schools to rise to  
21 that occasion.

22 MS. ALIOTO: Thank you.

1                   CHAIRMAN KEISER: Steven?

2                   MR. VAN AUSDLE: Thank you. We obviously  
3 know there is a use for workforce training programs, more jobs  
4 than we have students out there right now. I'm a little interested in  
5 your vision for the future on this. I think I understand what you  
6 are doing.

7                   I could envision you working at a skill center where  
8 there are secondary and post-secondary students that could be co-  
9 mingled in the same classroom, is that possible?

10                  MS. PRUITT: We have several schools already in  
11 our membership that use that model.

12                  MR. VAN AUSDLE: Okay and now we are  
13 looking at more charter schools throughout the nation that's able to  
14 have a work force component, is that part of your target audience?

15                  MS. PRUITT: The Secondary Commission also  
16 accredits the public charter schools in the District of Columbia and  
17 that is who are also assigned to me and we have several currently  
18 in the candidate status that have a model of career and vocational  
19 education.

20                  MR. VAN AUSDLE: Okay so you see yourselves  
21 kind of earning a part of the pipeline or the pathway so your  
22 students can go on and get a 2 or 4 year credential. Nurse assistant

1 -- would that be one of your programs and then an LP and then I  
2 could go on to the Associate Degree?

3 MS. PRUITT: The old tech prep model.

4 MR. VAN AUSDLE: Yeah okay. So when you  
5 come back in five years how many students do you expect to have  
6 enrolled and what is your completion rate going to be?

7 MS. PRUITT: We will serve all of the schools that  
8 come to us and embrace the protocol as a method for school  
9 improvement. We haven't grown that much since the last time we  
10 were here.

11 MR. VAN AUSDLE: But do you have a strategic  
12 plan that needs growth?

13 MS. PRUITT: The new strategic plan does not  
14 directly involve growth for career and technology accreditation  
15 however it does have institutional growth for membership for our  
16 organization.

17 MR. VAN AUSDLE: Okay.

18 MS. PRUITT: So we are meeting with that on our  
19 Board in our retreat next week and it might be mentioned to our  
20 President to incorporate that particular objective under our growth  
21 in enrollment role.

22 MR. VAN AUSDLE: Well you are a unique

1 accreditor was my initial thought -- a niche. And kind of like  
2 Kathleen what's that niche and is it going to grow and are you in  
3 response to some of the changes in educational structure that we  
4 see with an emphasis on skills and technology in some areas?

5 I think student achievement is one thing we are  
6 going to be very interested in and student achievement can become  
7 achievement per student times the number of students that are  
8 achieving.

9 Are you going to be access to a lot of students that  
10 otherwise would not be in school?

11 MR. RUFO: Yes we hope to be. As Dr. Pruitt said  
12 part of our student grant is overall membership growth inclusive of  
13 any kind of school that comes to us. We stand proud on the fact  
14 that we will work with multiple venues of schools and types of  
15 schooling and education.

16 MR. VAN AUSDLE: So you are measuring growth  
17 on the number of schools you are participating with rather than the  
18 number of students totally, is that what I am hearing?

19 MR. RUFO: Yes.

20 MR. VAN AUSDLE: Thank you.

21 CHAIRMAN KEISER: Any further questions,  
22 George?

1                   MR. FRENCH: Just a couple of quick questions  
2 following up on Simon. When we looked at the actual report a  
3 couple of the issues were the CV's, resumes of senior staff. Has  
4 that been adequately addressed to staff because it is in the report  
5 that the criteria had not been there.

6                   MR. BOUNDS: We didn't get that information to  
7 evaluate. So the thing about the CV's and those things in both of  
8 the regulations where it talks about educator practitioner  
9 representative and administrator -- those areas, we have to look at  
10 the resumes. We have to evaluate whether the members of the  
11 bodies kind of meet those roles and also whether it meets the  
12 public member roles.

13                   So that's why we find folks out of compliance when  
14 we don't get the documentation because we can't demonstrate or  
15 we can't prove that you know, that they are qualified to serve in  
16 those positions so that's why it is important for us to get it.

17                   MR. FRENCH: I fully understand. Did you get it?

18                   MR. BOUNDS: No we have not got that, Chuck  
19 I'm not misspeaking am I?

20                   MR. RUPO: If I may? When we got the report for  
21 coming in this week it mentioned that we needed these items and I  
22 started collecting them already. It was my original hope to bring

1 them with us but then I was told that it would be better to wait until  
2 6 months or a year I think Chuck said, December.

3 MR. MULA: I have confidence that they are  
4 getting the documentation together. They just didn't get it to us in  
5 time so they can make the deadline for the final.

6 MR. RUFO: Okay it is our hope that we could  
7 bring it to the December meeting and clear it.

8 CHAIRMAN KEISER: Thank you any further  
9 questions, Anne?

10 MS. NEAL: Just a quick one. Have you shared  
11 your success with the threshold standard with the Middle States  
12 Commission on Higher Ed?

13 CHAIRMAN KEISER: You don't need to respond  
14 to that. As Chair I can overrule that question, Claude?

15 MR. PRESSNELL: Yeah just a point of  
16 clarification again for the staff. Our decisions are to be made  
17 based on the material received at the time the report was filed with  
18 us not subsequent material, correct? Is that correct?

19 CHAIRMAN KEISER: That is correct.

20 MR. BOUNDS: I'm sorry I didn't --

21 MR. PRESSNELL: Our decision as a body is to be  
22 made based on the material given to us at the final report not on

1 subsequent material. So in other words if we go with the staff's  
2 recommendation it is giving them time to become compliant but  
3 we have to stay basically at the time that the final report was filed  
4 for our review they were not compliant in that area, is this correct?

5 MR. BOUNDS: We didn't have as staff we didn't  
6 have the documentation to evaluate at that time. I don't have any -  
7 - I have confidence that they are qualified we just have to have that  
8 stuff to evaluate to make that statement.

9 MR. PRESSNELL: Right so let me phrase this a  
10 little bit differently. If they would have come in with a big old  
11 stack of resumes we still would have said they are out of  
12 compliance because we haven't had time to review them correct?

13 MR. BOUNDS: Yes.

14 MR. PRESSNELL: Okay thanks.

15 MR. FRENCH: I asked the question, we asked a lot  
16 of questions but the bottom line was the criteria were not met  
17 would be the CV's so I was just trying to understand why we don't  
18 have the CV's and why they haven't be reviewed and we would be  
19 finished.

20 MR. BOUNDS: Yes if we had the CV's we would  
21 have made a decision based on what we reviewed and we would  
22 have either found that they were qualified for those positions or

1 they are not and our recommendation would have stated as much,  
2 yes.

3 CHAIRMAN KEISER: Frank?

4 MR. WU: Just to note a few years ago we did have  
5 an agency where the documents weren't available but it was  
6 represented to us that they were all forthcoming and I can't  
7 remember exactly how we handled it.

8 But this issue recurs and so we just should be  
9 consistent. Either we deem them or we, you know, let it slide. As  
10 I understand it is exactly as Claude has said it is based on what is  
11 in the record at the time, but I am just noting it is often represented  
12 to us that the documents are, you know, forthcoming momentarily.

13 MS. HONG: To be clear yeah, and we make clear  
14 that we will not accept documents at the meeting, we cannot.

15 MR. WU: Right, right.

16 MS. HONG: We define what the record is by  
17 clearing the regulations so.

18 MR. WU: Right and I am just saying that we just  
19 need to stick to that because if we don't do that then the whole  
20 thing is going to go haywire and people are just going to start  
21 bringing all sorts of things.

22 MR. MULA: I would just like to clarify what Frank

1 is saying is true. We did make an exception to ACCSC's  
2 submission. They had actually sent -- it was in the mail and we got  
3 the documentation the day after we pushed the button the final.

4 MR. WU: Right, right, right, left the record open so  
5 to speak.

6 MR. MULA: The documentation did not come and  
7 the Committee determined at the meeting that they would accept  
8 that and make their recommendation based on that.

9 CHAIRMAN KEISER: Okay, any further  
10 questions considering that -- Jill, Simon would you like to make a  
11 Motion?

12 MS. DERBY: Yes.

13 MS. NEAL: Sorry. Just a question regarding our  
14 action with SACS -- I'm confused because I thought they were  
15 going to be submitting something later.

16 CHAIRMAN KEISER: I cannot comment on that.

17 MR. WU: I'll comment on that. My understanding  
18 of that was that the maker of the Motion and then the body as a  
19 whole deemed whatever was missing to be de minimis, that it was  
20 sufficiently minor, that we were going to let it go and that decision  
21 has already been made.

22 So I'm just trying to clarify this as we go forward

1 and Anne I share your concern. Once we head down this path, you  
2 know, the next person that is going to come, the next agency is  
3 going to have a more severe issue and then the next one after that  
4 more severe issue so we just need to be mindful about what we are  
5 doing otherwise we are going to have some agency with 50  
6 violations that we let go.

7 CHAIRMAN KEISER: Jill if you would like to  
8 entertain a Motion?

9 MS. DERBY: Yes I move that we continue the  
10 Agency's current recognition and require the Agency to come into  
11 compliance within 6 months and submit its compliance report 30  
12 days after the 6 month period that demonstrates the Agency's  
13 compliance with the issues identified below.

14 CHAIRMAN KEISER: Is there a second, Simon is  
15 the second. Further discussion -- what George, Simon said. Is  
16 there a further discussion? Oh we did miss a chance for -- I'm  
17 sorry I did miss Chuck, did you make your comments Chuck?  
18 Okay.

19 Thank you. All in favor of the Motion raise your  
20 hand please, all opposed -- it passed unanimously. Congratulations  
21 thank you very much for appearing before us.

22 We are scheduled to finish what time 5?

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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.**

1                                   **Renewal of Recognition**  
2                                   **American Dental Association**  
3                                   **Commission on Dental Accreditation**  
4                                   **(CODA ADA)**

5                                   CHAIRMAN KEISER: We will move to our final  
6 Agency of the day which is a Renewal of Recognition for the  
7 American Dental Association, Commission on Dental  
8 Accreditation.

9                                   Our Primary Readers are John Etchemendy and  
10 Arthur Rothkopf. Department Staff is Valerie Lefor and we have  
11 three Agency representatives. Would you like to introduce it  
12 Arthur?

13                                   MR. ROTHKOPF: I'll introduce it. This is the  
14 Commission on Dental Accreditation related to the American  
15 Dental Association. It is a Petition for Continued Recognition.

16                                   The Commission on Dental Accreditation or CODA  
17 and I will refer to it as that is a programmatic accreditor. It's  
18 accrediting activities include accreditation of pre-Doctoral dental  
19 educational programs leading to a DDS or DMD, advanced general  
20 dentistry education, advanced dental specialty education programs  
21 and the allied dental education programs including dental assisting  
22 education, dental hygiene education and related matters.

1                   The Agency accredits 1,450 programs currently  
2 covering 22 dental education areas. The Recognition by the  
3 Secretary if it occurs allows the program to participate in a variety  
4 of federal programs.

5                   A couple points of note -- since it is a non-Title IV  
6 federal link it does not have to meet the separate and independent  
7 requirements. In 1952 the Commissioner on Education listed the  
8 Council on Dental Education but over the years additional  
9 programs have been added both leading to degrees and some of  
10 them in allied fields to dental education.

11                   The last final review full review of the Agency was  
12 conducted in June, 2012 at a NACIQI meeting. The Agency  
13 completed a compliance report in 2013. This current review for  
14 2017 is the next full review of the Agency since that time.

15                   There has been one complaint during this period.  
16 Department staff observed a Commission meeting and did a site  
17 visit in March of 2017.

18                   CHAIRMAN KEISER: Thank you Arthur,  
19 Valerie?

20                   MS. LEFOR: Good afternoon Mr. Chair and  
21 members of the Committee. For the record my name is Valerie  
22 Lefor and I will be presenting a summary of the Petition for

1 Continued Recognition submitted by the Commission on Dental  
2 Accreditation referred to as CODA or the Agency.

3 The staff recommendation to the senior Department  
4 official for the Agency is to renew the Agency's Recognition for a  
5 period of five years. Based on a review of the information in the  
6 Agency's Petition and observation of a Board meeting on February  
7 2017 and a site visit in March, 2017 Department staff found that  
8 CODA is in compliance with the Secretary's criteria for  
9 recognition with no issues or concerns.

10 The Department did not receive any written third-  
11 party comments and has one active complaint during this review  
12 cycle regarding the Agency.

13 Due to the timing and the submission of the  
14 complaint Department staff is still reviewing the materials  
15 submitted by the complainant and also those from the Agency.

16 Therefore, the staff recommendation again to the  
17 senior Department official for the Agency is to renew the Agency's  
18 Recognition period for a period of five years. Representatives are  
19 here from the Agency and I am happy to answer any questions that  
20 you may have. This concludes my report, thank you.

21 CHAIRMAN KEISER: John, Arthur do you have  
22 any questions of staff? Anybody else -- thank you Valerie. Will

1 members of the American Dental Association please come forward  
2 to the Commission?

3 Thank you for being here. If you would like to  
4 introduce yourselves we would like to hear that.

5 MS. TOOKS: Good evening. Thank you for  
6 allowing us to join you this afternoon. My name is Sherin Took's.  
7 I am the Director of the Commission on Dental Accreditation. I  
8 have been on staff with the Commission -- this is my 16<sup>th</sup> year with  
9 CODA and my 5<sup>th</sup> year as the Director of CODA.

10 MR. LIVINGSTON: Good afternoon, my name is  
11 Dr. Mark Livingston. I am the Chair of the Commission of Dental  
12 Accreditation from the University of Mississippi Medical Center.  
13 I started my time with the Commission as a volunteer in 2013 and  
14 will wind up my term here in a few months so I appreciate  
15 NACIQI giving me this send-off.

16 MS. ALBRECHT: I'm Cathy Albrecht. I'm the  
17 CODA legal counsel and I have worked with the Commission for  
18 going on 8 years.

19 MR. LIVINGSTON: I'm assuming giving the hour  
20 brevity has value. Good afternoon members of the National  
21 Advisory Committee on the Institutional Quality and Integrity. My  
22 esteemed colleagues and I from the Commission on Dental

1 Accreditation appreciate the opportunity to appear before you  
2 today.

3 Our background information has been told to you in  
4 the opening statements by one of your own members so I won't  
5 rehash those statistics. I will add that graduation from a CODA  
6 accredited program is a requirement for licensure in a state to call  
7 oneself a dentist or a dental hygienist.

8 CODA would like to acknowledge and thank both  
9 Valerie Lefor and Herman Bounds for their thoughtful review and  
10 the guidance they provided during this process. We anticipate a  
11 fruitful dialogue and look forward to answering any questions the  
12 Committee might have for us today, thank you.

13 CHAIRMAN KEISER: Thank you for your brevity  
14 and I guess you said you are serving your time I wasn't sure what  
15 that really meant, that's okay. Members of the Review  
16 Committee?

17 MR. ETCHEMENDY: Yeah so let me start with as  
18 you know we have some standard questions or standard topics that  
19 we try to raise with all of the accreditation agencies. And one that  
20 we think is the key part of the issue is on student achievement  
21 completion rates, so forth and so on.

22 I want to first of all commend you on the

1 information that you have provided on the student achievement  
2 standards that you set for all the various 22 programs. And I  
3 would just like to ask for a little bit of additional information.

4           It says here you monitored program success with  
5 student achievement in relation to the institution's program  
6 mission, that you collect annual data on enrollment rates, attrition  
7 rates, job placement rates, success and so forth and so on. It's all  
8 great.

9           I'm curious about what you do with them once you  
10 have collected them and do you -- I assume you look at them and  
11 sometimes you are concerned about them and sometimes you are  
12 not. Do you have guidelines that you use?

13           MS. TOOKS: We do not have specific benchmarks  
14 if that is what you are alluding to. The Commission does have  
15 accreditation standards that require programs to set their own  
16 benchmarks for student achievement measures and we do collect  
17 the data as you indicated through annual surveys.

18           We also do an extensive review during an on-site  
19 site visit to the program. We also measure student achievement in  
20 the form of other things such as programmatic changes that are  
21 reported to the Commission, complaints that the Commission may  
22 receive, et cetera.

1                   But we really leave it up to the educational program  
2 to establish its student achievement benchmarks and those are  
3 assessed then through the Commission to the appropriateness of  
4 them and most importantly to ensure that if they are not what the  
5 program is expecting, that some corrective actions are made on the  
6 programs part to bring those student achievement measures up.

7                   Our annual survey data that we collect, we actually  
8 do publish aggregate information on student achievement within  
9 the survey data which is made available through our public  
10 website. And the student achievement data as you may have  
11 noticed is quite high in all of the disciplines that we accredit so we  
12 feel that we are doing things appropriately in that regard.

13                   MR. ETCHEMENDY: It's all very impressive.  
14 The pass rates are terrific. I actually -- is it true that the overall  
15 attrition rate of .8% for dental programs so only .8% don't make it  
16 through? That's a one year attrition rate?

17                   MS. TOOKS: Its graduation completion rates. The  
18 data that I pulled just prior to the meeting is 96% completion for  
19 pre-Doctoral which is the DDS/DMD degree. And as far as  
20 clinical examination pass rates it is 98% and the national written  
21 board exam is 99%.

22                   MR. ETCHEMENDY: Yeah I'm looking at a

1 different number, it's the attrition rate -- the overall attrition rate of  
2 it says .8% for dental, 14% for dental hygiene, 21% for dental  
3 assistant. The .8% is just striking is that correct or is that a typo?

4 MS. TOOKS: I believe it is correct and I would  
5 attribute it to the fact that our educational standards require that the  
6 programs have admission policies and procedures in place that are  
7 going to ensure that the students they are admitting to the program  
8 have the perpetude to complete the program.

9 They are going to be ready to, you know, endure a  
10 rigorous training program and have the knowledge and the ability  
11 to be successful in the academic program that they are admitted  
12 into.

13 MR. ETCHEMENDY: That's great. It's terrific, I  
14 don't think I have any other questions. I do want to know whether  
15 you are going to go back and say, "Look ma, no findings." That  
16 was a joke for the elderly in the room.

17 CHAIRMAN KEISER: Something about the joke  
18 is on this side of the table, I'm not sure. Wow. Any jokes on this  
19 side -- I'm sorry. Does anybody have any questions, Kathleen and  
20 then Arthur?

21 MS. ALIOTO: I have the same basic question that I  
22 had with the previous, not just the previous but the earlier medical

1 pharmaceutical group and that is with the problems with the  
2 opioids. Are you working with your institutions in any way in  
3 terms of benchmarks or guidelines so that dentists won't be likely  
4 to over prescribe?

5 MS. TOOKS: We have -- I'm going to answer my  
6 question in a little bit of a roundabout way but I will answer it. We  
7 have a process that allows individuals to make comment to the  
8 Commission to revise our accreditation standards.

9 And we happened to receive a comment from the  
10 U.S. Senate regarding pre-Doctorial training as it related to the  
11 opioid epidemic. Our Review Commission for pre-Doctorial  
12 education made recommendations to the Commission and the  
13 Commission is now circulating a proposed revision to the pre-  
14 Doctorial standards to address this matter, so that's out for  
15 circulation right now.

16 So we are adding to the educational standards in the  
17 area of pre-Doctorial and dental education and the areas of  
18 advanced education, and Dr. Livingston being an educator in that  
19 area he could speak to this as well.

20 But in the area of advanced education these are  
21 dentists who are going for advanced training and so their  
22 educational experience does include, you know, additional

1 knowledge and skill related to understanding prescribing practices.

2 MR. LIVINGSTON: In the post-Doctorial realm  
3 since they are a graduated dentist they now come under the  
4 purview of the institution where they are getting their training  
5 whether it be a hospital, another educational institution and they  
6 also fall under State Dental Practice Acts and their state bill Board.

7 So also obviously we have the pre-Doctorial  
8 accreditation standard that we are modifying but once they become  
9 a graduated dentist, even in a post-Doctorial realm, although they  
10 are still in a training program now that they are considered a  
11 dentists they are in -- pardon the pun, but in the "big leagues" now  
12 and can be considered for any type of discipline that would be  
13 levied on any dentist in the private sector.

14 So there are some checks and balances in place in  
15 the post-Doc area because they are considered a practicing dentist  
16 in some aspects as far as their ethical and professional behavior is  
17 concerned even though they are still at part of the time during the  
18 day we are the head of the student.

19 MR. ROTHKOPF: My question is have you taken  
20 significant disciplinary action, put a program on probation or done  
21 you know, anything to sort of limit any of these programs during  
22 this time since the last time you were recognized for a five year

1 period?

2 MS. TOOKS: We have taken --

3 MR. ROTHKOPF: Could you sort of describe if  
4 there is a pattern, what is it that happens that you exercise this  
5 discipline.

6 MS. TOOKS: Sure. The most simple of  
7 explanations it is programs that just don't have the ability,  
8 potentially, to comply with the accreditation standards within the  
9 appropriate timeframe that is designated to them -- and in some  
10 instances we were finding particularly in the allied education areas  
11 which could be dental assisting, dental hygiene, dental laboratory  
12 technology -- that these programs may continue to enroll students  
13 in classes even while on reporting requirements that were pretty  
14 severe or reaching their time limitation.

15 And so the Commission recently implemented a  
16 status by which a program could be placed on intent to withdraw  
17 accreditation which usually comes at a particular timeframe. That  
18 status has always been the case but we have recently added an  
19 option for the Commission to be able to mandate a period of non-  
20 enrollment for programs that the Commission believes should halt  
21 enrollment because of some, you know, severe deficiencies that  
22 really should be corrected before they continue to enroll additional

1 students.

2                   So yes, that has happened over the last five years  
3 we fluctuate, you know, the numbers in that regard but we do take  
4 that process very seriously with regard to holding programs  
5 accountable to the standards.

6                   MR. ROTHKOPF: And have you withdrawn  
7 recognition, accreditation during that five year period so how  
8 many?

9                   MS. TOOKS: We have not withdrawn  
10 accreditation during the five year period, we don't see -- we would  
11 certainly do so if we needed to but accreditation is a process  
12 whereby programs are intended to improve.

13                   And so the programs recognize the deficiencies and  
14 make corrective actions within the appropriate timeframe but the  
15 Commission would certainly withdraw it if it felt that it needed to.

16                   MR. ROTHKOPF: Thank you.

17                   MS. DERBY: How many, excuse me, how many  
18 dental hygienists are on your Commission?

19                   MS. TOOKS: There's one dental hygienist on the  
20 Commission. There's one discipline specific individual designated  
21 for each of the roles.

22                   MS. DERBY: And how big is the Commission?

1 MS. TOOKS: The Commission is 30 members.

2 MS. DERBY: How much of -- I'm trying to get the  
3 proportion of dental to dental hygienists programs -- can you give  
4 me some sense of that?

5 MS. TOOKS: So we accredit 66 dental education  
6 programs.

7 MS. DERBY: Okay.

8 MS. TOOKS: The dental hygiene programs I  
9 would say are maybe 250 -- I'm just ball-parking numbers here.  
10 The dental assisting are about 300. The advanced general dentistry  
11 are about 300 and the advanced specialty areas are about 300.

12 MS. DERBY: I'm just curious about the  
13 proportional representation of those separate professional fields on  
14 your Commission.

15 MS. TOOKS: It is proportionate in the sense that  
16 there is one Commissioner in dental assisting which has the same  
17 number of programs as dental hygiene. There's one dental hygiene  
18 Commissioner. Dr. Livingston represents post-op general dentistry  
19 which there are 300 programs.

20 And the specialties make up 9 -- we also have 4  
21 public members, we have 4 dental educators and we have 4 dental  
22 practitioners.

1 MS. ALIOTO: I have a couple of other questions  
2 about preventative care and how you look at that in terms of your  
3 institution's preventative care including support for fluoride and  
4 preventative care in terms of assisting institutions and to use the  
5 instruments necessary in regards to early abnormal tissue growth  
6 and what guidelines are you giving in terms of over-whitening and  
7 dentists doing Botox?

8 MS. TOOKS: So I am going to let Dr. Livingston  
9 answer this but I will start by saying that we don't dictate the state  
10 practice acts. We are the accrediting agency for educational  
11 programs. So you know, within the realm of dental education, the  
12 student should learn the various aspects of dentistry that they may  
13 be performing once they become a practitioner in the field.

14 But again we don't dictate the State Practice Acts or  
15 the types of procedures that are considered acceptable or  
16 unacceptable within the field. We are educating based upon the  
17 nationally accepted educational standards that have been set for the  
18 discipline.

19 MR. LIVINGSTON: I would concur there is kind  
20 of a jurisdictional issue here but what we have in our training  
21 programs and in our accreditation standards -- anything that,  
22 especially if you are a generalist if you apply a technique or a

1 procedure that would normally be utilized by a specialist, you are  
2 held to the standard of the specialty not to some sub-par level as a  
3 generalist.

4 For example an obvious example -- everyone either  
5 has or has a child who has had their wisdom teeth taken out,  
6 whether you go to the generalist or the specialist the level of care is  
7 one level of care. There are not multiple levels of care.

8 My personal feelings about bleaching and Botox  
9 aside is that -- well it's just there are things we should be doing in  
10 our profession and there are things we might not ought to be doing  
11 in our profession unless one has had an adequate amount of  
12 training.

13 So you know, in our accreditation standards we  
14 don't speak to specifically Botox for the generalist. I think there  
15 are some facial plastic accreditation standards that relate to the oral  
16 maxillofacial surgery program accreditation requirements but a lot  
17 of that revolves around what the State Dental Board and the State  
18 Practice Act will allow regarding generalist versus specialist,  
19 bleaching and Botox.

20 On the fluoride addition to water the Department of  
21 Health typically is the one that is in favor of that but for us we do  
22 believe across the lifespan preventative care needs to be our first

1 line of defense. If you can avoid it from happening you have  
2 avoided a ton of problems.

3 So whether it be pediatric, anything in between to  
4 geriatric we do -- we are large proponents of preventative care.

5 MR. ETCHEMENDY: Let me ask one final  
6 question just to see if you can clarify something. We received a  
7 letter that was addressed to the Commission as a general comment  
8 from the Academy of General Dentistry.

9 I can't imagine that it doesn't actually have to do  
10 with some incident or other and I personally couldn't figure out  
11 exactly what the concern was. The concern has to do with the  
12 establishment of standards prior to the establishment of a sufficient  
13 number of programs I gather. Could you illuminate the  
14 background here?

15 MS. TOOKS: I am going to try to but it is based on  
16 my speculation of what might be the background on this letter.  
17 And I agree, I mean when we saw the letter we noticed that there  
18 was no particular agency identified within the letter itself nor does  
19 it indicate a real specific issue.

20 So CODA does have criteria for areas of dentistry  
21 to make an application to the Commission for us to develop  
22 accreditation standards for a new area of dentistry that may or may

1 not be new.

2                   And so we do receive those sorts of applications  
3 every now and then. We ensure that the discipline I should say,  
4 has the potential to satisfy those criteria and we -- if they do have  
5 the potential to satisfy and can satisfy those criteria we can develop  
6 accreditation standards and begin to implement an accreditation  
7 process for a particular discipline.

8                   The most recent discipline that we did this for was  
9 for dental therapy which you may or may not have heard about.  
10 But when we do establish those educational standards it is through  
11 a process by which the Commission receives comment from the  
12 broad communities of interest and in fact in this particular  
13 discipline we sent out the accreditation standards twice over a  
14 period of two years for comment.

15                   Again, by the broad community of interest, the  
16 Academy of General Dentistry is certainly one of those  
17 communities of interest. So the comment of the letter related to  
18 setting standards for a profession or regulation or that sort of thing.

19                   You know, we accredit educational programs. We  
20 have no purview over the recognition of a profession by any  
21 particular state. The Commission has no purview over Practice  
22 Acts that are permitted for that particular profession in a particular

1 state. These are all state specific rights and responsibilities.

2 We as a Commission simply develop educational  
3 standards for a particular discipline that are vetted through a  
4 national input-seeking process.

5 CHAIRMAN KEISER: Sensing no further  
6 questions thank you very much for your presentation. I would like  
7 to recall Valerie to come up and comment on the Agency response.

8 MS. LEFOR: Thank you. I have no additional  
9 comments but I am happy to answer any questions.

10 MR. ROTHKOPF: Just one question. Do you have  
11 any better idea what that comment letter was about? I share John's  
12 concerns that it didn't make sense to me and I couldn't figure out  
13 what they were complaining about. Do you have any insight on  
14 that?

15 MS. LEFOR: My best guess and again I am  
16 guessing is that it may have to do with the dental therapy standards  
17 as mentioned by Dr. Toops. It is not specific so the way the  
18 process goes for us is we have -- and you guys have already  
19 discussed this today.

20 We have the Federal Register process where they  
21 are -- anyone can submit comments to us through the Petition, you  
22 know written comments and then they can come here and orally

1 present.

2                   There's also a process in which those -- there are  
3 comments that can be submitted directly to you as the NACIQI  
4 members and in that NACIQI process it is my understanding and I  
5 can look to Jenn if there is additional clarity that is needed but it is  
6 not intended to be specific to an agency.

7                   Because it was a dental comment it makes sense  
8 that it sort of got paired to this but the comment isn't specific  
9 enough to release a -- this is what the specific concern was. I can  
10 tell you that with the active complaint that I am looking at it is not  
11 relative to that, it is by completely different people.

12                   So I don't have any information about it. My best  
13 guess was maybe the dental therapy since that was brand new but I  
14 do now that we have been contacted a couple of other times by  
15 other groups that are out there that want to come to CODA and go  
16 through the process of getting their specific discipline recognized  
17 and we have always referred them back to the Agency.

18                   MR. ROTHKOPF: But that -- excuse me, that  
19 individual didn't contact you or seek the ability to appear before  
20 NACIQI in connection with this new recognition process?

21                   MS. LAFOR: That is correct. I received no  
22 contact.

1 MR. ROTHKOPF: Thank you.

2 CHAIRMAN KEISER: Any further questions for  
3 Valerie? Then Arthur are you going to make a Motion -- Arthur?

4 MR. ROTHKOPF: I will make a Motion that this  
5 Agency be renewed for a five year period.

6 CHAIRMAN KEISER: Is there a second.

7 MR. WU: I'll second.

8 CHAIRMAN KEISER: Frank Wu seconds it.  
9 Further discussion -- holy cow we are going to finish on time. All  
10 in favor of the Motion raise your hand -- all of those opposed --  
11 Motion carries thank you very much. Thank you members of the  
12 ADA and members of the Committee I applaud you. We finished  
13 on time shockingly. I was getting worried.

14 **NACIQI RECOMMENDATION**

15 **Renew the Agency's recognition for five years.**

16 CHAIRMAN KEISER: Tomorrow we have a  
17 number of agencies up for review but also we will have the  
18 discussion on the data collection single unit measurement for  
19 students and that will be interesting. Bring your questions and  
20 have a good evening. Thank you audience have a good evening  
21 we will see some of you tomorrow.

22 (Concluded at 5:17 p.m.)