MEMBERS:

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BETER-ARON SHIMELES
CAMERON C. STAPLES, J.D.
LARRY D. VANDERHOEF, Ph.D.
CAROLYN WILLIAMS, Ph.D.
FRANK H. WU, J.D.
FEDERICO ZARAGOZA, Ph.D.
AGENDA ITEM: Welcome and Introductions

Overview of Procedures for Committee Review of Petitions

Jamienne Studley, Chairperson, NACIQI
Melissa Lewis, NACIQI Executive Director
U.S. Department of Education

Oklahoma Board of Career and Technology Education (OKBCTE)

Action for Consideration: Petition for Renewal of Recognition and a Request for an Expansion of Scope To Include Distance Education

NACIQI Primary Readers:
Beter-Aron Shimeles
Cameron Staples

Department Staff:
Rachael Shultz

MOTION:
AGENDA

AGENDA ITEM: North Central Association Commission on Accreditation and School Improvement (NCA-CASI)

PAGE: 24

Action for Consideration: Petition for Renewal of Recognition and Request for a Geographic Expansion of its Scope of Recognition to include its Accreditation and Preaccreditation of Non-Degree-Granting Career and Technical Education Institutions.

NACIQI Primary Readers:
Arthur E. Keiser
Federico Zaragoza

Department Staff:
Joyce Jones

Representatives of the Agency:
Kenneth Bergman, General Counsel, NCA-CASI
Mark Elgart, President and CEO, AdvancED
Chelle Travis, Vice President, Career Technical and Postsecondary Services
Steve Winnick, Education Counsel

Third Party Oral Commenters:
Barbara Nicol, Adult Workforce Education, Ohio Board of Regents
Thomas Peters, Symbol Job Training, Inc.

MOTION:

154
AGENDA ITEM:
American Association for Marriage and Family Therapy, Commission on Accreditation for Marriage And Family Therapy Education (CAMFTE)

Action for Consideration: Petition for Renewal of Recognition and a Request for an Expansion of Scope to Include Distance Education

NACIQI Primary Readers:
William "Brit" Kirwan
Carolyn Williams

Department Staff:
Jennifer Hong-Silwany

Representatives of the Agency:
Tanya Tamarkin, Director of Educational Affairs, CAMFTE
Tracy Todd, Deputy Executive Director, CAMFTE
Roger Smith, Senior Attorney, CAMFTE
Eric Shapiro, Education Specialist, CAMFTE

MOTION:

Working Lunch: Lumina Foundation's Degree Qualifications Profile and "Goal 2025" Initiatives

Presenter: Jamie Merisotis, President and CEO Lumina Foundation
AGENDA ITEM:

Pennsylvania State Board of Vocational Education, 232 Bureau of Career and Technical Education (PBCTE)

Action for Consideration: Petition for Renewal of Recognition

NACIQI Primary Readers:
Arthur E. Keiser
Federico Zaragoza

Department Staff:
Chuck Muala

Representatives of the Agency:
Lee Burket, Director, Bureau of Career and Technical Education, PBCTE
Tamalee Brassington, Manager, Division of Adult and Postsecondary Education, PBCTE
Beth Marshall, Accreditation Coordinator, PBCTE

MOTION:

AGENDA ITEM:

Background and Overview of the NACIQI's Draft Report to the Secretary on HEA Reauthorization

Presenter: Susan D. Phillips, Policy Subcommittee Chair

Public Commenters' Oral Presentations - Prior Requests
Judith Eaton, Council for Higher Education Accreditation
Joyce Rechtschaffen, Princeton University
Vickie Schray, Bridgepoint Education
Joseph Vibert, Association of Specialized and Professional Accreditors
Ralph Wolff, Western Association of Schools and Colleges, Accrediting Commission for Senior Colleges and Universities
Policy Discussion of Public Comments and Recommendations

Adjournment

MOTIONS: 22, 154, 181 and 249
WELCOME AND INTRODUCTIONS

CHAIR STUDLEY: Good morning and welcome.

Thank you for being here for this meeting of NACIQI.

I'm Jamienne Studley, the Chair of NACIQI, and

I'd like to welcome all of you.

We're going to begin by going around the table

and introducing the members of the committee for the

benefit both of the members of the audience and the

reporter who is taking the notes for us.

Let's begin with the Vice Chair, the esteemed

Arthur Rothkopf.

VICE CHAIR ROTHKOPF: I'm the Vice Chair

Arthur Rothkopf.

DR. PHILLIPS: Susan Phillips.

MR. WU: Frank Wu.

CHAIR STUDLEY: I think, if you wouldn't mind,

although you are the same people you were when you

introduced yourselves yesterday, the audience is new.

So if you would just title, not name, rank, and serial

number.
DR. PHILLIPS: Okay. Susan Phillips, Chair of the Subcommittee on Policy, and Provost and Vice President for Economic Affairs, State University of New York at Albany.

MR. WU: Frank Wu, Chancellor and Dean, University of California, Hastings College of Law.

MR. STAPLES: Cam Staples, President of the New England Association of Schools and Colleges.

DR. WILLIAMS: Carolyn Williams, former President, Bronx Community College, City University, New York.

MR. SHIMELES: Aaron Shimeles, New York City Operations Coordinator at Perry Health Exchange.

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

DR. KIRWAN: Rick Kirwan, Chancellor of the University System of Maryland.

DR. VANDERHOEF: I'm Larry Vanderhoef, former Chancellor at UC Davis.

MR. KAISER: Art Kaiser, Chancellor at Kaiser University.

DR. ZARAGOZA: Federico Zaragoza, Vice
OVERVIEW OF PROCEDURES FOR COMMITTEE REVIEW OF PETITIONS

CHAIR STUDLEY: As you know, one of the primary functions of NACIQI is to advise the Secretary as to whether he or she should recognize specific accrediting agencies, state approval agencies, and others. That's what we'll be doing this morning and this afternoon we will move into a different phase of activities relating to recommendations that the Secretary has sought from us with respect to the reauthorization of the Higher Education Act.

Before we begin this morning's presentations,
I want to ask Sally Wanner from the Office of General Counsel and Kay, if she would like to join, as well, to recap for us the options that we have and the relationship of staff recommendations to the NACIQI recommendation.

We talked about it yesterday but we have a different audience and thought it would be useful for us to begin that way.

Sally, thank you.

MS. WANNER: Good morning. At this stage we've already had on each agency that's coming before our committee a recommendation from Department staff. The job of the committee is to make its own recommendation that's independent of the staff's. The purpose is to get the expertise of all of you who are experienced and knowledgeable in the field.

Then at that point, after this hearing, the recommendation of the staff and the recommendation of the advisory committee will go before the decision-maker who is Dr. Ochoa, the Assistant Secretary of Postsecondary Education. If there's an appeal from Dr. Ochoa's decision, that would go to
Secretary Arnie Duncan.

Both of the recommendations are -- it's not an appellate proceeding here. Both of the recommendations are independent of each other and the decision-maker, Dr. Ochoa, will give them the weight that he thinks appropriate.

As I said, on each of the agencies here, the staff has already made a recommendation. The advisory committee will make its decision based on the written materials that it's already reviewed and the testimony today, applying their expertise. They're not bound by the decision of the staff.

As far as the options on individual agencies, the committee can, if it's a renewal or an initial petition and the agency meets all of the criteria and has documented that it effectively applies them, the committee can recommend renewal or initial recognition.

If they have some findings, if the committee agrees that they are not in complete compliance but the committee also thinks that it's reasonable to suppose -- that the agency has showed that it's reasonable to suppose that they will bring those areas
of noncompliance into compliance within the period of a year, the committee has the option of recommending a continuation of recognition for that 12-month period or less, depending on how much the committee thinks appropriate, at which point the agency would provide a compliance report which hopefully would demonstrate that it had fixed its problems and then the recognition could be renewed.

That is an option that's only available for an agency that's seeking renewal and not for an agency seeking initial recognition.

If the committee feels that an agency is out of compliance and does not think it is reasonable to suppose that the agency can bring itself into compliance within the 12-month period that the statute allows, the options are to deny, limit, suspend, or terminate an agency's recognition. Denial and termination are more or less the same but limitation involves more creativity.

What has been done in the past as far as limitations are things such as renew the agency but not recognize it for its accreditation of any new schools
it hasn't previously accredited, renew it but don't permit recognition of any substantive changes by the schools, and anything else creative that you can come up with are options for you.

Obviously things you want to keep in mind in doing a limitation are, you know, what the impact will be on students and on schools that are obviously not responsible for the shortcomings of the accrediting agency.

In the event an agency is terminated, just so you know, the Secretary does have authority, it has exercised it, to permit schools from such an agency to continue to participate in the Title IV programs for an additional 18 months after that loss of recognition and at that point they would have had to have obtained alternative accreditation.

As far as requests for expansion of scope, I think the things that you would look at are whether the agency has the requisite experiences and compliant policies and capacity and performance record to support the request, and I guess one area also I should mention, with the continuation, you could do like you
did yesterday, impose any additional special
requirements or language to indicate your particular
concerns. You can recommend that findings be made of
noncompliance that weren't in the staff report.
So I think that gives you an idea that you
have a great deal of latitude in deciding on your final
recommendation and again the purpose of this is for you
to apply your knowledge and give it your best thinking
and we appreciate the benefits of that input.

Thank you.

CHAIR STUDLEY: Thank you very much, Sally.
We've all heard that several times but it makes more
sense each time we hear it and it's also a useful
summary, I think, for our audience.

We will describe to you this afternoon the
procedures for this afternoon when we move into that
separate process, but I would mention right now that we
have scheduled a time for Public Comment tomorrow from
11:30 to 12, but if, depending on how our time goes and
what the signup is for participation, we might be able
to accelerate that and allow some of the Public Comment
on the policy recommendations to move forward to this
afternoon. The advantage to that would be to get as much of the observations as possible before we move into our discussion of the recommendations that we will make to the Secretary. We will still, however, because we committed to do it, have the 30-minute comment period tomorrow morning at 11:30 for those who want it.

With that, I'd like to recognize Melissa Lewis, our outstanding Executive Director, and ask her whether she has any other announcements or opening remarks.

EXECUTIVE DIRECTOR LEWIS: Thank you, Jamie. I'd like to also welcome back the members of the NACIQI and also welcome our guests today. Thank you very much for coming.

I hope everyone's picked up an Agenda from outside the meeting room. There's also a List of Members there as well as the Guidelines for Third Party Commenters.

To signup onsite as a third party public commenter, please go down to the desk down by the Christmas tree and complete a form. They'll time stamp it and give you a laminated number and we're accepting
up to five speakers per agency and we will accept them up until five minutes of the scheduled review time for the agency.

Today, we have 13 members with us. Earl Lewis, Bill Pepicello, Bruce Cole, and Wilfred McClay are unable to attend, and I also wanted to note that the morning will be agency reviews and then, starting at what time, starting at 12 o'clock, Jamie Merisotis will present on the Lumina Foundation's Degree Qualification Profile and their Goal 2025, and then following that, the committee will begin their deliberations concerning the Draft Report to the Secretary concerning their recommendations on the reauthorization of the Higher Education Act.

And I would like to thank everyone again for their hard work and preparation for the meeting, particularly the staff, as well as the members.

Jamie?

CHAIR STUDLEY: Thank you.

OKLAHOMA BOARD OF CAREER AND TECHNOLOGY EDUCATION

CHAIR STUDLEY: Let's move into the review of specific agency petitions. We begin with the Oklahoma
Board of Career and Technology Education. The primary readers for this are Aron Shimeles and Cameron Staples. Department Staff member is Rachael Shultz, and there are no representatives of the agency scheduled to appear before us nor any oral commenters who've requested to participate.

Aron, are you going to be --

MR. SHIMELES: Thank you. The Oklahoma Board of Career and Technology Education is recognized for the approval of public postsecondary vocational education programs offered at institutions in the state of Oklahoma. They're not under the jurisdiction of the Oklahoma State Regents for Higher Education.

The Oklahoma Board of Career and Technology Education is vested with the power to govern and establish criteria and procedures for 29 technology center districts encompassing 57 campuses across the state. Approval by the Oklahoma Board of Career and Technology Education enables technology centers to receive funding under Title IV as well as under other federal programs related to vocational education.

In addition to its petition for continued
recognition, the agency's requesting an expansion of scope of its recognition to include its approval of public postsecondary vocational education institutions offering non-degree vocational education, including those programs offered via distance education.

CHAIR STUDLEY: Rachael?

Dr. SHULTZ: Good morning. I'm Rachael Shultz, and I'll be presenting information regarding the petition submitted by the Oklahoma Board of Career and Technology Education or OBCTE.

The staff recommendation to the Senior Department Official is to continue the agency's current recognition and require a compliance report within 12 months on the issues identified in the staff report.

This recommendation is based upon the staff review of the agency's petition and supporting documentation as well as the observation of a site visit in Oklahoma City in November 2011.

Our review of the agency's petition revealed several issues in several areas of the criteria. Several of the findings relate to the OBCTE's review process and include such things as the need for
corrections to the agency's site evaluator training manual or the need for more information in areas such as the selection and training of site evaluators, how the agency crosswalks its requirements with industry or national accrediting agency standards in order to conduct joint reviews, and how the agency monitors changes that occur during an institution's accreditation period.

A number of the findings were related to distance education. In its petition, the OBCTE requested an expansion of scope to include distance education. However, our review of the agency's petition identified several issues that need to be addressed prior to such an expansion. Primarily, staff concerns center on questions of how the agency has addressed distance education in its standards and in its review process in order to ensure that distance education components are approved and evaluated in a consistent manner across all of the agency's vocational institutions.

For instance, the agency needs to provide information describing how it reviews and approves
majors that include a distance education component. It needs to provide additional information regarding the standards and process for accrediting institutions that include offerings via distance education. It needs to demonstrate that it includes an assessment of distance education in its self-studies, onsite review processes, and training.

Also, it must provide additional information on how an institution self-assesses its distance education offerings against agency standards.

For this reason, we are recommending a deferral of the agency's request for an expansion of scope in order that these issues may be addressed in the agency's report.

Since many of these issues only require the need for additional information or documentation and because we have received no record of complaints or concerns regarding this agency, we believe that the agency can resolve the concerns we have identified and demonstrate its compliance in a written report in a year's time.

Therefore, as I stated earlier, we are
recommending to the Senior Department Official that OBCTE's current recognition be continued and that the agency submit a compliance report in 12 months on the issues identified in the staff report.

Due to the state budget constraints, no OBCTE representatives were able to attend today's meeting, but I will be happy to answer the committee's questions regarding the agency. Thank you.

CHAIR STUDLEY: Thank you very much, Rachael.

Cam, do you?

MR. STAPLES: I have nothing to add, except to offer a motion, if there's no more discussion.

CHAIR STUDLEY: Any questions or comments?

(No response.)

CHAIR STUDLEY: Okay. Thank you very much. Are there any questions or comments from members of the committee?

(No response.)

CHAIR STUDLEY: In that case, would you like to make the motion, Cam?

MOTION

MR. STAPLES: Okay. I would make the motion
that we have made a number of times yesterday, which is consistent with the staff recommendations, that the agency's recognition be continued. I don't know if you have that language to post up there. I can read it. That it be continued for -- to permit the agency an opportunity to, within a 12-month period, bring itself into compliance with the criteria cited in the staff report and that it submit for review within 30 days a compliance report demonstrating compliance with the cited criteria and their effective application. Such continuation shall be effective until the Department reaches a final decision.

I think we changed that wording slightly from this draft and I would accept the language we used yesterday instead, the edited version of that.

MR. SHIMELES: And do we also want to include the language on the expansion of scope?

MR. STAPLES: I'm sorry?

MR. SHIMELES: Do we also want to include the language on expansion of scope?

MR. STAPLES: I wasn't sure we could do that.

We're continuing it for 12 months. I don't know why
we would do that.

EXECUTIVE DIRECTOR LEWIS: If you simply say
that you're continuing the current scope, then that
excludes the expansion and they can address that in
their report.

CHAIR STUDLEY: Okay. A motion has been made.
Is there a second?
(Second.)

CHAIR STUDLEY: Thank you very much. All in
favor, please signify by raising your hands. It
apparently is easier for people.
(Show of hands.)

CHAIR STUDLEY: Thank you very much. Any
opposed?
(No response.)

CHAIR STUDLEY: Thank you very much. The
motion carries, and we will forward our motion of
approval of the renewal of recognition. Thank you very
much.

NORTH CENTRAL ASSOCIATION COMMISSION ON
ACCREDITATION AND SCHOOL IMPROVEMENT (NCA-CASI)

CHAIR STUDLEY: We now move on to the next
agency before us, the North Central Association Commission on Accreditation and School Improvement.

The primary readers are Arthur Keiser and Federico Zaragoza. The Department staff member is Joyce Jones, and I would invite the representatives of the agency to -- you're sitting -- why don't we let Joyce, the staff member, make the presentation, and then we'll invite up the representatives of the agency? Would you prefer that they come up now?

The primary readers -- are you first up, Art?

MR. KEISER: I am.

CHAIR STUDLEY: Excellent. Thank you very much.

MR. KEISER: Madam Chair, I'd like to introduce the Application for Renewal Petition with a Request for Expansion of Scope of Recognition by the North Central Association Commission on Accreditation and School Improvement.

This agency currently accredits in, I think it is, 17 different states as a regional accrediting agency and they have been continuously recognized as a regional accrediting agency by the U.S. Department of
Education since 1974.

This agency accredits both secondary and post-secondary institutions. In addition, with the expansion of scope they want to move from a regional accrediting agency to a national accrediting agency.

NCA-CASI accredits a niche of postsecondary career and technical vocational clock hour certificate-granting institutions in 19 states as well as the Navajo Nation. It currently works with a 193 postsecondary institutions with a 169 accredited and 13 candidacy institutions with 11 institutions in applicant status.

Currently in total NACI-CASI-accredited post-secondary career technical institutions educate approximately a 190,000 adult students annually.

I have done something a little different in that I've passed out a copy of the report which you have on your computer which highlights the status and the compliance with the standards. I'm going to let Joyce take it from here but I want to point out the significant number of issues that have been raised by the staff report which total over 55. I counted
between 57 and 59. I can't get it right exactly the
t numbers but significant numbers of deficiencies cited
in the report at which point I will recognize Joyce to
make the staff report.

MS. JONES: Thank you, Dr. Keiser. Members of
the Committee, Madam Chair, as Dr. Keiser said, my name
is Joyce Jones, and as a member of the Department's
Accreditation Group, I will summarize the staff report
of the analysis and the recommendations following our
review of the petition for renewal of recognition and a
request for an expansion of scope submitted by the
North Central Commission on Accreditation and School
Improvement. I will refer to the agency as NCA-CASI.

The staff recommendation to the Senior
Department Official for this agency is to deny
recognition of the NCA-CASI for the accreditation and
pre-accreditation or candidacy of the schools offering
non-degree postsecondary vocational education programs
and its request for an expansion of scope from a
regional accrediting body to a national accrediting
body.

We based our recommendation on our review of
the agency's June 2011 petition, supporting and supplemental documentation, a review of the June 2010 previous petition for initial accreditation submitted by the agency's parent corporation, AdvancED, observed two decision meetings, one of the Board of Trustees of AdvancED, and the Board of Directors of NCA-CASI, one site visit to the Ben Franklin Career and Technical Center in West Virginia.

During the past two and a half years, the agency has reorganized its structure, developed new bylaws, standards, policies, and procedures for conducting their accreditation process for schools that offer vocational education at the postsecondary level.

In its last rendition of standards, the agency has not demonstrated that its new standards have a comprehensive component for institutions to conduct an in-depth assessment for educational quality or that its site evaluators and decision-makers consistently apply its standards, policies, and procedures to demonstrate a comprehensive assessment before making a recommendation or a decision.

Department staff has serious concerns
regarding the agency's ability to come into compliance due to the depth and the extent of issues surrounding the agency's administrative capacity, its establishment and application of its standards, policies, and accreditation processes, and its overall reliability as a recognized agency and Title IV gatekeeper.

The Department does not believe that if the agency receives 12 months to submit a compliance report on the many issues identified in the staff report, that the agency could come into full compliance with each of the several many issues of noncompliance identified in the analysis.

The following summarizes the overarching issues for which the Department has concerns: the composition of the Board of Directors, Appeals Panel, and all review entities, whether they have adequate administrative and physical resources and how they are dedicated to postsecondary vocational accreditation, development and implementation of processes and procedures that demonstrate an effective application of the accreditation evaluation process, development and implementation of processes and procedures that
demonstrate the effective application of the operating requirements outlined in the criteria for recognition, development and application of clearly-defined standards that are compliance-based and specific to postsecondary vocational education programs that have measurable thresholds to determine compliance, development and implementation of training on the interpretation and application of the agency's postsecondary vocational education standards and the review responsibilities and procedures of the Board, the Appeals Panel, and the site team evaluators, development and implementation with clearly-sustainable timelines for enforcing its standards, and operating procedures, such as conducting standards review process or sending the notifications of decisions to all relevant entities, among other things.

With the creation of AdvancED as the umbrella organization in 2006, NCA-CASI became a part of the parent corporation. After creating a new governance structure with AdvancED, new policies, procedures, and standards were implemented, giving AdvancED Board of Trustees decision-making authority for postsecondary
In June 2010, the corporation submitted a petition for initial recognition of AdvancED for your Fall 2010 meeting. The Department reviewed the initial petition and it revealed numerous areas of noncompliance based on a lack of evidence of implementation, insufficient standards, and a concern that the agency standards did not demonstrate a quality and authoritative assessment of postsecondary vocational education.

After reviewing the petition, the Department sent the agency a draft staff report. The agency withdrew that petition and again reorganized and used the suggestions made in the AdvancED staff report to revise its governance structure and address the numerous compliance concerns and then resubmitted as NCA-CASI in a Petition for Recognition in June 2011.

What is evident to the Department is that the agency has had at least three opportunities within two and a half years under previous reviews and with the technical assistance provided by the Department staff and General Counsel to correct identified deficiencies,
to comply with the Department's criteria for recognition.

In each of the three opportunities, the agency has failed to come into compliance with the criteria. Department acknowledges that the agency has undertaken major changes in its accreditation process since the reorganization into AdvancED in April 2006. However, after having several opportunities to demonstrate compliance, the staff believes the agency does not understand the accreditation criteria.

Based on the noncompliance citations, the Department's recommendation to deny recognition is based on the breadth of the areas of noncompliance with the criteria essential to consideration of an agency as an authority on the quality of education offered at institutions it accredits that offer postsecondary vocational education programs. In addition, the agency has not demonstrated that its application of the revised standards and accreditation processes conform to the Department's expectation of an accrediting agency that accredits these types of institutions as shown by the concerns in the staff analysis.
In addition to recommending denial of recognition, the Department is also recommending to the Senior Department Official the denial of the agency's request for an expansion of scope from a regional accrediting agency responsible for institutions in 19 states to a national accrediting agency that would conduct accrediting activities in 50 states in its current state and noncompliance with the criteria.

This concludes my presentation. Thank you.

Members of the agency are present as well as third parties to make oral comments.

Thank you very much.

CHAIR STUDLEY: Okay. We figured out our mike problem.

Arthur, would you like to -- were you going to introduce the agency representatives? No.

In that case, we'd like to hear from the representatives of the agency and, Joyce, if you'd like to remain.

MS. JONES: I'm just going to switch over so they'll have access.

CHAIR STUDLEY: We have listed as the
participants Mr. Bergman, Mr. Elgart, Mr. or Ms. Travis, and Mr. Winnick. We would ask you to introduce your group. Thank you very much. We appreciate your being here today. Thank you.

MS. TRAVIS: Thank you for the opportunity to address the committee this morning.

My name is Chelle Travis, and I am the Vice President for NCA-CASI, Postsecondary Career and Technical Services.

NCA-CASI is an unincorporated division of AdvancED which is a 501(c)(3) organization. The members of my team who are here to provide you with the information regarding our petition today are Dr. Mark Elgart, President and CEO of AdvancED, Ken Bergman, General Counsel, and Steve Winnick, who is with Education Counsel here in Washington, which is supporting our efforts today.

It is our hope that your conclusions will be informed by careful consideration of the details of our submission which have been obscured and, frankly, miscast by the format and substance of the staff recommendations. In particular, we would hope that you
would review Exhibit 1000 which provides major relevant facts that should bear on any judgment you make.

I have copies of that exhibit available for your review if you wish.

Mark, let me turn it to you.

DR. ELGART: Good morning, Madam Chair, Members of the Committee. My name is Mark Elgart. I serve as the President and CEO of AdvancED.

I have 25 years' experience in the accreditation community, beginning as a member of the Commission on Public Secondary Schools for the New England Association of Schools and Colleges, and have been in this role even at the prior recognition of NCA-CASI in 2007.

So that you understand the corporate relationship, AdvancED was created in 2006 by the unification of NCA-CASI and its sister regional accreditors, SACS Commission on Accreditation School Improvement, the K-12 Division of the Southern Association of Colleges and Schools. We formed AdvancED, NCA-CASI and SACS-CASI did, created the name, and, in essence, AdvancED is NCA-CASI and NCA-CASI is
We did so in 2006 with the full knowledge of the Department and guidance by the Department on how we ensured that unification didn't disrupt or conflict with our recognition and with full knowledge of that unification in 2007 NACIQI recommended and it was granted by the Secretary full recognition for a five-year period in 2007.

NAC-CASI, as you'll learn, works with almost 200 postsecondary institutions, 166 of which are currently accredited in 19 states, serving over 350,000 adults annually. We're a unique niche in the postsecondary world for non-degree-granting institutions. We focus on career and technical education where programs vary dramatically in size and scope. We have schools that serve 20 students to 20,000 students.

Since NCA-CASI was reauthorized by the Department in 2007, without condition, our institutions have continued to consistently demonstrate a remarkable track record of achievement, including their completion and graduation rates, job placement rates, and
licensure passage rates are well over 80 percent, and
in most instances those numbers are near 90 percent.
Our institutions' student default rates are
consistently under 6.5 percent.

It is no surprise in NCA-CASI's 37-year
history as a postsecondary non-degree-granting agency,
not one institution has been sanctioned by the U.S.
Department of Education for a Title IV violation, not
one, and unlike many accreditors, we have no complaints
from the public, other agencies, or institutions that
we accredit, none. As you'll hear, state agencies,
licensing boards, and employers equate quality with the
work of NCA-CASI.

The unfortunate reality is that the only
complaint we have received since our last recognition
by the Department comes from staff members in the
Department beginning in late 2009. It's late 2009 when
many of the things you heard in the staff report were
directed by the Department for changes made, and I
remind you 2007, we were recognized for five years and
not until 2009 were we directed to make the changes
that are now being held against us.
As we'll explain, we do not take those views lightly and to be sure, we still have work to do in discrete areas. We are, as an organization, built on a continuous improvement philosophy, always believe we can do better as an organization which we also try to instill in the institutions we accredit.

That said, we vehemently disagree with the vast majority of staff recommendations which are flawed on questions of law, issues of fact, and matters of process. The staff's overarching conclusions, concerns about our policies, and the consistency and effectiveness of their application that would then lead to a denial of recognition are simply without sufficient foundation to justify the stark draconian action that they call for denial of recognition of a longstanding 37-year history compliant and effective agency.

Before we address these discrete areas that explain the flaws in the Department's analysis, I'd like to ask our counsel, Ken Bergman, to my right, to describe a fundamental underpinning of the staff recommendations that we believe explain much of the
obvious disconnect with Department staff, including the staff's failure to engage in a timely site review visit.

The site review visit cited by the staff happened not under this application in this petition. It happened almost four years ago. It was not under this application and also the staff's refusal to access our central tool for managing accreditation information where analysis and the process is revealed.

MR. BERGMAN: Good morning. As I begin, let me be as clear as I can be. No single piece of paper or exhibit can fully capture the complexity and rigor of an accreditation process. Despite recent insistence from the staff, Department staff to that effect, the process of accreditation matters. Despite the accreditation community's understanding of the importance of the onsite review as part of the accreditation process, investigatory staff have refused to observe the very process that best reflects relevant action directly relating to the issue of the consistency of application of our standards and policies.
They refused to participate in any site visit to any of our accredited institutions relevant to our petition, a failure, we would submit, that violates federal regulations. More specifically, Section 602.32(b) which in relevant part, states, "The analysis of an application for recognition includes (1) observations from site visits," and then later says, "to one or more of the institutions or programs that accredits or pre-accredits."

The investigating staff repeatedly canceled planned attendance at on-site visits. The last staff participation in a site visit, as Dr. Elgart mentioned, was in 2008. I would note that staff expressed no concerns regarding the quality or consistency of our standards, process, or procedures after that visit.

Lest there be any doubt, we have correspondence from the current staff reviewer back in October of 2008 in which they acknowledged the importance of observance of a prior pre-petition site visit, describing the site visit as having, and I quote, "added so much depth to my understanding of the self-study and site team review process that I never
would have understood just by reading relevant documents."

Given the value of observation of on-site visits, we are at a loss as to the recommendation of denial when we have been denied the right to this basic and integral part of a thorough accreditation review.

Correspondingly, the investigating staff have refused to engage with us when we offered to provide greater clarity through demonstration and training on the use of our document management tool which is an online data management system designed to capture all relevant accreditation information and evidence, including institution self-assessments and supportive documentation, team site reports and analysis, and institutional feedback. That tool, which is applauded by our schools and site teams, is a principal tool in which institutions and all of our teams operate.

This is a powerful collaboration resource that provides our staff, site teams, and institutions an easy-to-use tool to access, discuss, and meaningfully leverage all the information, documents, and feedback captured from the accreditation process. It is
impossible to gain a true appreciation of our accreditation work without experiencing the way in which the documentation management tool enhances the accreditation process and onsite visit.

In short, we've been denied a fair and thorough review of our accreditation system contemplated by the Department's own rules and regulations because of the Department's position that evidence outside the petition document uploaded system does not warrant review or have any relevance.

While we earnestly believe that staff recommendations flagrantly bypass the big picture we've outlined, we also recognize and respect the fact that we must address issues of specific compliance with specific regulations. I'm quite familiar with the adage that where there's smoke, there must be fire, but let me explain why we believe this is more akin to a case of smoke and mirrors with a discussion of a few of the illustrative staff recommendations. These are merely a sample. Time simply will not permit a full description of the indisputable errors we have identified throughout the report.
I'm going to ask my colleague Steve Winnick to address the first set of issues focused on legal overage.

MR. WINNICK: Good morning to the Committee and others.

First on the law, the staff's legal analysis stretches the regulatory requirements beyond their plain meaning and results in an invasive and overreaching micro management that is beyond the authority and, I would suggest, expertise of the Department of Education. Numerous examples demonstrate this point in instances where there can be no legitimate debate about the regulatory terms and what they provide.

As the former agency ethics official of the Department of Education for 20 years, I'd like to address the conflicts of interest issue raised in at least three separate instances by the staff report. It asserts that we have not applied our conflict-of-interest policy because two of our site teams included representatives of the relevant state agencies in the state where the institutions were located.
In effect, with no legal basis, Department staff have established a hard and fast rule that state agency staff can never participate in their states in NCA-CASI's review of institutions. Even if this might reflect the policy of other accrediting agencies and might have been the view of an individual site team reviewer as the staff report suggests, it is not in fact NCA-CASI's conflicts policy.

The bottom line is this. It does not necessarily create a conflict or even the appearance of a conflict for an accrediting agency to work collaboratively with a state oversight agency in monitoring an institution under the jurisdiction of the state agency. In fact, it's common practice for many federal regulatory agencies, the Environmental Protection Agency, for example, to work collaboratively with states to address issues raised by entities within their states, and even if there were an appearance of a conflict which we strenuously insist was not the case here, common conflicts principles do not disqualify a person from participation in a matter just as it is true under federal standards of conduct for federal
employees.

Rather, there's room for an agency judgment that the need for the person's services outweighs any possible appearance issue and that's precisely what happened here. What the staff report does is establish a one-size-fits-all federal rule for accrediting agencies out of whole cloth. It's not reflected in any Departmental regulation or policy. It's inconsistent with the federal standards of conduct for federal employees. Without that ungrounded construction, we would be in compliance in the area where this issue surfaces.

In more than 20 areas, the report cites as noncompliant the absence of minimum thresholds or more specific agency criteria or a specific process when none is required by the Department's own criteria published in regulations. One example in this category is the staff's concern with our compliance with the separate and independent requirement in Section 14(b) which solely rests on the claim that our nomination form for board members does not sufficiently vet nominees because it does not ask sufficient questions
to determine whether conflicts of interests exist.

There's absolutely nothing in the Department's regulations or even its guidance that suggest that an agency's nomination form includes specific components. NCA-CASI uses the nomination form as a starting place to examine and interview prospective board members and through this process and pursuant to its postsecondary policies it selects board members who do not have conflicts of interest, including through affiliations with related associate or affiliated associations or membership organizations.

On this regulation, as with many others in this category, we should be deemed compliant, despite the Department's overreach.

In a comparable vein, Department staff assert that we are not compliant with Section 26(d) which requires the agency to make available to the Secretary, state agencies, and the public no later than 60 days after the decision a brief statement summarizing the reasons for an accreditation decision and either the official comments that the institution made regarding the decision or evidence that the affected institution
had been offered the opportunity to provide official comment.

The staff report finds NAC-CASI noncompliant because a representative action letter to an institution does not, and I quote, "clearly indicate that these comments are official in nature nor that the comments would be provided to the Secretary."

Aside from the fact that the letters sent to institutions are not even relevant to the criterion for which we're cited as noncompliant, the Department staff demand for specific language in an action letter exceeds the requirements under any criterion in the regulations.

So long as an institution's opportunity to comment is in fact in its official capacity and so long as the comments are in fact provided to the Secretary, the regulatory requirements are satisfied. The staff seeks more evidence without a foundation for such a demand.

There also comes a point where the problem of overreaching devolves into one of irrationality. For example, the staff dramatically overstep on Section
19(c) regarding institutional head count which requires that the agency monitor overall growth of institutions and at least annually collect head count enrollment data.

The final report finds us out of compliance simply because we provided a sample of our institutional head counts rather than supplying all head count information from all a 193 institutions. Nothing in the regulation requires that all head counts for all institutions be supplied as a foundation for compliance and I should note, as well, that the error of the staff's position is compounded by the fact that the document with all a 193 head counts was in fact too large to upload on the Department's system, despite our best efforts to do so.

Notably, the Department's own guidelines for submitting petitions expressly notes that typical documentation includes "samples of data gathered annually."

The staff similarly exceeded rational bounds regarding Section 28(a) which relates to honoring states' decisions regarding an institution's legal
authorization to operate, where they find that we must
revise our Post-secondary Policy 2.02 to state
unequivocally that we will not accredit any institution
that lacks state legal authorization.

Our Policy 2.02 in fact states, and I quote,
"The institution must be approved or accredited by the
legally-constituted or recognized accrediting
accountability agency in the state."

In satisfying the regulatory requirement, this
language could not be plainer nor the staff's
conclusion more egregiously wrong.

Ken, let me turn back to you to address the
second category of issues.

MR. BERGMAN: Second, let me move from law to
evidence, outlining a few representative instances in
which the staff have inexplicably ignored evidence
submitted that establishes compliance or, in a similar
vein, where they have mischaracterized our positions or
supporting evidence so that the true facts are simply
bypassed or misconstrued.

In this case, we submit the Department staff
not only did not fully consider all material evidence
submitted, they, by their own admission, refused to engage with us when we attempted months ago to engage them in our process and provide access to one of our principal tools of doing business, a main repository of our accreditation evidence, our document management tool.

That being said, let me provide a few examples of a pervasive pattern throughout the staff report concerning evidentiary issues. For Section 13, Department staff finds that we do not have the acceptance of licensing bodies, employers, and practitioners. To reach this remarkably erroneous conclusion, staff acknowledge fewer than half of the exhibits that we provided. They flatly ignore examples we provided of acceptance of our agency, by the National Automotive Technicians Education Foundation, the Colorado Department of Regulatory Agencies, the Automotive Service Excellence, and the Ohio Department of Adult Workforce Education. Exhibit 1000 was in our petition references these and other exhibits that illustrate the wide acceptance NCA-CASI receives.

Likewise, the staff never addressed our
evidence that students who attend our accredited institutions achieve impressively high job placement rates as well as our evidence that licensing bodies require students to attend accredited institutions to receive licenses in the fields in which our institutions work. Had they done so, the only rational conclusion would be to find NCA-CASI in compliance with this section.

Regarding Section 17(b), the staff erroneously concluded that we did not provide evidence regarding the training we provide on institutional self-studies. In fact, we provided multiple pieces of evidence and exhibits, including training agendas for institutions that indicate that we focus on the self-assessment, a training PowerPoint presentation used in institutional training that includes significant attention to self-assessments, resources used in training sessions, including guidance on the self-assessment and a self-assessment template, and letters of support for the training from institutional attendees.

The Department does not even acknowledge and address these documents in making conclusory assertions
that our evidence is insufficient and, as such, presents an inaccurate picture for our agency's commitment to training our institutions on the self-study and therefore our compliance with the criteria.

Finally, in at least four criteria, Sections 15(a)(3), 15(a)(4), 15(a)(5), and 25(f), to reach a finding of noncompliance, the staff incorrectly claimed that a random selection of appeals panel committee members for individual appeals panels is inconsistent with representational requirements for academic and administrative personnel, employers, and practitioners on appeals panels.

Specifically, and I quote our Postsecondary Policy 18.02(e) which states, "Three members of the appeals panel committee will be randomly selected to serve on the appeals panel for any scheduled hearing. Any appeals panel that is impaneled to hold a hearing shall include a public representative, practitioner representative, educators, academics representative, and administrative representative."

The Department staff's finding that we do not
ensure proper representation on an appeals panel thus
is a blatant misreading of the evidence we provided;
namely, our postsecondary policies clearly and
affirmatively state that a randomly-selected appeals
panel must have appropriate composition with all
necessary representation. We provided exhibits that
make this point and clearly show compliance with this
criteria.

The third category is one of many
illustrations of substance. Let me highlight one of
the central overarching and erroneous conclusions of
the Department staff which result in adverse opinions
regarding four regulations.

Staff have concluded that NCA-CASI does not
merit continuing approval because of an insufficient
record of adherence to new standards, standards that
are, in fact, new because of the Department's direction
in 2009-2010 which reflected a 180-degree reversal in
advice we had been given by the Department for years.
In short, under the staff's view, we failed precisely
because we followed their advice and adopted the
changes they directed. This is a fundamental
miscarriage of justice and should be apparent.

Let me give you some examples. This issue is encapsulated in Section 18(b) where the staff find that we have effectively addressed all concerns that were raised in the draft staff report but nonetheless find us noncompliant because of our "numerous revisions to its assessments, tools, policies, and processes during the last two years."

Again, these revisions occurred pursuant to advice and direction provided by the staff, by the Department staff, who now cite us for those very revisions.

In multiple instances, the staff proposed to find us noncompliant for an inconsistency in our decision-making process because we have changed policies and processes. For example, in Section 17(f), the Department cites us for changing the terminology we use to refer to accreditation statuses. These revisions were made in direct response to a July 2011 Department directive issued to accrediting agencies from Kay Gilcher which necessitated that these changes be made.
In a related vein, there are over a dozen instances where we have been deemed noncompliant because of our failure to show application of a policy, new or not. In each instance, the staff simply failed to accept the reality that there had been no occasions for us to apply the otherwise acceptable policies which meet the criteria. These include determinations under multiple regulatory provisions involving teach-out plans, rapid growth of institutions, use of an appeals panel, instances in which schools lost state recognition, instances of Title IV fraud and abuse, and the granting of good cause extensions.

Steve, I'd like to turn it back over to you.

MR. WINNICK: Yeah. Before we turn to responding to the Board's inquiry regarding our perspectives on a number of issues, let me conclude that our focus this morning does not begin to capture the universe of related and other issues on which the Department, in our view, is indisputably wrong in its determination. Let me just cite one example.

The final report finds we are out of compliance on the three criteria introduced in 2010
regulations regarding credit hours. However, the Department, both expressly and implicitly, warranted that it did not expect agencies to respond to these criteria until 2012. Specifically, at an August 11th, 2011, meeting, Department staff clearly stated agencies applying for recognition in 2011 would not need to demonstrate compliance with Section 24(f), Subsections 2 to 4.

Indeed, the Department's current guidelines for preparing petitions does not even acknowledge the existence of these sections. Tellingly, we think, there was no place in the Department's own uploading website for us to provide our prepared information regarding our compliance in advance of the operative date of the new regulations.

I should note we were prepared to download information that would show compliance in advance of the operative date.

I would like to just add a quick personal note bearing on the issue before NACIQI. I served in the U.S. Department of Education for 34 years, you could tell from my age, the last 15 as the Career Deputy
General Counsel.

While there clearly are some issues and discrete areas that NCA-CASI needs to address, in all my years at the Department I have never seen such an unjustifiably and relentlessly negative monitoring or enforcement report.

I feel a deep attachment to the Department. Not only did I work there for 34 years, my wife worked there for about the same amount of time. I want to see the Department enforce the law rigorously but also fairly and reasonably.

The proposed termination of NCA-CASI in my book does not remotely meet that standard for all the reasons we've outlined.

I mean, here we're saying an institution that's been compliant and functioned for 37 years that's had no complaints, that has outcomes for its institutions that are fairly remarkable, that is well regarded by its institutions, there have been no complaints against it, to say that all of a sudden, based on the process that we've described which we think is fundamentally flawed, that we're going to
terminate them, I think, is an extreme proposition.

I urge NACIQI to take or force the Department to take a fresh look at what's happening here and I might say, Sally Wanner, who is an old and dear colleague of mine at the Department, outlined the options for NACIQI which I think are essentially accurate but I think one thing was omitted and that is that the regulations in describing NACIQI's options indicate that these options include but are not limited to things like denying, terminating, and so forth.

So I think NACIQI has clear authority, based on the kinds of concerns that we have raised, including substance and process, to say we're going to defer action on this and we expect the Department to take a fresh look and to have a complete process to review this agency.

Let me now turn to Dr. Elgart to make some remarks.

DR. ELGART: Just to finish, out of respect for time, you posed some questions, NACIQI did, and we will submit our comments to those questions in writing and not share them with you orally at this time.
However, to conclude our presentation, let's bring us back to why we're all here. NAC-CASI is committed to advancing meaningful education reform through our rigorous but collaborative process with our institutions. We have a track record that most would jump at the chance to have, consistent and superior institutional performance on achievement and default rate issues, an unblemished track record regarding performance and stakeholders who value the quality of the services we provide.

We are and remain very proud of that record. That record, let me remind you, 37 years of effectiveness in providing a rigorous but fair accreditation process for postsecondary non-degree-granting institutions. The effectiveness of an accreditation process cannot be determined by a letter, a PowerPoint, a policy or a regulation. Effectiveness of an accreditation agency in carrying out its accrediting function can only be determined by experiencing the accreditation process, one which our institutions that we accredit know all too well.

Our institutions are deeply committed and
proud of their association with us, an association that's helped improve the quality of education provided to over 350,000 adults through the process of accreditation.

We thank you for your time listening to our remarks and would like to turn it back to Madam Chair and the NACIQI Board for comment.

CHAIR STUDLEY: Thank you very much. We appreciate your detailed response to the agency's concerns.

I will now open it for questions to you by the members of NACIQI. After that, we will have an opportunity to speak again to members of the staff and to talk among ourselves before we determine what action we will recommend at this time.

But let me start with the two readers and see if they -- our two primary readers, if you want to add anything or begin the questioning. Hold on just one moment.

Do we have Third Party Comments on this item?

Okay. So we will -- let me just revise. You have just made your remarks and as specified, we will have
presentations by third party representatives. I'm just wondering whether Committee members would like to speak to this panel while they're available or would you -- I'll defer to you. Would you like to hear the third party comments first? Yes, okay.

So we will ask questions of you. Then we will take the third party representatives and pick back up the process.

Federico?

DR. ZARAGOZA: Madam Chair, yes. I'd like to just follow up on a few of the issues that have already been broached, particularly as it relates to separate and independent 602.14, that section that deals with basically conflict and related issues, and I guess I'd like to find out a little bit more about the composition of your board and, more specifically, as it pertains to any overlapping membership between the parent organization basically and the agency before us.

DR. ELGART: Okay. I'll be happy to answer that. The Board of Directors of NCA-CASI is an unincorporated commission within AdvancED. The composition of that board is tied to its function as a
postsecondary commission.

There is no overlap between that board and the Board of Trustees of AdvancED. It was erroneously reported by staff that there is overlap. There are former board members of the Board of Trustees of AdvancED that are no longer on the Board of Trustees of AdvancED and have not been on that Board and there was also reference to one of the Board members of NCA-CASI serving on the Southern Association of Colleges and Schools Board of Trustees which is also former. That term ended almost three years ago.

No current member of the Board of Directors of NCA-CASI serves in any official capacity on the Board of Trustees of AdvancED. Those are two separate Boards and all the authorities for postsecondary recognition and accreditation is vested in the NCA-CASI Board of Directors.

DR. ZARAGOZA: Thank you. A related question to that is again in the write-up it speaks to conflict of interest and it states that the ultimate authority is the CEO for AdvancED, is that correct?

DR. ELGART: The ultimate authority for what?
DR. ZARAGOZA: Decision-making for the conflict of interest situation.

DR. ELGART: No, it's not. That is not the case. NCA-CASI itself makes those determinations, not AdvancED.

DR. ZARAGOZA: Thank you. Another question. Again, if we could speak a little bit to kind of the genesis, if you will, and the transition from focus on secondary, to postsecondary. In several parts of the report, that was highlighted as an issue, especially as it pertains to determining rigor between those two levels.

DR. ELGART: What I can do is let me give you an example. EVIT, which is a postsecondary institution outside of Phoenix, Arizona, we accredit EVIT through our post-secondary recognition but EVIT also serves secondary students but there is a postsecondary component there. So many of our institutions provide that. They have secondary career and technical programs and they have adult-only postsecondary programs.

In those cases, the K-12 Division of NCA and
SACS does not participate in the accreditation review process. It is managed solely through our Postsecondary Board of Directors because we go to the highest level of certification or diploma-granting, so that the secondary component is a subset, but the standards that apply to that institution are the postsecondary standards only and they're granted accreditation based on compliance with those standards.

MR. WINNICK: If I can add to that, back in 2006, I think one of the ideas behind creating AdvancED as an umbrella organization that included NCA-CASI was to better align postsecondary and elementary and secondary standards and our understanding consistently has been that the Department has acknowledged in general terms that that is a desirable policy and that was done with the full knowledge of the Department and the last time when NCA-CASI was approved without reservations by NACIQI and the Department, the Department and NACIQI knew of that when it took that action.

But I think, you know, the signal that we started to get, only starting in the last couple of
years, is that was an anathema to the Accreditation Division, that they wanted to see a sole focus on postsecondary and no effort to align the two and so that's why we've been in the process basically reinventing the agency in order to comply with that directive, even though as a policy matter we've had some reservations about it.

I mean, when the Department has said jump, jump, we've jumped. We've jumped higher and higher. The bar keeps getting raised and, you know, we think the focus is entirely on postsecondary education, even though we have some concerns about whether that should really be the policy.

DR. ZARAGOZA: Back to your Board, do you have postsecondary representation on your current Board?

DR. ELGART: Which board?

DR. ZARAGOZA: The NCA-CASI.

DR. ELGART: CASI Board? Absolutely. It's made up of seven individuals which is predominantly made up of post-secondary individuals by policy.

CHAIR STUDLEY: Arthur?

MR. KEISER: You've made some significant
statements, such as on Page 10 of your document, Exhibit 1000, that the staff was biased. There was a number of other issues but the bias, I'm interested in understanding.

Why would you -- bias kind of implies that there's intent. What would be the intent of our staff and what would be examples of the bias that you are alluding to -- not alluding to, stating in your document? Why would our staff be biased against you?

MR. WINNICK: Bias in the sense that I think it's pretty clear to us that the staff have made up their minds long ago that they did not think this was an agency that should be recognized and, despite repeated submissions of additional evidence to address the specific concerns, that information has been ignored, mischaracterized, misinterpreted. So it's hard to know what's driving that.

I'm not sure we can answer that question.

MR. KEISER: In 2007, I was here when we approved you and there didn't seem -- these are the same people that were there then.

The question I have is, and you remarked that
in 2007 you got a clean bill of health, it took you four years or three years to get there because you were deferred in 2004, deferred in 2005, and deferred in 2006. So, you know, is there -- you know, I still don't see the bias. I see a lot of information. I read everything. I mean, lots of time. This is just the staff analysis. So forget the documentation, the background. There was some picky issues but there were a lot of issues that were of concern.

For example, my understanding is you purchased or you took control of an accrediting group called CITA or something like that and where you accredited a school from the Middle East without having a full self-study process, is that a fact or is that not?

MR. ELGART: That wasn't done by us. Now let me tell you regarding CITA. CITA was a project of the six regional accrediting bodies that was started in the 1990s. Today, it does not exist and it should not exist. We learned some things. The six regionals bear responsibility. We learned some things that we did well and there were some mistakes, but this was a project of the six regionals, the K-12 Division of the
six regionals, to explore non-traditional accreditation, both inside the United States for supplementary education providers as well as outside.

The acquisition by AdvancED of CITA was to continue the CITA organization and it had the full support of the regionals who were still involved in CITA and those who had left CITA, including New England and Middle States who left it because of concerns. We share those concerns.

The practice that you referenced was not done by NCA-CASI. It was done by CITA which is a separate organization.

MR. KEISER: But my understanding, there was a school in the Middle East where -- and again, I think it was a foreign language school and yesterday we dealt with foreign language accrediting agency, and we learned about the rules and regulations from Homeland Security, and you sent a single team member, a staff member over there and with just a singular visit, without a self-study, without a team visit, they obtained recognition by your agency.

DR. ELGART: CITA sent them, not us.
MR. BERGMAN: Well, let me clarify that. This gets to why we have fundamental problems. This was a discussion that was occurring at the AdvancED board meeting which was attended by staff. This is not a postsecondary school. This is a different school that doesn't come under the same criteria of changes and what happened was that a board member used the term "transfer."

What did not happen was there was not a transfer. We took over that agency's accreditation. That agency, because there was nobody else that wanted to take over CITA, we stepped up from the regionals and took over the CITA and operation of their agency and then we went ahead and sent a team in to make sure, a reviewer to make sure they were meeting our standards.

The previous review that had been done at that school had NCA-CASI staff members on that review, as well. So that it was not as if this was a new organization or new institution that we did not have an institutional history with as an accreditation agency.

MR. KEISER: But explain to me, I have not heard of one agency taking over another agency.
Usually agencies have different and discreet standards that you or at least I as an institution accredited by, let's say, SACS-COC, and then you take over SACS-COC but your standards are different. You would have to, you know, at least if you're going to continue, would require me to go through a full self-study at a team visit which, at least according to the documentation, did not appear to happen.

MR. BERGMAN: And to respond back, the relevancy of that action, because it's not a postsecondary non-degree-granting institution, it strikes me that this is looking into operations of AdvancED that have no relevancy to the post-secondary --

MR. KEISER: But it has relevancy to us because we also are the agency that recognizes certain institutions, as we did yesterday, for English languages, you know, English language schools for the purposes of visa applications for students to come to the United States.

So it has relevancy to us and if you don't follow your procedures and you accredit that school,
that is significant concern to, let's see, -- I'm not
speaking for behalf of the staff but I can understand
why that would be a significant concern for the staff.
Am I missing something there?

DR. ELGART: Well, I think to help you with
this, we inherited this responsibility with CITA.
Okay? The CITA Board of Directors transferred the
authority to AdvancED and in fairness to the
institution, CITA accredited. Over the next like three
to four years, we have gone through the entire roster
of institutions accredited through CITA and
transitioned them into the AdvancED standards and
protocol.

Quite frankly, almost 20 percent of those
institutions are no longer accredited by AdvancED
because they couldn't meet our criteria and you're
taking one isolated situation which is not indicative
of the process that we've unfolded. It's not dealing
with postsecondary.

MR. KEISER: But did it happen? I mean, see,
again at least my understanding the way at least it's
worked since I've been on this committee is that we
look and if we find exceptions to the rule, that's an exception to the rule.

DR. ELGART: No. But the first thing we did with these institutions, all of them, is they were in the middle of their cycles. They've had full reviews.

MR. KEISER: Was CITA approved by our organization?

DR. ELGART: No. It doesn't do postsecondary.

MR. KEISER: So they would be considered unaccredited institutions, at least from -- not recognized by the --

DR. ELGART: They do no postsecondary. They just do K-12. They have absolutely --

MR. KEISER: So how could the school go receive recognition from you, which would enable it to get student visa opportunity, which is what I assume the reason was, without going through a self-study and without going through a visit?

DR. ELGART: That's not what happened. They were in the middle of the -- we inherited them in the middle of their accreditation cycles with CITA and we --
MR. KEISER: We don't recognize their cycle.

DR. ELGART: Right.

MR. KEISER: We recognize your cycle.

DR. ELGART: Okay. But we inherited that cycle, so they had had a full review by CITA. The first --

MR. KEISER: That has not --

DR. ELGART: The first thing we did with these institutions is send individuals in to see where they were at. We didn't make a full evaluation. We actually went to visit them to see. We're inheriting a full accreditation cycle from another organization and we have to assess where they're at-- at that point in time. We made no accreditation determination based on that. But we have a responsibility to continue their accreditation until we did a full evaluation which this one individual going in was not --

MR. KEISER: Was it continued under CITA's recognition which is not recognized by this board or did they become part of the NCA and that's what --

MR. ELGART: They became part of NCA once they did a full evaluation which hasn't occurred.
MR. BERGMAN: They became part of AdvancED which is not the organization that we're talking about here today. NCA-CASI, by the compliance agreement -- except for the fact we're addressing the separate independent corporate structure again, we reached a compliance agreement to settle that issue with the Department and have taken steps to address all their issues when we had the separate independent.

That recognition is by AdvancED of their institution. It is not by NCA-CASI. It would not --

MR. KEISER: You just said it was by NCA-CASI.

MR. BERGMAN: No, I didn't. Because it was at the NCA-CASI -- it was at an AdvancED -- as part of what we attempted to organize with the Department, at one point the AdvancED Board of Trustees was overseeing the accreditation decisions of NCA-CASI. They had final authority because, as had been explained to us, the top level of the corporation has to have final decision-making authority.

What then happened was it was determined that did not meet the interpretation of the Department separate independent. So we then were instructed to
create a separate board that would oversee all NCA-CASI
determinations and decisions.

   This instance that you're referring to was
actually at the AdvancED board meeting which was not
part of that AdvancED board meeting's review of any
postsecondary institution. It was not to go ahead and
grant recognition under NCA-CASI. It was to grant
recognition under AdvancED which we had already
withdrawn our request to have AdvancED recognized as
the accreditor. It was a word that was mentioned of
"transfer" by one person which was picked up by the
staff and then it's assumed that it was an NCA-CASI
which is a wrong assumption.

   This was an action taken by the AdvancED Board
of Trustees to bestow AdvancED recognition, not
NCA-CASI recognition.

   MR. KEISER: What's an AdvancED recognition
because we don't recognize AdvancED?

   MR. BERGMAN: Well, it's the fact that we do
accredit. We have a process of accreditation which
acts as a seal of recognition and quality around the
world for institutions that choose to be accredited by
AdvancED. You don't need to have recognition in order for you to be doing accreditation work for people to do the process.

MR. KEISER: So AdvancED is the accrediting agency that's not recognized that wholly owns NCA-CASI that is accredited --

MR. BERGMAN: No.

MR. KEISER: That is recognized?

MR. BERGMAN: No.

MR. WINNICK: We're talking about the K-12.

MR. KEISER: That's dangerous.

MR. BERGMAN: No, it's not.

MR. WINNICK: We're talking about the K-12 level. These are two separate levels of accreditation. NCA-CASI accredits postsecondary and AdvancED accredits K to 12 and that's what we're talking about here, K to 12. It's really outside the scope of NCA-CASI.

MR. BERGMAN: And with guidance and direction from the Department, we have set up the corporate structure which guarantees that separate and independence. That was through an agreement that we
reached with the Department in 2011 which has been fully implemented and reorganizing that corporate structure to guarantee that separate independence.

DR. ELGART: So let me just rephrase at the very beginning what I said. In 2006, the K-12 Division of Southern Association Colleges and Schools, the K-12 Division of the North Central Association, two longstanding regional accrediting bodies, and the Postsecondary Non-Degree-Granting Division of NCA, non-degree-granting, they came all together. All right. They merged. The K-12 work is still done through SACS and NCA K-12 Divisions. When we accredit an elementary school in the state of Illinois, it's accredited under NCA's name.

When we accredit a school in Fairfax County here in Virginia, it's accredited under the SACS name, okay, and then you have this postsecondary piece which has been -- we've put a firewall around. It only serves our non-degree-granting postsecondary institutions in the 19 North Central states. That has a separate board, separate staff, separate budget. But this K-12 work is where the CITA work got integrated in
and I will admit to you, taking responsibility for another K-12 agency and integrating it into our K-12 framework had challenges because we did not initially accredit the institutions that CITA did and many of them today are not accredited by us because they couldn't meet our criteria that our K-12 Divisions manage.

MR. KEISER: Again, this is why I think us, meaning AdvancED, the K through 12 accreditation.

DR. ELGART: AdvancED doesn't accredit, and I'm going to correct counsel. It is the umbrella organization. SACS K-12, NCA K-12 accredit our K-12 schools. NCA-CASI Postsecondary accredits our postsecondary. AdvancED is simply an umbrella organization which is made up of NCA and SACS.

MR. KEISER: So the foreign language school in somewhere in the Middle East, I can't remember which one, that's accredited by whom?

DR. ELGART: The K-12 and I don't -- to tell you the truth, it's accredited by the K-12 NCA, not the Postsecondary.

MR. KEISER: So they're not under the
recognition of the Department?

DR. ELGART: No, they're not. They're under

the K-12 of NCA, all right, and SACS K-12 does and has

since 1933 does all the schools in Latin America. We

were the first -- SACS was the first one to accredit

outside the U.S. and NCA K-12 does all the U.S.

Department of Defense schools around the world, all of

them, but those are separate work from our

postsecondary work.

MR. KEISER: On the conflict of interest,

there was one of your Board members for NCA-CASI was

also on the Arkansas AdvancED committee, but was that

not a problem for NCA?

DR. ELGART: The Arkansas AdvancED Council is

an advisory body and has absolutely no jurisdictional

control and he resigned from that. He's been on that

since he was appointed by former President Clinton to

the Arkansas Board of Education. He's a public

representative who's the CEO of a utility company but

he no longer serves on the Arkansas Advisory Council

which has absolutely no authority over post-secondary

and it's just an advisory body to schools in Arkansas,
K-12 schools in Arkansas. He no longer serves on that council.

MR. KEISER: Yet he's an advisory member to the State of Arkansas but the State of Arkansas owns most of the schools that you accredit in Arkansas, does it not? The local school boards or aren't your schools mostly publicly owned by the government?

DR. ELGART: Well, we have public and private schools in every state we accredit, including Arkansas.

MR. KEISER: If he's on the advisory board of the state agency that owns the schools, many of the schools in Arkansas, you don't see a conflict?

DR. ELGART: He's not on the advisory board.

MR. KEISER: When he was?

DR. ELGART: He was on the State Board of Education years ago when Governor Clinton was there. He's not on the state Board and he's no longer on our advisory council which has no authority. It's simply an advisory body for the K-12 schools in Arkansas. He's no longer on that. He's resigned from that. So there's no conflict of interest at all.

MR. KEISER: I'll stop dominating. I'm sorry.
CHAIR STUDLEY: I see that Frank has a question or comment. Are there others at this point who -- okay. Frank, George, Anne. Let's do those and then we will see who else wants to follow up. Frank?

MR. WU: So I heard several different categories of disagreement and I thought I would try to break this down into three. The first is there's some areas where you disagree with how staff has read the law. You think the staff is just wrong. That's one.

DR. ELGART: Correct.

MR. WU: Two, there's some areas where you think you've been given directions that are not consistent. You were told do this, say three years ago, you did it, and then you were told later you shouldn't have done that. All right. So it's the same category where you think you've complied with what you were directed to do at some point but the standards have shifted. So that's unfair and you think that having complied that should be deemed to be fine.

Third, I also heard that there's some areas where you think you've complied and staff has made a factual error. In other words, you're not disagreeing
with how they read the law. You think they're reading
the law correctly. You've complied. They just have
looked at the wrong thing and they've misunderstood.

DR. ELGART: Correct.

MR. WU: So those are the categories. One,
you think they're wrong about what the law is, two, the
standards have shifted on you midway through, and,
three, you have complied, we just haven't caught that.
We haven't seen that you've done what you were told to
do.

DR. ELGART: Correct.

MR. WU: Okay. And I think that captures the
total universe of your responses.

MR. WINNICK: Excuse me. I think that's
basically accurate, but I would add one other category
which is a concern about the process that was used here
and our conclusion that this was not a complete review
for process reasons.

MR. WU: Okay. So you've raised some process
cricts. I would group that in that third category,
though, where, let's say, due to the process concerns,
your compliance has not been acknowledged because of
process, flawed process.

MR. WINNICK: Yes.

MR. WU: Okay. I'm just speaking for myself here. I'm actually not interested in the first two categories; that is, I'm not interested for our purposes in your disagreement with the staff's reading of the rules nor am I that concerned with your sense that you were told one thing at one time and told something else at another time. That's not to say that's not troubling, that is important, but I want to focus on this last category where you think you have complied and staff just has missed that because of the process concerns or for whatever reason.

My question is this. Do you think if a new set of eyes were to look at everything you've submitted, they would, by following the fair process, see that you have complied but we just didn't see that?

DR. ELGART: Absolutely.

MR. WU: Okay. And that constitutes what proportion, do you think, of the violations? A tenth? Half? Ninety percent?

DR. ELGART: I think a significant majority
and as I admit in my opening remarks, there are areas
for improvement and we are committed to those but the
majority of the judgment here would be different with a
fresh set of eyes, I believe, who fully engages all the
elements of this process review.

MR. WU: Okay. That's all I wanted to know.

Thanks.

CHAIR STUDLEY: George?

DR. FRENCH: Well, Frank actually with his
summary, always do excellent summaries, really captured
the essence of my question and I thought that the
presentation was very compelling by the agency.

My only question would have been to categorize
out of 52 areas of concern, I was really wondering how
many of those areas of concern you addressed. I
understand the categories that you all had. I
understand the categories that Frank just had. But I
really would have benefitted from a matrix which would
indicate that there were 52 areas of staff concerns,
these are the areas that you addressed.

What percentage would you think of the 52 were
addressed by you this morning?
DR. ELGART: We, out of respect for time, focused on some of those issues. We did not want to go through all 52 out of respect for time, but we have looked at, analyzed, and have our own comments and analysis on every one of those issues and believe that the vast majority of them fall into the categories that we just previously discussed.

MR. WINNICK: Yeah. As Mark said, our concern was for time and I think we did give some data, some examples of data that, you know, for example, that there were 20 cases that we thought — where the Department misread the regulation, micro managed in a way that went beyond the regulation.

I think if you add up all the cases we've cited, for example, you know, establishing -- saying we had to have the minimum threshold where we did not, dinging us for not implementing a policy precisely because it was new as directed by the Accreditation Division, instances where we're cited where there simply has been no occasion to apply a policy, instances where the Department ignored evidence, instances where the Department is mandating specific
language or policies that are nowhere in the regulations, and things of that sort.

I think you'd come up to about 50. So, you know, if we're cited for 57 things, that gives you a flavor of how pervasive the concerns and problems are.

DR. FRENCH: But you wouldn't have your matrix readily available to share with us, would you?

MR. WINNICK: No. I'm sorry.

DR. FRENCH: Okay. Thank you.

CHAIR STUDLEY: Anne, and then Federico and Arthur.

MS. NEAL: I want to follow up a little bit on what Frank was talking about. I'm not going to address your interpretation of the law but your concern about staff inconsistency.

Stated another way, what I'm hearing is that you're being whipsawed between two administrations effectively, is that correct?

DR. ELGART: That's it.

MS. NEAL: The staff hasn't changed but the directives from on high are maybe different or the priorities may be different. So you felt that you were
doing what you were told before and now things seem to have changed and this is something that we came up against and when we first met, when NACIQI first met when it was reconstituted, and so I feel your pain.

Then you've talked about factual errors and I want to pursue that a little bit with you. Among other things, the staff has suggested that the agency has not established quality thresholds. It has no assessment of student outcomes, no way to measure success rates, and those are fairly significant obviously in terms of our determining whether or not you are a reliable guarantor of educational quality.

So I'd like you to address that. Do you agree with the staff's determination there? If not, why not?

And then another question after you've responded to that.

DR. ELGART: I'll start, but we do look at those factors. We look at completion and graduation rates. We look at job placement rates, licensure rates related to the type of educational program that our institutions provide. We are very data-driven and I think that if the staff had taken the time to go into
the document management tool, they would have seen how
we capture that data, how schools analyze in their
self-analysis the results that they capture, and how
the teams take the data and incorporate into the
accreditation review process.

It is all captured within that data management
tool that the staff flatly refused to experience.

MR. WINNICK: If I could add, at a board
meeting of NCA-CASI, I can't recall if it was in August
or September, it was attended by the staff member from
the Department, the board voted to put 35 of its
institutions on probation, subject to their opportunity
to correct the underlying data. All but one was based
on inadequate student achievement results, either low
passage of licensure rates, low percentages of program
completion rates, or job placement rates.

I shouldn't even say low because the standards
here are highly rigorous. And the staff knew of that,
made no mention at all of that in the draft staff
report. In the final staff report, it is acknowledged
in passing with no analytical conclusion from that.

In November, after receiving the underlying
data from the institutions, NCA-CASI proceeded to in fact put 22 of those institutions on probation. I can't think of a clearer case where we've done exactly what the Department is saying we don't do.

MS. NEAL: So are you saying you have specific thresholds that your institutions must meet?

DR. ELGART: Absolutely.

MS. NEAL: Definite numbers and that those are clear but apparently they're somewhere in the data management tool?

DR. ELGART: That's where you can see it actually happen and they're very clear.

MS. NEAL: This reminds me a bit of our discussions with AALE some years ago in terms of what you all provide to staff and what staff looks at.

Was there any expectation on your part that perhaps you should pull it out of the data management tool and make it more obvious so that they wouldn't have to go searching for it?

MR. BERGMAN: Actually, I'm going to ask Chelle to explain to you. It's actually in our policies how those cut scores are determined is
actually in the policies and then we have a meeting which then determines those cut scores for the year and so, Chelle, why don't you talk about that?

MS. TRAVIS: Yes. In the policies and procedures, there you will find the guidelines for setting those student achievement rates and those outcomes and each year our board, based on all of our like institutions and their results, they will set those student achievement rates.

The guidance is in our policies and the student outcome data was actually provided in the petition as well as pulled out of that petition.

As far as the issue of quality is concerned and student quality, yes, it is. Those are also a portion of our site team visits. Those are covered within our standards and they are also included in the reports as well as in the document management tool as we have discussed.

In the evidence guide which was provided, there is also in the appendices when you're looking at minimum thresholds, there are also all of the relevant occupations related by CIP codes and that also will
give you -- gives actually our teams and our institutions the information pertaining to the correct industry, credential, and also links there for them to find the appropriate minimum thresholds for work things, such as faculty, and also items, such as a line in the curriculum standards.

It is a very big document and it is located at the end of that for our teams and also our institutions to see.

MS. NEAL: As I understand it, you oversee currently 200 postsecondary institutions with about 350,000 adult learners.

DR. ELGART: Mm-hmm.

MS. NEAL: If you are not approved today, what will happen to that universe of schools and students? Are they already alternatively accredited by others?

DR. ELGART: No. I think our third party comments will be ready to speak to that and they have deep concerns of the impact not only on their institutions but the students they serve. They have deep concerns about having to change accrediting agencies and the costs and time associated with that,
which in this day and age a lot of our institutions
don't have the financial resources to make such a major
change in direction, but I think that question can be
best answered by our third party.

MS. NEAL: And do you believe that you can
rectify these various concerns in 12 months?

DR. ELGART: What we've done in the last 18
months and compared to what we need to do, based on the
culates in this report, in the next 12, quite frankly,
would be very easy for us to do if we're given the
opportunity in 12 months to do so. With a fresh set of
eyes, we believe, that we can more than adequately
respond to these concerns.

MS. NEAL: And who would the fresh set of eyes
be?

DR. ELGART: I think it's a combination of our
staff and the Department staff. We believe that a
fresh set of eyes by the Department working with us
collaboratively can easily remedy these situations,
these matters within 12 months.

MS. NEAL: Okay. Thank you.

CHAIR STUDLEY: Okay. To recap, I have
Federico, Arthur, and Cam, and then why don't we take the Third -- and Susan, and the Third Party comments and then we can come back to ask questions of this group, and Aron, yes. I just want to be sure that we hear the public comment for what value it might have in our discussion. So Federico.

DR. ZARAGOZA: Yeah. Your petition is both for recognition and for an expansion of scope.

DR. ELGART: Mm-hmm.

DR. ZARAGOZA: Staff has raised the issue and in lieu of the discussion, what steps have you taken to build the capacity to be able to expand your scope?

DR. ELGART: We have a whole business plan to expand scope, if it's granted, and we're an organization that has at its K-12 roots, we serve almost 30,000 institutions, as postsecondary, with 200. We have a business plan to expand staff, to expand the resources that we engaged to expand our volunteer base for conducting these evaluations, to expand the training that would be necessary to expand our volunteer base.

We have institutions outside of the 19 states
that are very interested in engaging us and we're ready
and prepared, if granted, to expand our resources — to
expend our resources to support an expansion of scope.

DR. ZARAGOZA: Will you provide within your
budget additional staffing for this function?

DR. ELGART: Yes. We have a business plan
that we will enact, if and only, if we are granted an
expansion of scope.

MR. BERGMAN: Within the budget that was
provided as part of the petition was a proposed budget,
if there was an expansion of scope. It detailed the
expansion of staffing to keep them at or higher than
the current levels maintained per institution and
discussed the ability to phase in the addition of staff
as the numbers of institutions increased.

We wouldn't go out and hire additional staff
unless there was the expansion of scope and unless
there were additional institutions that actually were
coming onboard and seeking services.

DR. ZARAGOZA: Does your plan call for
reallocating existing staff from AdvancED and to
increase your volunteer pool?
MR. BERGMAN: Our volunteer pool currently is at 800 volunteers that provide postsecondary functions for us. There would be an increase as you have an increase of institutions. There's a requirement that every institution that we accredit also go ahead and supply volunteers to work on the accreditation of other institutions. So that pool would continue to increase, as well, and then there was a contemplated increase of the in-kind contribution from AdvancED to also help meet the requirements of an increase in scope.

DR. ELGART: But the expansion of staff would be postsecondary-experienced people who are not employed in AdvancED. These would be new staff with the postsecondary background.

MR. WINNICK: I would just add that that plan was submitted with our petition and was never mentioned in the staff analysis.

CHAIR STUDLEY: Arthur Rothkopf.

Vice Chair ROTHKOPF: No, thank you.

CHAIR STUDLEY: Cam?

MR. STAPLES: Thank you. I have follow-up to Frank's description of the categories and it really is
more directed to our staff. When you talk about a fresh set of eyes, it makes me wonder what eyes have already been on it and I understand obviously we have our primary staff, but I think there's a process that I'd just like to hear a little more perhaps from Kay about what the staff review consists of. How many eyes are on it? What is done and see before we get the staff report?

CHAIR STUDLEY: Cam, we are going to have an opportunity to talk to staff about any issues that we want to raise. Would you like to do this now? I think if we could have staff come back again about the full set of things. So you're first up when we do that.

MR. STAPLES: Thank you.

CHAIR STUDLEY: Susan?

DR. PHILLIPS: Thank you. You mentioned that there are things that you think that you could improve on and there's 59 things that the Department thinks you should improve on. Is there some overlap in those sets and what are the things that you would want to improve?

MR. BERGMAN: Well, I do think that there needs to be additional training on the standards and
implementation. These are relatively new standards that were created at the staff's direction and one of the issues that actually at a recent meeting we had with the staff was because of the recent implementation of the postsecondary standards.

We need to have an opportunity to fully train all of our network on the consistent application of those standards. So that is something that we would hopefully have the opportunity to do, if we had more time from when those standards were adopted to the actual time that they were being reviewed by the Department staff, and also if you're going to go ahead and be able to give a fair assessment of the consistent application that you'd have to see it in the context of an onsite review and how the site teams are trained on using those standards and the indicators to go ahead and fully provide an accreditation process.

MR. WINNICK: If I could add to that, I think the one area where there's room for improvement is in documentation of the application of the standards and I think it ties in with the training, but, you know, that documentation, I think, has been considered
satisfactory by the institutions that NCA-CASI works with.

I can understand where, from the Department's standpoint, greater clarity is needed, linking that documentation, for example, back to specific standards and indicators and I do think there's room for some improvement there.

CHAIR STUDLEY: Anything else? Aron?

MR. SHIMELES: So in my experience with NACIQI meetings, I've seen a relatively collaborative approach of the staff working with agencies to help bring them into compliance and Art already sort of got at this question, but I'm just wondering what is so special about your agency that has aroused the staff to not fully interrogate the entirety of your petition. I'm just confused that the majority of your case is that the staff is not working with you collaboratively to fully interrogate all the exhibits that you've submitted and it's just a little bit confusing that the staff seems to work collaboratively with all these other agencies and has not afforded you those same privileges. So I'd love for you to speak to that.
DR. ELGART: Well, Aron, actually, I think that's a great question for the staff and it's a question we've posed and we really would like to know why in our case it's been not as collaborative as we've experienced before.

When I was involved in this process leading up to the 2007 recognition, it was a far more collaborative process and even coming out of that, the staff was very helpful in ensuring that we did this work between SACS and NCA in a manner that would not disrupt or conflict with our recognition and the direction we were followed and it was fine.

So it's really a great question, one in which I'm still struggling with trying to figure out the answer to. I can only tell you what we have felt is that it's not been a collaborative. It's been more of a confrontational process that we just can't seem to get through and I'm uncertain as to what changed.

MR. BERGMAN: And there's some inconsistency in that concept of that it's all confrontational. We had a series of meetings with the Department that I think have all been collegial and professional and we
don't want to make it seem like we cannot work with the
Department. That's not the case.

You know, an example of this was the
compliance agreement that we came up with with the
Department to go ahead and make substantive changes to
the organization which the Department then, in their
comments, commented that the changes we made were of a
Herculean effort and then at the same time you get a
staff recommendation that says, well, even if we gave
them 12 months, there's no way they could do it.

We're committed to doing it. At one point you
go ahead and recognize it's a Herculean effort to go
ahead and pull ourselves into compliance and meet the
requirements of a process that we all sat down and
agreed to and then in the next set, you're saying,
well, yeah, you did this great effort but we don't
think you can do the other, so we're going to cut you
off.

The other thing that just doesn't
seem -- which we seem to have a problem with is you
have a set of new standards, new changes, and policies
that were instituted at the direction of the Department
and even at the last meeting we had with the Department, there was sort of this concept that the Department recognized we understand you've made all these changes, your policies may now be in compliance, but you're not going to have an opportunity to show implementation and because you're not going to have a chance to show implementation of those policies, we're not going to be able to find you compliant.

Well, that seems just somewhat unfair.

Because we haven't had an appeals panel actually be seated, we can't show that if we sat an appeals panel, they would have full representation. Because we have not had an instance where there's been a teach-out plan, we can't show that we would review the business plan or the teach-out plan, even though our policies may require these things, and so if you really want to have an opportunity to work collaboratively, there has to be an understanding of if you change all these policies, we will work with you to give you the time to show the implementation of those policies in an effective manner and that's really what we're looking for and we think we can work with the Department to
have that happen.

It's really a question of we believe we can put the effort in to meet any of the requirements that may still be here out of this report.

DR. ELGART: Just one final statement. Does a 37-year track record deserve 12 more months to come into compliance here? I believe that as a longstanding compliant agency, 37 years deserves a chance for us to fix the outstanding issues and so that we can continue to build on this track record.

CHAIR STUDLEY: At this point, I'd like to ask the two Third Party Commenters to join us and we appreciate your comments very much. We may have additional questions for you. I imagine you're not going any place.

So if you would just let us hear from them and then we'll ask questions of the staff and at that point we will make a time judgment. I appreciate that some of you are up next. We still are not prepared to determine whether we're going to make any changes in our schedule, except some of you may start a little bit later.
So I'll just give the two presenters a moment to be seated and begin with you, Ms. Nicol, from the Ohio Board of Regents.

MS. NICOL: Thank you.

CHAIR STUDLEY: Thank you.

MS. NICOL: Members of the Board, I'm very pleased to be here this morning and I hope that my words will have meaning to each of you.

My name is Barbara Nicol, and I am currently the Ohio Director of Adult Workforce Education, and I'm responsible for the oversight of postsecondary education in that state.

I have a 33-year history of work in postsecondary education in which I have continuously tracked and responded to state, regional, and local labor markets with current, relevant, and rigorous training programs and approval of those programs.

Our Ohio standards for postsecondary institutions mirror those of NCA-CASI. I'm also one of the 800 volunteer lead evaluators for NCA-CASI which is an opportunity that I take extremely seriously.

I have an obligation as a lead evaluator to
that institution and also to NCA-CASI to uphold the
high standards that are set by NCA-CASI. I also in
that role have an obligation as a team leader to make
sure that we have a thorough and intensive
investigation of that school system and that that
institution also upholds and meets the standards of
NCA-CASI.

That said, there is an obligation to the
students and to the employers who receive the product
of those institutions and ultimately to U.S. DOE to
make sure that that institution is meeting the high
standards expected in this economy.

Throughout my career, I've been and am
committed to rigor and accountability in training and
of all related process to the unique niche of the
non-credit postsecondary career technical institutions,
the direct connections to employer needs, and to the
NCA-CASI validation of compliance and quality upon
which employers and students rely.

I received a call this week from a depressed,
discouraged, and struggling individual who'd been
downsized and who has been without a job for a year.
Unemployment was running out quickly and with housing payments and a family to feed, this person was seeking a training institution to change career direction and find work.

We discussed possibilities and where to look and my first word of advice to this person was look for NCA-CASI institutional accreditation. If the institution doesn't have it, look elsewhere because this is your stamp of quality for education. My coworker and I get these calls regularly and we're happy to direct these individuals to any one of the 60 NCA-CASI-accredited centers in Ohio because these standards are evenly applied to all and I can vouch for the quality gauged through the accreditation process.

NCA-CASI has been accrediting Ohio's postsecondary non-degree-granting career technical institutions for many years and is an Ohio criterion for federal and state funding in the Ohio postsecondary system.

Throughout the years I have participated in NCA-CASI intensive training, have been a lead evaluator, have served on external review teams, and
have taken part in all elective and required NCA-CASI professional development activities.

I currently serve on the NCA-CASI Board of Directors.

The NCA-CASI accreditation process is known and trusted within the Ohio Board of Regents and non-credit postsecondary career and technical institutions. These institutions --

CHAIR STUDLEY: Ms. Nicol? Ms. Nicol, --

MS. NICOL: I'm sorry.

CHAIR STUDLEY: -- I apologize for not flagging for you the three-minute time limit --

MS. NICOL: I'm sorry.

CHAIR STUDLEY: -- and the light system.

MS. NICOL: Oh.

CHAIR STUDLEY: So if you would, please, --

MS. NICOL: Jump to the conclusion.

CHAIR STUDLEY: -- jump to your conclusion,

I'd appreciate it.

MS. NICOL: I'm sensing you all have had lots of coffee this morning. I can fully appreciate.

NCA-CASI in Ohio impacts 60 postsecondary
career technical institutions, approximately 30 percent of the institutions that NCA-CASI accredits. That represents approximately 90,000 adults who are seeking training and retraining.

The bottom line, by continuing institutional accreditation means personal success for these students. It means employer success and it ultimately means workforce and economic success in the 19 states.

CHAIR STUDLEY: Thank you very much. I appreciate it. I'm sorry for pulling the rug out from you.

MS. NICOL: You did. I have more to share.

CHAIR STUDLEY: I should have explained, as we did for the witnesses, the speakers yesterday, there is a three-minute time frame. The light will turn yellow when you have 30 seconds and red when the time is up.

MS. NICOL: I did not realize that.

CHAIR STUDLEY: That was unfair to you.

MS. NICOL: If you need more, just ask.

CHAIR STUDLEY: Thank you. We will have an opportunity here for questions of you.

This is Mr. Thomas Peters from Symbol Job
MR. PETERS: Yes. Hello, and thank you for allowing me to address the panel this morning.

My name is Tom Peters, and I'm the Director of Business Operations for Symbol Job Training, Inc.

I graduated from the University of Illinois, Urbana-Champaign, with a dual degree in Accountancy and Finance, and obtained my CPA license. I joined Symbol Job Training in 2010 after working eight years in public accounting with several clients within the manufacturing industry.

Symbol Job Training is a postsecondary institution located in Skokie, Illinois, that works closely with the manufacturing sector and focuses on hands-on computerized controls, CNC training. We have direct partnerships with several of the local manufacturing companies in the Chicagoland area and we provide all of our graduates with job placement assistance.

In addition to offering top-quality CNC hands-on training, we take pride in our high success rate of job placement. Our accreditation experience
with NCA-CASI has been very helpful in strengthening our institution. During the accreditation visit, the NCA-CASI accreditation team carefully reviewed our institution's controls and processes and provided us with very valuable suggestions and feedback for improvement.

The accreditation team came in with a fresh set of eyes and was able to provide us with invaluable and insightful feedback. We have implemented a wide range of team recommendations that have improved our efficiency and effectiveness as an institution, including an organizational and job responsibility chart that has aided us in performing our duties more efficiently on a day to day basis, a better record of our weekly staff meetings which allowed us to more effectively implement our ideas and turn them into actions.

The NCA-CASI team recommendations also help to improve us through an alignment of our courses with that of the National Institute of Metalworking Skills, NIMS, which currently is the only nationally-recognized credential for the manufacturing industry.
They've also helped us establish an advisory committee comprised of individuals within the manufacturing industry. Through this committee we have strengthened our schools' presence within the manufacturing community and obtained invaluable feedback about what the industry expects and requires from our graduates once they enter the workforce.

NCA-CASI team members visited our institution for three days and in that time did a very thorough review. They were able to review all aspects of our institution while verifying whether we were in compliance with all of the standards. Furthermore, NCA-CASI's document management tool was very concise and allowed our institution to effectively organize and prepare for the accreditation team visit.

The management tool also provided us with very clear and concise directions regarding the standards and indicators. These are clearly organized and easy to follow and help frame our compliance and improvement efforts. The written and onsite feedback was invaluable.

The NCA-CASI team members performed a very
thorough evaluation of our school by reviewing multiple
documentation and were able to interview more than 20
staff members and students during the accreditation
visit. This in turn allowed the team to provide us
with very timely and valuable insights on our
operations and recommendations for improvement.
The team members were very in tune with our
institution's mission and fully grasped the essence of
what a postsecondary non-degree-granting educational
institution, such as ours, has to achieve.
NCA-CASI holds our institution accountable for
compliance, such as maintaining our ISB state licensing
requirements, and providing annual
independently-audited financial statements. It also
provided us with invaluable guidance on how to set up a
database system and how to better maintain our
attendance records and implement an online element to
our education.
In conclusion, NCA-CASI, the staff and team
leaders are always very accessible and available to
answer questions in a very prompt manner. Symbol Job
Training feels that our overall accreditation
experience has been very positive and powerful and only confirm that we truly are changing lives through our postsecondary education.

We hope that NCA-CASI can continue to serve as our accrediting agency. The NCA-CASI accreditation has allowed us to grow and more effectively pursue our institution's overall mission and vision to produce made in the USA machinists while changing lives through postsecondary training.

Thank you.

CHAIR STUDLEY: Thank you very much. Do any members of the committee have questions for either of the two Third Party Representatives? Art?

MR. KEISER: You said you are a member of the Board of --

MS. NICOL: Correct.

MR. KEISER: -- CASI?

MS. NICOL: I am a member of the newly-formed, I think I was appointed in 2011, of the new Board of Directors under NCA-CASI.

MR. KEISER: And what role do you play? Are you playing an institutional role or a --
MS. NICOL: Postsecondary representative.

MR. KEISER: Postsecondary rep.

MS. NICOL: Mm-hmm.

MR. KEISER: Now does your agency license or oversee the institutions of CASI?

MS. NICOL: As an employee of the Ohio Department of Education, I do have -- I don't -- I hesitate to use the word "authority." We have a relationship and I have funding obligations to the centers in Ohio. However, I do not participate in any Ohio visits nor do I interact in any Ohio change requests or anything that the Board would, you know, act upon.

MR. KEISER: Thank you.

DR. ZARAGOZA: Just a follow-up to that. Would members of your staff, though, participate?

MS. NICOL: In the board? No, absolutely not.

DR. ZARAGOZA: Site reviews?

MS. NICOL: Absolutely not, no.

CHAIR STUDLEY: Any other questions?

(No response.)

CHAIR STUDLEY: I do have one question for
you, Ms. Nicol. Can you speak to and maybe you were prepared to tell us --

MS. NICOL: I probably was.

CHAIR STUDLEY: -- whether you would see consequences for the approval of postsecondary non-degree programs in Ohio if this agency were --

MS. NICOL: Absolutely.

CHAIR STUDLEY: -- not allowed to continue?

MS. NICOL: Absolutely.

CHAIR STUDLEY: Briefly, what would those be?

MS. NICOL: Having 60 institutions accredited under NCA-CASI, we've had those institutions accredited by that accrediting agency for a very long time. We have worked very hard to instruct them, both in their self-analysis, in their own process of working toward the standards. We have aligned our Perkins-required standards, the standards for operation of a postsecondary non-accredited institution in Ohio, we've aligned that with the NCA-CASI standards, and so the amount -- we've also not found another accrediting body that meets the current needs that we have in Ohio, and for any of our centers to make a change would be
first of all, I don't know how they would change, to whom they would go and seek accreditation.

The second thing is the amount of resources, both in time commitment, in cost, and in the disruption of activity to move to a different accreditation, I think, would be devastating for quite some time. We would have to realign everything.

CHAIR STUDLEY: Thank you. Seeing no additional questions for these commenters, I want to thank you and I apologize again. Thank you very much for your comments.

We are now going to take a 10-minute break. Let's reconvene at 11 o'clock, at which point we will -- I'm getting some stirrings from the Committee. We'll reconvene at 11 o'clock, at which point we will speak with the staff and the agency. Members of the Commission are not allowed to speak about this issue, so please do not approach us.

Thank you very much.

(Recess.)

CHAIR STUDLEY: Would you please resume your seats? Thank you very much.
We're going to pick up at this point with questions for the staff. I promised Cam that he could be first up. Are there others now at this point who know that you have questions or comments that you'd like to raise at this point? So, Brit, Susan, Anne, Art Rothkopf, Frank. That's a good start. Cam?

MR. STAPLES: Thank you. With your permission, I'll direct this to Kay since, Kay, you were the staff director, and I think the question that has come to my mind is what the process is internally when a recommendation is developed and obviously you have a primary assignment and Joyce is handling the primary assignment.

But I guess I want to know what, before something comes to us, the question of a set of eyes and sort of charges of bias have been made, and I think it would be helpful for us to know what the process is, how many people look at it, you know, what numbers of eyes are on a recommendation before it gets to us.

MS. GILCHER: Okay. The process is that the analysts will do the initial write-up and then Carol Griffiths, who is the direct supervisor of the
analysts, will do a thorough review of that and then it comes to me for a review, a second review, and if we have particularly significant issues or concerns about legal issues, then we would have Sally do, as well, a thorough review.

Now the review that Carol does and that I do will involve some look into the documentation as well as the narratives that have been submitted. So in this case, we actually had another staff person who also assisted with the development of the final analysis.

MR. STAPLES: Thank you. That's helpful.

CHAIR STUDLEY: Thank you. Brit?

DR. KIRWAN: Yes. I may have other questions later but one point that was raised is that the law requires or the policy requires that there actually be a site visit before a recommendation to deny and, I mean, that was stated very explicitly I think by the NCA-CASI, and I wondered if you could talk about that requirement. Was there a site visit? If there wasn't, why wasn't there? Do we normally do site visits? So I'd be interested in your comments on that, Joyce.

Thank you.
MS. JONES: Thank you for asking. At the moment I can't tell you exactly what the cite is that indicates what the requirements are for the Department to conduct a review of an accrediting agency.

As I understand it and as was decided by the office over this period of time that it would be either or and the choice was to do the -- to observe the decision meeting after having previously observed a decision meeting in which there were gross errors when AdvancED in fact was the applicant for review.

So the choice was to review or observe the decision meeting for the current agency seeking recognition.

In other instances where the agency is coming in as an applicant, ordinarily the Department will conduct both but there's no requirement on a reappllication or renewal. So the choice is either or and we chose to do that.

I might also add that during the period in which the review of both organizations has occurred, if you recall in October 2008, the committee was disbanded, this committee, and that there were no
reviews for a period of a couple of years, meaning that your first opportunity to review occurred in September of -- I'm sorry -- in the spring of this year as a new body.

As a result, activities concerning alternative activities were conducted in the Department and that included looking at the changes to the criteria and developing a guide during that period to assist agencies in using that guide to respond to all of the changes that were in the Higher Education Act Amendment. So there was activity. It wasn't always with respect to agencies.

CHAIR STUDLEY: It occurs to me that, in response to Cam's question, that Kay mentioned Carol's and her own involvement and I just thought in case we have questions about wider issues or a variety of issues, that perhaps, Carol, you might be willing to just make yourself available with Joyce, if that turns out to be helpful.

Brit, did you have any other questions?

DR. KIRWAN: No.

CHAIR STUDLEY: Sally?
MS. WANNER: I was just going to follow up a little bit on your question about the law. What this regulation says is observations from site visits on an announced or unannounced basis to the agency or to a location where agency activities, such as training, review and evaluation panel meetings, and decision meetings, take place, and to one or more of the institutions or programs it accredits or pre-accredits.

So we read that as an alternative rather than --

DR. KIRWAN: Or.

MS. WANNER: Yes.

DR. KIRWAN: And the "or" was followed in this case.

CHAIR STUDLEY: Susan?

DR. PHILLIPS: Thank you. I just want to dig into the student achievement conclusions of the analysis to see if I'm understanding this. This is the one of the Student Achievement 60216A1A, and I note that the agency describes their activity as including setting standards for student achievement, having a board meeting at which that's concluded, and then
making a determination that a number of institutions were then put on probation for failing to comply with it.

Listening to that and trying to understand the staff analysis, I'm unclear what was insufficient from the analyst point of view.

MS. JONES: I think you're referring to the activity of the Board of Directors at the September meeting in which the Department observed the establishment of those 2010-2011 or 2009-2010 rates for student achievement covering job placement, covering licensure, and covering licensure, job placement, and this is an oops moment, and completion, and those were established at that meeting at which time the vice president presented to the board the listing of those agencies, those institutions where it had been reported that they had not met the newly-developed thresholds, and as the documentation shows, at the subsequent meeting of those many who had to demonstrate whether they met those thresholds by getting notification, I've forgotten how many Steve indicated were placed on probation or whatever they call it, but at any rate,
that is a demonstration of what they say they did.

    The other part of it is, and it has to do with not just student achievement but the standards as a whole, and the standards as a whole do not contain thresholds as do these achievement thresholds. In fact, what you'll see in the documentation, especially in the two site visit reports with the two agencies that they submitted -- two institutions that they submitted in response to the draft staff analysis is you will find that the inconsistent application of the standards prevailed, both of the site visit reports.

    For example, in one of the site visits reports, the agency reported in the site visit that the institution itself became the industry standard and that is not according to their policies.

    In another, the discussion with respect to how the institution met their faculty standards. The only concern was that the person was experienced. There was nothing in there that discussed the qualification for hiring. There was nothing in there -- only to say that the institution has a faculty that has experience.

There is no definition with respect to their standards,
with respect to their indicators, of what the threshold
would be for faculty.

It's just a presentation of a list of items
and it then is left up to the interpretation of what
the school says we meet and what the agency says
because it appears that they meet. There is no
assessment. There is no mechanism to evaluate the
standards as a whole and in accordance to what the
Department expects.

MS. GRIFFITHS: If I may, I agree with Joyce
with what she's saying. I would like to add specific
to the student achievement standard, like we do with
all with agencies that we assess, evaluate, we assess
against what they call their own student achievement
standards. In this particular case, the agency student
achievement standard, and I'm not quoting it, I think
I'm paraphrasing it pretty well, though, that the
agency will rely on industry standards in assessing
student achievement and competencies, that where those
don't exist in the state or in the industry, that they
will establish their own student achievement standards,
but there is one student achievement or achievement
outcomes standard they do have which is that they expect an institution to establish student achievement standards and to do an assessment, an effectiveness assessment against those standards, and we did not see any evidence of this agency going in and making any assessment about the quality of those standards set by institutions.

I hope that's clarifying and I hope I addressed your question. As part of the -- okay. I will add to that. As a part of the student outcomes for licensure, placement, and graduation, there was no evidence of a historical application of that. This was -- and I understand that the agency says that they will do this annually.

It seemed to us that this assessment and action they took on those institutions was more of a monitoring process, of monitoring for continued compliance with their standards. It was not evident in the reviews for accreditation and reaccreditation that we saw evidence of those as we would have expected from any other agency.

DR. PHILLIPS: I think I'm understanding two
different issues at play in the student achievement one. One is a concern about the agency monitoring or ensuring that institutions are following their own stipulation that institutions set their own guidelines, set their own standards. That's Issue 1.

And then Issue 2, and this one I'm not quite sure I'm following you on, the agency has not demonstrated that it has and applies clearly specified quality indicators for evaluating its requirement that the institution regularly collect and analyze student outcome data. I'm not quite sure what that refers to, if not the data that was mentioned on degree completion, graduation and placement rates, those issues. What's the --

MS. GILCHER: I would urge you to read the rest of that phrase which says that "and use the results in institutional assessment and implementing continuous improvement plans."

DR. PHILLIPS: So the concern is about the institutional -- the agency requiring the institutions to behave in a particular way. That's the issue that -- it's not that they don't have the -- the agency
doesn't have standards but, rather, that they don't apply those standards to the institutions?

CHAIR STUDLEY: I think Art as the primary reader has some comments.

MR. KEISER: I read that area and it is clear they have -- I'm not sure how fair it is. They have standards because the board votes on the standards and then they apply them because it's retroactive and the schools can't change what they have in historical data. It's based on one standard deviation below the mean of the schools in their universe.

But what was cited and what followed in the discussion that's in the ASL is there was a lack of assessment and that was it's not that they did not have outcome standards. It is the fact that they did not show evidence or documentation of the assessment of these standards.

MS. GRIFFITHS: I believe the finding pretty much quoted what the agency had said that they require, that they require their institutions to regularly collect and analyze student outcome data and use the results in institutional assessment in implementing
continuous improvement plans.

We saw no evidence of the agency assessing that requirement that they place on their institutions.

CHAIR STUDLEY: Anne?

MS. NEAL: Following up on that, I'm a bit confused, I must confess, but what I heard the agency just say is that they do have thresholds and that they have suspended or they've taken action essentially against institutions that don't meet those thresholds. Do you agree with that?

MS. JONES: Anne, are you asking about the action taken at the September 2011 meeting?

MS. NEAL: I'm not sure which meeting it was. I'm just trying to find out how they applied these standards to the institutions they oversee and if in fact they have thresholds, do they hold the institutions to those thresholds?

MS. JONES: It is not evident in their analysis of the -- in what they call the QARs, the site team reports. It's also not necessarily evident in the self-studies or SARs done by the institution. What was evidenced was a policy that that day, at the site
team -- I mean at the meeting, where they instituted what those were and then had what the standard deviation -- not the -- the thresholds were for job completion and licensure.

Once that information was presented to them by the vice president, after they -- no, before they adopted the policy, then the board acted on that. They submitted the documentation showing that they had acted at their meetings subsequent in their response that they had put those schools on probation.

They have provided over the years evidence of actions taken in a format that they've chosen, but it's not evident that it occurred, other than the fact that they said we did it. It may appear on their website with respect to actions or decisions but not necessarily the probation. I can't remember seeing that. If it's there, I stand corrected on it.

MS. NEAL: Do you agree with them that there have been no complaints and that the students are getting fairly good placements and that the default rates of the institutions they oversee are low?

MS. JONES: The two second ones is what has
been reported to the Department. The first
question -- I'm sorry. I need to hear that again.

MS. NEAL: No complaints.

MS. JONES: There have been no complaints as
far as reported in the materials provided. There are
two ways to look at complaints. One is against the
agency and the other one is against an institution
accredited by the agency. In the instance where the
agency does a review of those institutions for
complaints, they are reported in a format and
addressed.

The agency I don't recall having an instance
where they have a complaint except one and that has to
do with an inquiry in which they said in their response
is being handled as a complaint by the agency itself
and I'm not sure what the sum and substance of that
are.

MS. NEAL: They have also contended that with
some additional time, they could address the various
problems that you've raised, that a significant number
of them are essentially providing documentation which
is something we've seen with a lot of the entities that
have come before us.

I know you all have some serious concerns and I'm wondering if there might not be some other options in terms of limiting their ability to accredit more entities while being given an opportunity to respond to your concerns and that's just something that I'd be interested in exploring.

I also just want to look very quickly at something on Page 13. As I understand it, in what appears to be a bit of dicta, that there's no reason that regionals can't compete nationally. The only restriction on their competing nationally is that when the Department of Ed gives it its scope, it gives it its regional monopoly. Is that basically what you're saying? There's no legal reason they can't operate nationally but there is a Department of Ed reason they can't operate nationally because the scope is limited to regional.

MS. GRIFFITHS: We have no regulations that preclude an agency from conducting accrediting activities outside of its scope of recognition. So in that sense, you know, accrediting agencies don't come
to us for permission to accredit. They come to us for
recognition of what they do and the Secretary's scope
of recognition establishes parameters for that. So I
hope that answers your question.

CHAIR STUDLEY: Thank you very much, Anne.

Art Rothkopf. And let me just signal that I left out a
step in inviting the agency response to the Third Party
presentations. So after Art Rothkopf and Frank, if
there's anything that you would like to say in response
to the two Third Party presentations, we would welcome
it.

VICE CHAIR ROTHKOPF: I just wanted to follow
up on Cam's questions which were answered by Kay. I'm
interested in whether this report was reviewed by the
General Counsel's Office. I don't know if I'm getting
into attorney-client privilege questions or not, but I
am interested as to whether Sally or her colleagues
have reviewed this report.

MS. WANNER: I looked at the -- the staff had
a huge task in front of them because, after the draft
staff analysis went out, we encouraged the agency, we
wanted to ensure that the agency did everything it
could to document and make its case for continued recognition. So we encouraged them and told them they should be sure and put everything in the record. So there was a huge amount of data that came in between the final -- I mean the draft and the final which in turn pushed the process way back because the staff then has a deadline. They have to get it to the agency at least seven days before the meeting. So I had a period of time of about two or three hours to read all 110 pages and I had to necessarily focus on the portion of the vital staff resolution of each finding rather than the earlier materials but I did look at that.

VICE CHAIR ROTHKOPF: Thank you.

CHAIR STUDLEY: Frank?

MR. WU: I just wanted to make a comment and then ask the staff a question. The comment is that generally I think the staff does a really good job and I think it's important for us to say that from time to time and in general agencies have worked very cooperatively and that's for the better. I think it's important that we say that, too.
I thought that much of the presentation from the agency here in terms of their concerns was filled with adjectives and was of a conclusory nature; that is, the claims of bias and so on.

But even if we granted that there may be some issues with procedure, it seems that even discounting that, there's still some underlying substantive problems here that are serious that we really need to take a look at. So I just wanted to make that comment.

My question for the staff is could you walk us through what would happen next if we followed what the staff has said here? What are the next steps in the process that the agency could avail itself of?

CHAIR STUDLEY: Frank, could you just be specific because there were several different possibilities, just if what --

MR. WU: Yes.

CHAIR STUDLEY: If we did what?

MR. WU: So if NACIQI voted to accept the staff recommendation to deny, what would then happen?

What would that trigger?

MS. GILCHER: Well, first, both the NACIQI
recommendation and the staff recommendation go forward to Dr. Ochoa who then has 90 days to make a decision. The decision would be then communicated to the agency in a letter signed by Dr. Ochoa and the effective date of the loss of recognition would be the date of that letter.

However, there are also procedures for an appeal and I don't remember the exact timelines but the agency can appeal to the Secretary, I think within 10 days, within 10 days, and that is a written appeal made to the Secretary who then would act upon that appeal.

MR. WU: Could I follow up by asking would the agency have an opportunity at that point to file more documents? Is that customary? So after we decide -- let's say we did say the answer should be deny, would the agency then have a formal opportunity to submit documents?

And then with that, just so we can get the context and I understand NACIQI has changed, the statute that governs us is different than the prior version, and, of course, you can't guarantee that people will behave in the future as others did in the
past, but to help guide us, how often does it happen
that NACIQI does something different from the staff?
How often would it happen that an agency is denied?
How often would it happen that at the next level, we
would be overturned? You know, what are the
parameters? Would this be extraordinarily rare, once
in a hundred years? Is it very common? You know, on
the spectrum of things, how dramatic is this?

MS. WANNER: I think I can answer some of your
questions. I don't know that I'll remember all of
them.

Generally, the process, the procedures are set
up so that an agency cannot submit additional evidence.
There are exceptions for that, I believe, when if you
were to, for example, make a new finding that they had
not had an opportunity to address.

They have 10 days to file response or comments
to your recommendation to the Assistant Secretary who
will then make a decision and then at that point if
they're still dissatisfied with the decision, they can
appeal to the Secretary.

I've worked with this committee since '94. I
can recall at least five or six agencies that came before the Secretary on recommendations from the staff and the NACIQI to withdraw their recognition. I would say maybe half of those were upheld. I can recall in particular one that was not upheld where the Secretary granted everything that the committee and the staff found and agreed that the agency was not doing a good job but nonetheless was concerned about the implications for schools and students.

It's certainly not unheard of for the NACIQI to disagree with the staff. That probably happens every meeting, every other meeting. Would you agree?

So does that pretty much address your questions?

MR. WU: Thanks. That's very helpful. Thank you so much.

DR. KIRWAN: Could I just follow up or not?

CHAIR STUDLEY: Sure.

DR. KIRWAN: Yeah.

CHAIR STUDLEY: Absolutely.

DR. KIRWAN: Just following up on what Frank said, so let's say Mr. Ochoa agreed with the recommendation not to and they appealed and the
Secretary agreed. Then what happens?

MS. WANNER: Then the agency is no longer recognized. There is a provision at least as far as Title IV goes that those institutions will continue to be eligible for a period of 18 months thereafter to give them an opportunity to find new accreditation. It's a short period of time as far as an accreditation process but it is available, and then there is no deadline or there are no parameters on when the agency, if they wanted to reapply for recognition, could come back. If they felt they were qualified on day one, they could reapply.

DR. KIRWAN: And are there other accrediting bodies that could accredit the institutions formerly accredited by this organization?

MS. GILCHER: Yes, there are. There are two or three that could do that.

DR. KIRWAN: Thank you.

DR. FRENCH: Madam Chair?

CHAIR STUDLEY: George?

DR. FRENCH: Thank you. My question is, given the presentation of basic defenses of the
recommendation by the agencies, what would you all consider the most egregious areas that were not covered by the agency? That's Number 1.

And then Number 2, what's the tipping point wherein we determine that we feel that they cannot within 12 months meet the requirements?

MS. GILCHER: I'll take a stab at starting on that one. I think that it's really a matter of accumulation. So if you put all of the sort of things together, the question is is there a robust and really reliable consistent way that this agency reviews institutions. Is there a sense that they are actually able to conduct their activities so that we could rely upon their decisions, and, given all of the various aspects of their accrediting process that are questionable, we don't believe that there is that kind of strong system.

And in terms of the tipping point, I think that really is the tipping point, if all together as a whole, and we tried to define that a bit in the summary at the beginning where we explained why we're recommending a denial.
DR. FRENCH: So the second part would be what were the most egregious areas that you could identify that were not addressed by the agency today because they did address some areas and I recognize they did not address all areas, but what were the most egregious that they did not?

MS. JONES: In response to your question about the most egregious, our system is based on compliance. So I would say each and every one of them.

MS. GRIFFITHS: I think both Kay and Joyce have spoken well to it. The accreditation process, there seems to be basically fundamental differences in understanding of what postsecondary education is all about here and so that focuses in on, in my opinion, to the accreditation process itself, the expectation of a qualitative assessment in the self-study, the expectation of a comprehensive assessment against clearly-defined standards that are articulated and documented. The need for documentation is a very important part of this process that has not been sufficient to reach the level that we have expected of agencies, and then clearly that the decision-making
process is based on that, again with documented
evidence.

There also appears to be, I think, a
difference here for this agency, perhaps some of it
resulting from, you know, the changes that they have
undergone in the last few years, once they did
this -- beginning with the unification process itself,
but there needs to be a sense of consistency and, for
example, with the student achievement thresholds that
came about with the actions, those occurred recently.

If it was something that had been being done
consistently, I would think we would have had seen the
documentation prior to a November decision meeting.
It's almost a reactionary kind of approach they're
taking and again I think it goes back to, and I will
summarize and conclude with my first statement, I think
there's a fundamental difference in and understanding
of what accreditation as we assess it for compliance
and for recognition.

DR. FRENCH: Madam Chairman, my last follow-up
because I'm kind of with Anne. I was a little bit
confused on the student learning outcomes (SLO) issue.
But what you just noted, you said that it was almost a knee-jerk reaction, the November meeting was a knee-jerk reaction, but are we saying that the policy was in place but at the November meeting, some action was taken against eight some institutions but we felt like it was only in response but the question is was the policy in place? Was there a board meeting in which action was taken against institutions based on the policy?

MS. GRIFFITHS: I believe the policy was put in place some time in the last year or two years but then again the documentation -- this is a bit of a problem. Policies continually change and they had been changing from the time we reviewed the draft till we got the final. It appeared to me that there were changes in policies being made in reaction to what we were saying and there was documentation being provided with the response to the petition as we want agencies to be able to do, but I'm not sure to what extent -- you know, it would have been nice -- it would have been clearer to us perhaps if the documentation could have been something from their files that had
been done that would indicate a consistency of application of policies throughout this period as opposed to documentation, such as the thresholds for compliance that they put these actions -- took actions and put these institutions on probation.

I was not clear that they had done that previous to this past November.

DR. FRENCH: Okay.

MS. GRIFFITHS: At least there was no documented evidence of that.

DR. FRENCH: Right. But you're not sure if it had been done previous but you are saying that it was done in November, according to policy, institutions were sanctioned, is that correct?

MS. GRIFFITHS: Yes. Yes, I do understand that's what they did, yes.

DR. FRENCH: Okay.

MS. GILCHER: I just wanted to point out that in the review of these outcomes data, those come into the agency annually. So it's a monitoring activity and they're doing that review. So it's in the context of the actual, you know, accreditation decision-making the
basis of the -- okay.

CHAIR STUDLEY: Would this be accurate? It may be simplistic but are you saying that there's an after-the-fact application of standards once they're developed and that what you're looking for is setting them going forward for institutions? Is that the difference in your -- or let me put it another way.

They now have a standard, a threshold that they're asking the schools to meet. If they apply that threshold in the future and documented it appropriately, would that satisfy that standard for their accreditation? Was that understandable?

MS. GRIFFITHS: If the agency can demonstrate that it is assessing student outcomes as part of its reaccreditation process, if that's your question, that's my answer. That would be what we would be looking for.

MS. GILCHER: There's not really an argument in terms of their having established thresholds. They did establish thresholds. Their standard is written even more broadly than that, however, and there are other aspects of that standard for which we have no
evidence that they did any kind of review against those aspects of the standard.

CHAIR STUDLEY: Susan, you had a question?

DR. PHILLIPS: Slightly different topic but one of the categories of concern that Frank had talked about was the category of things that the agency maintains that it's doing that the Department isn't seeing and spoke about the -- the agency spoke about the document system, the electronic system that they have.

Could you speak to how that system was useful or not in your review?

MS. JONES: The document management tool is to guide us to the evidence that supports whatever section of the standards or indicators. There was a review by the Department of the document management tool and to look at those links. None of those links were active.

So they could not be reviewed.

In its response, the agency did provide some evidence of what that document management tool contained as it related to a specific standard. That was helpful in that they have the burden to do that.
The problem is that when it was reviewed, the evidence just was not there. It did not exist, and our perspective was that it wasn't made available. With respect to the document management tool, my position on that was if I have to go to training and evaluate them, then what would each of you all have to do to assess the agency? You'd have to be trained, as well, and I personally think that it's the burden on the agency to provide the documentation to support its compliance.

DR. PHILLIPS: So they gave you information that had links that weren't active.

MS. JONES: I'm sorry. I can't hear you, Susan.

DR. PHILLIPS: They gave you information that had links that weren't active.

MS. JONES: Yes.

DR. PHILLIPS: And then what? I'm hearing that you didn't choose to use that.

MS. JONES: No, I did not choose to do it and the accessibility through the recognition system did not offer an alternative to be able to review it because those links were not active to be able to
review the documents.

MS. GRIFFITHS: In the agency's response, they did provide some screen shots or some pieces of documents from the document management tool which we did evaluate. It did not appear, depending on the criterion, that necessarily was the information comprehensive enough or specific enough. It did not necessarily provide substantial more evidence in order to find compliance to make compliance decisions.

I think to reiterate what Joyce was saying, that we expect all of the agencies to provide the documentation to us so that as part of the petition, not only for our review but for your review, as well, in order to enable you to review all of the documentation and it was therefore prior to the response not available to you either.

CHAIR STUDLEY: Okay. Art Keiser has a question or comment. Cam, did you? No. Let's take that. I would invite people to think about the range. Let's find out if there are multiple proposals people would like to make before we put a motion on the table. I think just procedurally it's a little bit easier.
1 So, Art, why don't you go ahead?
2
3 MR. KEISER: Just a comment and to defend
4 staff. I've been involved in accreditation for almost
5 30 years and it's very rare, you know, I certainly
6 would not go to the accredditor and say you have to find
7 the information that you're looking for in my computer
8 system. I don't think that usually works with my
9 accredditors. They're not very happy. In fact, I
10 thought when one of my colleagues said do you have a
11 matrix of all the standards and what are the objections
12 to them, we didn't have that, that's kind of the
13 underlying problem here and the lack of documentation.
14 I went through a whole lot of the documents
15 and I understand some of the frustration that the staff
16 had, but I'll go to the next section of where I'm
17 looking at it. However, I am more concerned -- two
18 concerns. One, obviously about schools and their
19 students which are probably the most important thing to
20 me, and, two, would this be a high risk to the Federal
21 Government in terms of the availability of federal
22 funds to institutions that may not be qualified.
23 On the second issue, I'm not sure that is a
problem. I think the problem is we have an agency that doesn't want to -- you know, that has very strong beliefs, has had a lot of change, and I think they're trying to get to the right level but they're very frustrated and angry at the staff and I think the staff is frustrated because they can't get the material they need to evaluate.

So, based on what you said before, I think Federico and I are moving to a different position than the recommendation which is to continue the accreditation or not renew, continue for 12 months, giving them a Herculean effort of having to come into compliance, but with the limitation -- and not accept the growth of the scope and, more importantly, to a limitation of no new accreditations during this period of time.

That will give them the time to focus on coming into compliance and providing the appropriate documentation to allow us to make the decision of renewal. That's where we're at.

DR. ZARAGOZA: If that's a motion, I would second it.
MR. KEISER: It's not a motion.

CHAIR STUDLEY: It's not quite a motion because --

MR. KEISER: It's a discussion.

CHAIR STUDLEY: But it's very helpful. I do want to just ask the staff before we move to a motion whether -- I mean, certainly many of their comments have responded to the agency and third party comments that were raised to us, but to be sure that if there is anything more that you want to add under that heading, that we've allowed you to do that.

MS. GRIFFITHS: I would like to say that if we thought it was a matter of documentation, we would not have made the recommendation we made. We don't take these recommendations lightly. We know the impact that they have, but we know, in order for us to be consistent in our application of the criteria to all agencies, that now and going forward, that it is important that we make clear that we have done everything we were obliged to do and more in terms of working with this agency and have come to our conclusion with a lot of -- after a lot of, you
know, -- what's the word I'm looking for here?
Agitation and seriousness in delivery.

So I do feel compelled to put that to you. I don't know if my colleagues have something else they would like to add.

MS. GILCHER: No. I would echo what Carol has said and just going, reiterating again that it's really the totality of the agency and how its processes work and its policies and its approach to accreditation that we're most concerned about.

CHAIR STUDLEY: And on a very narrow point briefly, I would ask the agency if they have a response to the Third Party presentations, again closing that loop, not to anything else that we said but to the Third Party presentations. I'm seeing heads shaking that they do not. Thank you very much.

So we've now walked through those steps and we are back to committee consideration.

DR. ZARAGOZA: Can I just add one? Given the testimony that you've heard, I mean, are you swayed one way or the other, talking to staff, in terms of their contention that, yeah, we can come within a year's time
and address these issues?

MS. JONES: After hearing the presentation by NCA-CASI, what I noted were additional issues, just from the presentations that you heard, especially in the area of separate and independent.

As a result, I'm not really sure that their presentation persuaded me or I think the Department in terms of what their capacities are since, as Carol has stated, these violations, as they are described, just don't contain the mechanisms in place for measuring quality education.

CHAIR STUDLEY: Okay. Carol or Kay, do you want to add anything to that? Okay. I see Frank, and then I would invite -- and Brit, and I would invite anyone from the committee, if you have a different notion or would be planning to amend, to just signal us that. Otherwise, I will come back after those two comments to the suggested motion on the floor. So, Frank, and then Brit.

MR. WU: This is a question for our Chair as well as the staff. The question is, is there anything else that we, this body, NACIQI, can do or say so that
moving forward after this, the agency and staff work
together differently, you know, to have a reboot or
fresh start? Is there some sort of admonition or is
what we've said here good enough? Is there any
language we might add informally?

CHAIR STUDLEY: I would note but that we are
making an independent recommendation and while I
certainly support the concept of having whatever we
decide to do implemented in the best interests of the
students, the institutions, the Federal Government and
the agency before us in a fair and thorough way, we do
not supervise the staff, and I just want to flag for
everybody that the current process is that the agency
recommendation and the NACIQI recommendation are
separate.

I believe in the past that one came up for it
and then was either advanced or not advanced, that they
were in the same track, and they are now separate
recommendations and Assistant Secretary Ochoa will get
whatever the two recommendations are separately. One
does not overrule or drive the other one, although
obviously very informative and valuable.
Sally?

MS. WANNA: I just wanted to add that looking at this a little bit from the outside, I saw the work that the staff did with the agency and I can't imagine anything more they could have done. They really went beyond certainly what they generally do and I can't imagine more that they could have done. I would hope they would continue to act in a professional manner.

CHAIR STUDLEY: Brit?

DR. KIRWAN: I had a clarification on Arthur's suggestion and that is, you said no new accreditations. Does that mean they couldn't take on a new university or they couldn't revisit an existing university to sort of to do their accreditation?

MR. KEISER: I think our intent was to prohibit them from granting new grants of accreditation.

DR. KIRWAN: To not existing?

MR. KEISER: To new institutions. No.

DR. KIRWAN: Okay.

CHAIR STUDLEY: Arthur, and then I will entertain a motion.
VICE CHAIR ROTHKOPF: I guess I'm going to say that I am not persuaded by what the agency had to say. I think they've made some points that were arguably valid but in many cases have put a lot of hyperbole in front of us. I think the staff, based upon what I've heard, what I've read, has done a very credible job here and I would be inclined to deny recognition per the proposal of the staff and would so vote as that matter came up.

CHAIR STUDLEY: Well, let's get a motion on the floor and then others may want to speak to the motion itself. So would one of -- Arthur, Art, would you like yours to be the motion? Thank you.

MOTION

MR. KEISER: I move that the NACIQI recommend that the NCA-CASI recognition be continued to permit the agency the opportunity within a 12-month period to bring itself into full compliance with the criteria cited in the staff report and that it submit for review within 30 days thereafter a compliance report demonstrating compliance with the cited criteria and their effective application. Such continuation shall
be effective until the Department reaches a final
decision.

I further move that the NACIQI recommend that
the Senior Department Official defer deciding whether
or not to grant the agency its request for expansion of
scope pending the receipt of the compliance report and
consideration of the materials contained responding to
the issues raised by the staff analysis with respect to
the expansion.

Furthermore, I add -- I recommend to -- let's
see. That NACIQI recommends to the official, the
government official that the agency not grant new
accreditation to any institution during the 12-month
period.

CHAIR STUDLEY: Do I hear a second?
(Second.)

CHAIR STUDLEY: Okay. Discussion among the
committee? Okay. While it's being typed, is there any
discussion of the motion?

MR. STAPLES: Thank you. I respected the
judgment of our primary readers who've read every
single document. I read the entire staff report but I
did not read every single document.

MR. KEISER: I read everything.

MR. STAPLES: I now support what the recommendation is. I think that -- and this is not in any way to criticize the staff work. I think the staff work was very comprehensive. Clearly, many people did see this.

I don't know what the different review will look like in 12 months, but I think the bar is set pretty high. There will be no opportunity for further extensions, even on minor lack of compliance issues. So, you know, I think it's one more opportunity. There may be a challenge for both agency and staff to restart a process that has been so longstanding but I think it's a reasonable approach and I would support that.

CHAIR STUDLEY: Art?

MR. KEISER: One of the challenges I face, and I think Federico and I talked about it, is we have one decision. One is to deny or to accept.

Before, in the past, we had deferrals. We had other kinds of things that we could do. At least before, at least as far as I can tell, this agency
hasn't been before us since 2007 and this is the first shot or bite at the apple for us, not for the staff. The staff has worked continuously on it, but it is our first bite at the apple and that's a pretty tough decision and I understand the staff analysis and I truly recognize the work that they put into this and I agree with most of their findings.

I mean, the process is picky in and of itself and, you know, some of these issues are multileveled and they meet three but they don't meet the fourth part of that criteria, but we only have one bite at the apple and I hate to have so much impact on so many people with just one view of this process. So that's why I moved. I was very strongly considering the denial and it's just one more bite of the apple will not hurt anyone and I think it doesn't affect the way the Department has its finding or our purpose which is to protect the investment of the people won't be affected by this, you know, decision.

CHAIR STUDLEY: I'll give everyone on the committee a chance, if you want to say something, before we take action. So I see Brit, Arthur. Anyone
who hasn't spoken? Okay. Go ahead.

DR. KIRWAN: Well, this is obviously a very challenging decision for us to make. After thinking about it, I'm persuaded by Arthur's, this Arthur over there, comments and as I think all this through, I can't remember an instance where, when even with very significant negative comments by the staff, that the agency under review hasn't said some complimentary thing about how well the staff has worked with the agency.

So, you know, the idea that there is this gulf here, there's no evidence to think that this could in any way be a reflection of a lack of a willingness of our staff to be responsive to the needs of an agency.

I'm also confident that this wasn't just one staff member or two staff members. I mean, this is such a major decision. This has been looked at very, very carefully and we wouldn't be here today, in my opinion, if it wasn't a pretty strong consensus among the experts that we rely on that the recommendation was appropriate.

Thirdly, there's an appeal process. This
isn't the final decision. Somebody -- there's going to be two other bites at this apple. There is going to be Dr. Ochoa's decision and then that can be appealed and the appeal rights seems to be pretty successful. It's 50 percent. So the idea that this is, you know, locking something in is not -- and then, thirdly, the institutions and the students, there are alternatives. Others will have a chance.

I mean, these institutions, if this happens, after the appeal process has played out, they can get accredited by someone else. So I respect the motion and the intent behind it but I'm just very -- I'm persuaded that the staff has done the kind of careful analysis and it's been reviewed in a way that causes me to want to support their position. So I will vote in opposition to the motion.

CHAIR STUDLEY: Anne? Arthur, I'm going to give other people a chance. Anne?

MS. NEAL: On Brit's last point, if these institutions wanted to seek an alternative accreditation, what's the time frame for that?

MS. GILCHER: Well, first of all, the 18-month
period of time would begin at the time of final
decision is made. So if there were an appeal that
could, you know, take some time before that final
decision is made.

The length of time that it takes to get
accredited varies by agency and it could be
accomplished within 18 months but this effectively
would have a longer period of time to it.

MS. NEAL: So, in other words, there would
potentially be a number of students that would not have
access to Title IV, depending on the speed with which
the institution proceeded and this is assuming, of
course, that they have a lengthy period of time that
they're studying.

DR. ZARAGOZA: Madam Chair, that was also an
area of concern to me and that's kind of the follow-up
and the follow-up possibly to students at institutions
and given what I heard while, you know, I definitely
can understand the recommendations and I think the
staff did a wonderful job in presenting and doing the
analysis, at the end of the day, you know, we have
provided and, in fact, yesterday we had more than 45
links, as well, and I think in the spirit of, you know, providing a process that does allow organizations to address their deficiencies, especially when they acknowledge them, I think that that's important in lieu of the unknown impact it's going to have on students and institutions.

CHAIR STUDLEY: Thank you. Arthur?

VICE CHAIR ROTHKOPF: I didn't want to say much more, just to say I think I'd endorse completely what Brit indicated. There are appeal rights here. I think our staff has done a remarkable job in analyzing this situation with apparently not a whole lot of cooperation from the agency involved as compared to what we normally see, and there are options available. There's 18 months, really much more, assuming this stands up for agencies to seek or for institutions to seek other accreditation, if that ends up being the decision.

So I just am really feel -- with great reluctance would feel obliged to oppose the motion on the floor.

CHAIR STUDLEY: I'm going to take the final
comments but there's one thing I want to say after Anne
and then Sally. Anne?

MS. NEAL: I was going to address the question
of collegiality. I think it's wrong for us to insist
that the relationship between the accreditor and the
staff needs to be friendly and collegial. I think
that's part of the problem often because it is a very
cozy situation that we have.

So the fact that the accreditor is disagreeing
with the staff and finding considerable factual
disagreements and even legal, I think that's perfectly
appropriate, and I sometimes worry in fact that there's
too much collegiality between the staff and the
accreditors. So I just wanted to make that point.

DR. PHILLIPS: Two questions. One is I think
that there's a section of the motion missing up there
and if that could be put in, I actually have a question
about it, and the second is --

CHAIR STUDLEY: Susan, just before you go on,
it's being signaled that we need the sentence repeated,
Art.

DR. PHILLIPS: Okay. I've got a question on
that and then I also have another item. The question on that is the thinking behind the suspension of activity of new -- what's the -- what is being protected or sought in that?

MR. KEISER: Again, certainly my assumption was that if this school is on the -- teetering on being approved or denied, that it wouldn't be appropriate for a new institution to finalize their accreditation status when this agency could have its accreditation removed in 12 months.

DR. PHILLIPS: So it's intending to protect the new institution. Okay. Second, different angle question. In this motion, it asks for a compliance report and just a procedural question of to whom does that compliance report go and does it come back to us or is it a staff review and what's the action at that point?

MS. GILCHER: This would be the same as any other agency. So there would be a compliance report that would be submitted. We do a draft staff analysis, send it to the agency for response. We do the final. All this would be available to you in the e-recognition
system and they would be scheduled for review at
another NACIQI meeting.

DR. PHILLIPS: Presumably 18 months from now?

MS. GILCHER: It's probably 18 months from
now.

CHAIR STUDLEY: I have Sally, Larry, then
George.

MS. WANNER: I just wanted to briefly comment
and the motion is fine as it is, but I wanted to let
you know that you have more leeway, if you in fact do
this, that we're not going to recognize them for new
institutions. That is a limitation and that counts the
same as a termination. So you could give them longer
than 12 months, if you wanted to, to report back.

CHAIR STUDLEY: Larry, and then George.

DR. VANDERHOEF: First of all, I want to say
that it's not easy and I support the motion, but the
main reason I wanted to speak was to support what Anne
had to say before.

We cannot introduce a new criterion into our
deliberations; namely, did the agency praise the staff
for all that went on during -- we just can't do that.
That happens all the time and the agencies are fully aware of who's got the decision-making power. I mean, frankly, sometimes it gets to the gagging point. So I don't like that at all.

I think the motion actually catches where we are in this. I mean, of course, we all appreciate the hard work that the staff does and I asked a question, a few questions around during the break and, indeed, this was not one person's decision. This was the whole agency. But there are questions and there are issues and I think this catches it right where it should, right with regard to where the committee is at this point in time. So I just wanted to mention that those are my reasons for supporting the motion.

CHAIR STUDLEY: Thank you. George?

DR. FRENCH: Madam Chair, just a procedural question because I'm new. My reading of 602.36 wouldn't indicate that both recommendations go to the senior official. It would indicate to me that the committee's recommendations go to the senior official 10 days later in the comments from the Department staff, but I just need clarification as to what would
actually go to the senior official.

CHAIR STUDLEY: Sally, could you recap that for us?

MS. WANNER: Yeah. The regulation you're talking about is on appeal. The original final decision, unless it's appealed, is made by the Assistant Secretary and if you look at that regulation, it says that what is before the Assistant Secretary includes the recommendation of the staff and the recommendation of the NACIQI and the entire record that's been --

DR. FRENCH: So both of them go up?

MS. WANNER: Right. Exactly. But then the Senior Department Official who is the Assistant Secretary makes a decision. That will be final, unless the agency appeals. At the appeal point, then, you know, the Office of Postsecondary Education would be briefing on one side and the agency would be briefing on the other and there would be only one decision.

DR. FRENCH: So at this point both of them go up to the Assistant Secretary, --

MS. WANNER: Exactly.
DR. FRENCH: -- is that right?

MS. WANNER: Exactly.

CHAIR STUDLEY: Okay. I have one -- okay. Arthur, Melissa, me, then we vote.

VICE CHAIR ROTHKOPF: I just want to respond to the point that's being made that I was suggesting that collegiality be made an additional -- my good friend Anne has made that point.

That's not what I'm suggesting but I am suggesting that what we have here is a staff report based on the facts, well done, well documented, broadly reviewed, that reaches a tough conclusion that is not easy to reach, and I think we're watering it down and, assuming this motion passes, as I read the votes, it probably will, I would urge the Assistant Secretary to take another look at it because I believe he has the power to make a different decision from the motion that's up there.

Thank you.

CHAIR STUDLEY: Melissa has a question about the language of the motion. Why don't you just pose it to the movers?
EXECUTIVE DIRECTOR LEWIS: If you could turn off your mike, we may have three mikes on. Oh, here, it's on now.

I just wanted to point out that you may want to consider moving the last sentence of the first paragraph down to the very end of the motion for consistency's sake, so that it would read: Such continuation and limitation shall be effective until the Department reaches a final decision. Otherwise, you've got the decision and the limitation having two different endpoints.

CHAIR STUDLEY: Okay. Aron has something he wants to add and then I will say something and then we will vote.

MR. SHIMELES: On the point of collegiality, I think my concern isn't that the staff and the agency would go play golf together or not, like my concern is that there seems to be intractable differences with the definition of the criteria we have, the Department has, and that the agency's interpretation is. Does that make sense? So there seemed to be intractable differences that won't be reconciled in a 12-month
period. So I'm just confused about what's going to change. So I think the fact that there doesn't seem to be a good working relationship indicates the fact that things aren't going to change and so I don't really see why we need to wait 12 months to make the same decision.

CHAIR STUDLEY: Okay. One last chance. Frank has identified himself. Is there anyone else who wants to speak at this moment? That's really the end.

Frank?

MR. WU: That was a great point that was just made. I wanted to follow up with a question for staff and actually maybe for our body.

What happens in general if there's an agency that says staff is just wrong, they're reading this particular reg and they're just crazy? What are they supposed to do? It would be helpful, I think --

CHAIR STUDLEY: Who is the “they”?

MR. WU: So not just this body but any agency, if they're working with staff and there's any of these regs, if staff says you need to do X and the agency says, no, we don't, you're just plain wrong about the
CHAIR STUDLEY: I'm just going to say I think, Frank, that they have done what they're supposed to do, which is come to us, and this relates to my point. I think there's a larger question that is appropriate for our future conversation. Perhaps this will help. The one point I wanted to make is that it is our responsibility to make an independent determination. The Senior Department Official is counting on our doing that. It means no disrespect of the staff if we vote differently and to assure you that I intend no outcome by what I'm saying, if we vote with the staff, it does not signal that we are unwilling to make an independent and different determination than the staff does.

So I think that's part of what we need to say. The fact is the concerns have been aired with us and I think as far as what the mind run is, the case is, we can address that.

Susan?

DR. PHILLIPS: Is there any other recourse for the agency to try to resolve this than to come to us,
than to do what they've done? Is there another interpretive -- is there -- I'm just following up on -- is there anything else or is this the only venue they have to hear it?

CHAIR STUDLEY: But whether or not they have another action that they can take, we have a responsibility to advise the Secretary, the designated agency official. This just feels to me like a different conversation about good process. Is there a link to your ability to vote on what's before you that makes you want the answer to these questions now? If there is, I don't want to push anybody to vote if you don't have the information that you need.

Kay?

MS. GILCHER: All I want to say is that we are very careful to be consistent in our reviews of agencies. So the way that we are interpreting and applying the criteria is consistent across all agencies and there is always the aspect of having evidence of effective application of policies and there's a lot of concerns around that.

CHAIR STUDLEY: With that, I believe we are
ready to vote. The motion is in front of you. Can everybody see the motion? It's been -- the last revision was only the movement of some sentences. Would you take a look at that? In a moment I will call for your vote by a show of hands, and would you please keep your hands up so that the staff can get a count.

Okay. Are you ready to vote? All in favor, please signify by raising your hand.

(Show of hands.)

CHAIR STUDLEY: Thank you. All opposed, please raise your hand.

(Show of hands.)

CHAIR STUDLEY: Thank you. The motion passes.

As provided, the agency will -- I won't try and summarize the motion but the agency is approved for continuation on a limited basis, I believe it's called a limited approval, and the consequences and process will be communicated to the agency and this recommendation and the staff's recommendation of denial will go forward to the designated agency official using the procedures just described.

That concludes this item on the agenda. Would
you stay seated for just one moment?

We had two agencies that have been very patient that were scheduled for action also this morning. We also have a guest speaker whom we invited to meet with us who has a time-limited ability to stay for that conversation.

I would like to ask the agency officials, representatives from those two agencies to meet with the executive director off on the side of the room. We'd like to find out what your flexibility is because your actions are our official business but your schedules may be more flexible than our guest's.

So we have a five-minute break and then we will reconvene. At that point we will know with what portion of our agenda we are reconvening.

Thank you very much, and thank you very much to the staff for your hard work on this matter.

(Recess.)

CHAIR STUDLEY: Okay. I'm going to recap the procedure here. Brit, you are, indeed, up. Thank you very much.

We are reconvening the NACIQI following our
break. I'll just recap the order for those who weren't able to hear. We are shifting, reconsolidating, and working through lunch. We will start with CAMFTE, one of the two accreditors that was scheduled for this morning. We will thank them for indulging us while we eat our lunch.

Then we will have the planned program with Jamie Merisotis compressed to the period from approximately 1 to 2 o'clock, and then we will take the other accreditor at that point and then we will pick up our schedule as originally planned. So the people who are scheduled to speak starting at around 2 will be just a little bit later, assuming we have any ability to predict the length of these.

AMERICAN ASSOCIATION FOR MARRIAGE AND FAMILY THERAPY, COMMISSION ON ACCREDITATION FOR MARRIAGE AND FAMILY THERAPY EDUCATION (CAMFTE)

CHAIR STUDLEY: So with that, I would turn to CAMFTE. They are before us for a Petition for Renewal of Recognition and a Request for Expansion of Scope to Include Distance Education. The primary readers are Brit Kirwan and Carolyn Williams, and I turn to them
and the lead-off will be Carolyn. Thank you.

DR. WILLIAMS: This is for the Commission on Accreditation for Marriage and Family Therapy Education. It is a programmatic accreditor. Its current scope of recognition is the accreditation and pre-accreditation throughout the United States of clinical training programs in marriage and family therapy at the master's, doctoral, and postgraduate levels.

It currently accredits 116 programs in 36 states with the vast majority of programs in university settings. It was first recognized in 1978. It was last granted recognition in 2006. At the current scope of recognition is the accreditation and pre-accreditation throughout the United States of clinical training programs. Its requested scope is for the accreditation throughout the United States for clinical training programs in marriage and family therapy at the master's, doctoral, and postgraduate degrees, including programs offering distance education which is an expansion of what is, and our staff, Jennifer.
MS. HONG-SILWANY: Okay. Thank you. Good afternoon, Madam Chair and Committee Members. My name is Jennifer Hong-Silwany, and I'll be providing a summary for the staff recommendation for the Commission on Accreditation for Marriage and Family Therapy Education.

The staff recommendation to the Senior Department Official is to continue the agency's current recognition for the accreditation throughout the United States of clinical training programs in marriage and family therapy at the master's, doctoral, and postgraduate levels, and require the agency to come into compliance within 12 months and submit a compliance report that demonstrates the agency's compliance with the issues identified in the staff analysis.

Furthermore, deny the agency's request for an expansion of scope to include distance education until the agency can demonstrate that it has consistently evaluated and accredited programs via distance education in compliance with the criteria for recognition.
This recommendation is based on our review of the agency's petition, supporting documentation, and a full review at the agency's headquarters in Alexandria, Virginia, on November 1st, 2011.

The outstanding issues in the staff analysis consist primarily of the need for documentation regarding the agency's application of its policies as well as evidence of final revisions to policies in accordance with the staff analysis.

Therefore, as I stated earlier, we're recommending to the Senior Department Official to continue the agency's current recognition and require the agency to come into compliance within 12 months and submit a compliance report that demonstrates the agency's compliance with the issues in the staff analysis, deny the agency's request for an expansion of scope to include distance education until the agency can demonstrate that it has consistently evaluated and accredited programs via distance education in compliance with the criteria for recognition.

Thank you.

CHAIR STUDLEY: Thank you very much. At this
point we will invite the agency representatives to come forward and I'll let you introduce yourselves. It'll be a little clearer that way than if I tried to do it.

MS. TAMARKIN: Good afternoon, and thank you for the opportunity to address the committee.

My name is Tanya Tamarkin, and I'm the Director of Educational Affairs, and I have my colleagues here with me for moral support today. I have Eric Shapiro, who's our Education Specialist, Roger Smith, our Senior Attorney, and Dr. Tracy Todd, our Deputy Executive Director.

We would like to thank the Department of Education, the Department staff, for identifying areas of compliance. We find this process to be very helpful and beneficial in our commitment for providing -- for improving quality -- for improvement of quality assurance.

As Jennifer has pointed out, our agency has been recognized by the then U.S. Commissioner of Education since 1978 and we have received continued recognition since the '70s.

With a small number of programs, about a 116
programs at this time, our staff is able to dedicate
their time working with the programs on almost
individual basis through the accreditation process. We
work with programs to help them interpret and
understand the accreditation standards and
accreditation processes. We have not received any
complaints or appeals for many years from our programs
or third parties which speak to the agency's ability to
work with programs on intimate basis and guide them
through the process, so that at the time of the
decision, they are prepared for what is to come and
there are no surprises and they have reasonable
expectations.

In our process of working with the Department
and our petition, we have learned that our current
procedures have been operationalized in an organized
manner that assures quality processes for accreditation
reviews. We look forward to continued working with the
Department to clarify our written policies and
procedures to account and encompass the processes and
procedures that are currently in place that already
guide our accreditation reviews.
We thank you for this opportunity and look forward to your decision.

CHAIR STUDLEY: Thank you very much. Would the primary readers like to add anything or do you have any questions at this point to lead off with the agency?

DR. KIRWAN: Not at this time.

CHAIR STUDLEY: Do any other committee members have questions or comments about this agency's application?

(No response.)

CHAIR STUDLEY: Can I just check with the staff in the meantime? Were there any third party commenters who have asked to -- added themselves to the list to speak about this agency?

EXECUTIVE DIRECTOR LEWIS: No, there were not.

CHAIR STUDLEY: Thank you. And the recommendation before us from the staff was to approve the petition for recognition but deny the request for the expansion of scope, is that correct?

Did you have any comments specifically about the distance education element? I didn't hear you
speak to where you want to head on that one.

MS. TAMARKIN: Not at this time. We have not had -- we have just received our first programs that applied for distance education. So we have not granted any accreditation decisions at this time and we were under the impression that we had to seek scope, expansion of scope before the actual granting of the decision occurred which we're informed is not the case.

CHAIR STUDLEY: Thank you.

DR. KIRWAN: Are you ready for a motion?

CHAIR STUDLEY: I am.

DR. KIRWAN: I think we had --

CHAIR STUDLEY: It's whether the committee is ready for a motion. It seems to be.

MOTION

DR. KIRWAN: Oh, I see. Well, okay, I think we were a bit concerned by the number of actions in the report but reading through the report and talking with the staff, I think Carolyn and I were comfortable that, although the number's large, these could be addressed in a 12-month period just because of the nature of the issues at hand.
So with that in mind, I will make, on behalf of Carolyn and myself, I move that NACIQI recommend that the American Association for Marriage and Family Therapy recognition be continued to permit the agency an opportunity to, within a 12-month period, bring itself into compliance with the criteria cited in the staff report and that it submit for review within 30 days thereafter a compliance report demonstrating compliance with the cited criteria and their effective application. Such continuation shall be effective until the Department reaches a final decision.

We further move that NACIQI recommend that the senior Department -- excuse me.

We further recommend that the request for expansion of scope to include distance education be deferred -- excuse me -- let me say that again.

That we further recommend that the agency's request for expansion of scope to include distance education be denied at this time.

CHAIR STUDLEY: Do I hear a second?

MS. NEAL: Second.

CHAIR STUDLEY: Thank you. Is there any
discussion of the motion?
(No response.)
CHAIR STUDLEY: All in favor, please signify by saying aye.
(Chorus of ayes.)
CHAIR STUDLEY: Opposed?
(No response.)
CHAIR STUDLEY: Thank you. We did, before you go, we did invite agencies to make comments on a couple of questions about challenges or evolving issues. If you want to take a moment now to do that, we welcome the chance to give you that same opportunity other agencies have had. If you prefer to either pass or send them in to us, that would be just fine, too. We realize in part we have -- anyway, go ahead.
MS. TAMARKIN: Just one point. It's C-O-A-M-F-T-E. It's missing an O.
CHAIR STUDLEY: Thank you. We are just carrying over the mistake in the agenda. Thank you for the correction.
MS. TAMARKIN: Thank you. No comment.
CHAIR STUDLEY: Okay. Thank you very much.
We sincerely appreciate your cooperation. As you can tell, we were dealing with a complex issue and we appreciate your indulgence in our inability to anticipate how long that would take. Thank you very much.

MS. TAMARKIN: Thank you.

CHAIR STUDLEY: We are now going to switch gears and invite Jamie Merisotis and, if he'd like, his colleague, Holly McKiernan to join us wherever you'd like, either there is fine or at that table. This works fine for me, if it feels right for you.

I'll do a quick, if it's possible, a quick introduction of our guests, Jamie, but I would also like to flag for the audience and the members that our guests brought along a report, a take-home souvenir that I'm sure provides more background on the degree qualification profile that they'll be speaking about and there are copies for the public available on the table outside the room.

Jamie Merisotis and I have been confused with each other for many years in the Washington higher education land. It is a pleasure to welcome him here
and we appreciate that he and Holly could be here to talk about this important work.

He is currently President and CEO of the Lumina Foundation for Education. I'm sure he'll tell you more about its goals and objectives. Some of us met him during earlier incarnations as Founding President of the Institute for Higher Education Policy where he worked on many of these same issues and policy analysis that was widely used and I do recall the establishment of the Alliance for Equity in Higher Education which was a broad coalition of national associations working on many of the same issues that he's tackling today and even earlier than that, he was Executive Director of the National Commission on Responsibilities for Financing Postsecondary Education, a responsibility in which all of us are engaged both through NACIQI and in our day and night jobs because I know many of us have or have had many of those.

With that, I'd really like to just invite you to help us understand the current work of Lumina. The degree qualifications profile in particular was suggested to us as something that might help us think
about how to understand effective education but I would also welcome you putting that in a larger context.

So would it be helpful to have the members go around and introduce themselves? We can do that quickly.

Anne, would you be willing to begin?

MS. NEAL: Anne Neal, Oregon Council of Trustees.

MR. SHIMELES: Aron Shimeles, Operation Coordinator for Pearl Health Exchange in New York.

DR. WILLIAMS: Carolyn Williams, formerly Bronx Community College and know you from another life.

MR. STAPLES: Cam Staples, President of the New England Association of Schools and Colleges.

MR. WU: Frank Wu, Chancellor and Dean, UC Hastings Law School.

DR. PHILLIPS: Susan Phillips, Provost and Vice President for Academic Affairs, University at Albany, State University of New York.

VICE CHAIR ROTHKOPF: Arthur Rothkopf. I knew Jamie when I was with the U.S. Chamber of Commerce and I'm President Emeritus of Lafayette College.
CHAIR STUDLEY: And Arthur is the Vice Chair of our committee.

EXECUTIVE DIRECTOR LEWIS: Melissa Lewis, NACIQI Executive Director, Department of Education.


MS. GILCHER: Kay Gilcher, Director of the Accreditation Group at the Department of Ed.

DR. FRENCH: Good afternoon, Jamie. George French, President, Miles College, Birmingham, Alabama.


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

DR. VANDERHOEF: I'm Larry Vanderhoef, Chancellor Emeritus at the University of California, Davis.

DR. KIRWAN: And I'm Brit Kirwan, Chancellor of the University System of Maryland.
WORKING LUNCH: LUMINA FOUNDATION'S DEGREE QUALIFICATIONS PROFILE AND "GOAL 2025" INITIATIVES

MR. MERISOTIS: Thank you very much, first, for the opportunity to be here. I know that I've been in this business for too long when I know most of the people around the table at virtually every meeting that I go to and so I want to say thank you for the chance to be here. It was always great to be known as the other Jamie when I lived in Washington. So it's a real privilege for me to be here with my colleague, Holly McKiernan, who serves as our Vice President and General Counsel at Lumina Foundation, and who's played a leadership role in the work I'm going to talk about.

I want to thank you for the invitation to be here, thank Melissa for the chance to spend some time talking about the important work that this committee is doing and the responsibility that it has. I'm hoping that my remarks can be helpful to you as you approach your work.

What I want to do today is plan to talk with you in some detail about some of Lumina's work, particularly the degree qualifications profile, and
then afterwards I'm hoping we'll have some time for
discussion and dialogue about some of those issues.

Being with you today gives me the chance to
explore with you a topic that's of intense interest to
us at Lumina and I know to all of you here, as well,
and that's ensuring quality in postsecondary education.
It's a topic of utmost importance not only for us in
the higher education community but, indeed, for the
nation as a whole.

I think most of you are familiar with Lumina
Foundation and for those of you who aren't, Lumina is a
private foundation whose mission is to enroll and
graduate more students from college, especially
low-income, first-generation, minority, and adult
learners.

At Lumina, we pursue our mission in a very
targeted way. All of our energy and resources are
focused on achieving one ambitious but specific goal
for college attainment, what we've come to call Goal
2025, which, simply stated, is that by the year 2025,
we will have 60 percent of Americans to hold high
quality college degrees and credentials.
That goal drives literally everything that we do but it really goes well beyond us at Lumina. It has to. The goal is too big and far too important for any one organization to tackle. In fact, Goal 2025 is fast becoming a national goal because it addresses such a critical national need.

I think we all know what that need is. As a nation, we desperately need many more college-educated citizens. We need them to rebuild our economy for a global era, to strengthen our democracy, to empower millions of citizens. Even in these divisive and contentious times, consensus is building on that point.

Labor experts, employers, researchers, and social scientists, policymakers here in Washington and in virtually every state all agree. College attainment must increase significantly to aid the economic recovery in the short term but, perhaps more important, to ensure the nation's long-term prosperity and social stability.

Of course, I think we should also recognize that merely increasing the number of college graduates isn't enough. We must also ensure that these millions
of new graduates emerge from the postsecondary system armed with the skills and knowledge that they need to thrive in the 21st Century economy.

Let me refer you again to that statement of Goal 2025. It's not just focused on that 60 percent target. It calls specifically for high quality degrees and credentials. Our goals, I believe our shared goal, is to increase educational attainment while ensuring quality.

Quite frankly, without a focus on quality, increasing degree attainment could very well be meaningless. But let me ask you. What exactly do we all collectively mean by quality in higher education? Too often, quality has been seen as a characteristic of institutions and programs. It's been correlated with such things as admission selectivity, faculty credentials, class size, physical facilities, endowment totals, even the price of tuition. The better a school rates on these input measures, the higher the quality has been assumed to be.

When we began to really understand the implications of our goal to increase attainment, we
knew that we were in a world where actual outcomes are what really matter, particularly outcomes for students. In this world, an input-based definition of quality just isn't useful.

Now more than ever, we need a shared definition of college quality that focuses on student outcomes and especially learning. All of the evidence that we have, that we've seen about the need for increased attainment points to the fact that the underlying skills and knowledge are more important than the mere credential itself. What matters is what students actually learn, how they can use what they gain in their programs of study.

Labor experts tell us that the jobs of tomorrow will require more and more high level skills and knowledge. Employers echo that sentiment, citing a growing lack of qualified applicants for the positions that they seek to fill. In short, there's a growing disconnect between what American society needs from its college graduates and what the higher education system appears to be providing.

Lumina's commitment to learning as a true
measure of quality has enriched and focused our work and it's led to a concrete result which is what you have in front of you, the Degree Qualifications Profile. The DQP, as we call it, which is now being tested in faculty-led projects at institutions in more than half of the states, is a framework for clearly defining learning outcomes. It's a baseline set of reference points for what students in any field should be able to do to earn their degrees.

Now you have the copies in front of you. What I'd like to do is provide you with some background on what the DQP is really all about.

First of all, it was drafted by experts in American higher education, four names that I think all of you probably know quite well. Cliff Adelman, Senior Associate with the Institute for Higher Education Policy, with more than 30 years of senior research analyst experience with the U.S. Department of Education. Peter Ewell, Vice President of NCHEMS and one of the most known experts on assessment and student outcomes in this country. Paul Gaston, Trustees Professor at Kent State and a scholar on higher
education reform, also the author of a terrific book called The Challenge of Bologna. Carol Geary Schneider, President of the Association of American Colleges and Universities and really a leader in the field of learning outcomes.

The drafters reviewed the learning outcomes work in the United States as well as the work that's being done in other countries and worked collaboratively to develop the DQP. Through the drafting of the DQP, they've become even more committed to the idea that American higher education needs a shared understanding of what degrees represent.

In their work, they concluded several things. First, that there was value in putting in writing what a degree actually represents in terms of learning. Currently, we define degrees mostly in terms of credits and time but degrees should be based on a clear demonstration of what a degree-holder knows and is able to do with that degree.

Second, the drafters believe that there is in fact a great deal of consensus among educators and employers about the knowledge, skills, and application
of them that students should demonstrate as they progress from the associate degree to the Bachelor's degree and on to the Master's degree.

The learning outcome work of the past several decades has produced really an impressive body of work that can be built on and the data from employers strongly suggests that what they need from college graduates really aligns for the most part with what educators are actually saying.

Third, given the urgency to increase degree attainment, it's essential that we focus on more than simply producing the number of degrees the country needs. It's essential that we be accountable for the quality of those degrees.

A list of credits earned and courses taken does not provide that assurance of quality. We must be accountable for the quality and integrity of our degrees and that means that we must be accountable for student learning. To be accountable for student learning, we need to be able to say what students are supposed to accomplish across their studies and we need to be able to articulate the differences in scope and
level of learning among associates, Bachelor's, and Master's degrees.

The Degree Qualifications Profile outlines five areas of student learning, specialized knowledge, broad knowledge, intellectual skills, applied learning, and civic learning. While each of the five areas is described independently, the areas clearly interact both in learning as well as in application. Students must apply their learning in a variety of settings and be able to solve problems that span disciplines and actors and, as to the degree level, as the drafters would say, it's really all in the verbs. The expectations for student performance ratchets up from associate to Bachelor's to Master's.

Well, I've been telling you some about what the Degree Qualifications Profile is. Let me just spend a moment telling you a little bit about what the Degree Qualifications Profile is not.

First of all, most importantly, it's not done yet. In fact, it's by no means a finished product. We're calling it a beta version and that language is used very, very intentionally. We're relying on those
who are on the front lines of instruction to test it and to improve it.

As I said, it's being tested by faculty-led teams all over the nation and the grants we've made to support that testing process are, for the most part, three-year grants in duration. So we're really at the earlier stages of this effort.

Second, despite the fact that the DQP is relatively new on the scene, it is not a sort of marginal or boutique experiment. Specifically, it's being tested at more than a hundred institutions in 30 states representing virtually every sector of nonprofit higher education. The work is being done by partnering with national organizations, including the American Association of State Colleges and Universities, the Council of Independent Colleges, the Association of American Colleges and Universities, as well as two regional accreditors, the Western Association of Schools and Colleges and the Higher Learning Commission.

We believe that the high level of interest in this work from a wide array of stakeholders in higher
education not only signals the need for a new
definition of quality but also that the Academy wants
to lead this transformation effort.

We believe the DQP represents a critical step
in charting the future course for American higher
education. To us, and really to the institutions and
partner organizations that have joined us in this work,
the profile response to a fundamental shift in defining
and assuring educational quality.

In these projects, we hope to learn more about
the content of the DQP. What needs adapting? What
needs to be changed? We also want to know more about
how institutions engage faculty across an institution,
that is, within an institution, to work together to be
able to demonstrate what degrees represent.

What evidence do they have of the learning
that transcends a program or discipline? How can we
provide certainty that students have the competencies
outlined in the Degree Qualifications Profile? And we
also want to know what those who truly work with the
DQP would advise us about the next steps.

Finally, the DQP is not something that can be
imposed on higher education by Lumina or really anyone else. To really work, it must be adopted willingly by institutions and faculty at the ground level, adapted and refined through use in the real world. Faculty engagement with the profile is essential because this work is not about checking off a list. It's ultimately about how faculty design and implement their courses to produce learning outcomes.

The DQP is not rigid or monolithic. It's not a one-size-fits-all document or process. In fact, no institution or organization can really use the DQP unless that organization crafts it specifically to meet its own unique circumstances. From the very beginning, it was designed to be institution-specific and flexible.

The DQP is often referred to as a tool or a template and those terms are probably accurate at this stage of the work. Still, I think the terms can be misleading if they bring to mind one specific application or define some sort of fill-in-the-blanks process. In reality, the DQP is much more akin to the templates and processes that organizations use, for
example, in budgeting, a commonly-accepted worksheet and a set of practices that enable strategic decision-making and comparisons.

So please don't think of the DQP as a prescribed set of standards that must be met or a specific process that must be followed by rote. It is the guide that helps organizations organize the concepts in a transparent and explicit way.

I think the beauty of the DQP is that it combines flexibility and broad utility and, in fact, it can serve as a useful tool for anyone interested in defining the meaning and relevance of postsecondary credentials. Institutions of all types, states and state systems, individual disciplines, employers, accrediting agencies, advisory bodies, such as NACIQI, any stakeholder can use the profile as a way to engage the meaning, quality, relevance, and integrity of American degrees.

I think it focuses us all on student learning and that's really the area that must be our emphasis as we strive to achieve those ambitious goals of ensuring quality while increasing college attainment.
We at Lumina are committed to that goal and we're welcoming your partnership in the efforts to achieve it and now I'm going to look forward to our dialogue and your questions about the DQP as well as any other elements of the work that we might be able to do together.

Thank you very much.

CHAIR STUDLEY: Thank you. We really appreciate that.

Just for a little bit of order, I wonder if we might start with questions in the general nature of understanding what you're describing and clarifying or being sure we have a good handle on the DQP before we get into broader kinds of issues.

Does anybody have any questions of that sort? I imagine it's familiar to many of you but perhaps not to everyone. Anyone? Susan?

DR. PHILLIPS: Just a quick question on the scope. I note that it's associates, Bachelor's and Master's. What led you into the -- what led the framers into the graduate waters and what made them stop at the Master's?
MR. MERISOTIS: Yes. So the reason for stopping at the Master's is that the framework's not really intended for what is primarily research-based application at the Ph.D. level, for example. The framework doesn't have quite the same level of relevance as it would in terms of the generalizable skills that the research says are needed at the associate, the Bachelor's, and the Master's levels.

So at the Ph.D. level, because of the research orientation, that didn't seem to make sense to them nor did it seem to make sense in terms of fields like law or medicine where the specialized type of knowledge and learning become so specific that these broader generalizable competencies that we're talking about here don't seem to have the same kind of relevance and clarity.

Now there is a question on the other end of the scale which is how does this apply at the sub and associate degree level and we think actually there is application to it. We simply didn't have the capacities to develop that level of the competencies that would roll up but we think that's possible. We
think in fact there are efforts underway now, for
example, the National Association of Manufacturers has
developed a very interesting model or approach to
defining qualifications, that we think those kind of
efforts could actually roll into what becomes the first
degree level which is the associate degree level, but
we did not have the capacity to do that in the
constraints we imposed upon ourselves in developing
this.

CHAIR STUDLEY: I wondered if it might be
helpful to just take us to this key visual.

MR. MERISOTIS: She's the spider web expert.

CHAIR STUDLEY: I like visuals. And just tell
us what this is trying to say about institutional
choice and how this relates to campus independence and
autonomy and differentiation.

MS. McKIERNAN: Well, I will have to say that,
I mean, I do really like the spider web and just so
that you know, I have a really rough drawing of this on
my wall in my office and people will come in my office
and say, I didn't realize you had preschoolers and I
don't but I have this.
The intent of the spider web was to show that you have essentially five reference points on the five areas of learning and if you start on the left-hand side, you can see the ratcheting concept of the five and although it is symmetrical, it's not necessarily symmetrical, but that the associate's degree is then nested within the Bachelor's degree which is nested within the Master's degree.

On the right-hand side then, it is to show that institutions, though, can actually differentiate themselves from their programs and their offerings by being able to focus more intently on certain areas.

So if you would look, for example, at institution A, institution A, although it -- and this is comparing from the perspective of the Bachelor's degree in the three situations, the institution A has in its offerings more intense focus on applied learning and specialized knowledge whereas if you look at institution B, it has more of a focus on civic learning and broad integrative knowledge, and the concept being that institutions have the opportunity that you have a benchmark about what a common understanding of what a
degree should represent but that there is clearly the
opportunity for all institutions to differentiate on
those particular components.

And I would also note that in the center,
there's also a foldout chart that shows -- this is
another one of my favorite parts, which is this -- it's
right in the center which is kind of a grid of it and
on the far right, there are institution-specific areas
of learning which is to provide institutions the
opportunity to not only surpass or go beyond and
emphasize in more detail one of the five areas of
specific knowledge but also there might be something in
addition to the five areas that they emphasize.

MR. MERISOTIS: One thing I just want to add
to Holly's excellent description is that the way I
think about the spider web is that there's an
assumption embedded in the Degree Qualifications
Profile which is there's a core of learning that is
irrespective of what institution you are at but
thinking of it more as five points, right, and
not -- so move away from the spider web, for example,
and just think about a string that you have going among
those five points, well, you can change the angle of
that string depending on what type of institution you
are, what your mission is, what you're trying to
accomplish with your institution.

So you might focus more on specialized
learning or on civic learning, depending on the type of
institution you are, and then, in addition, we think
that there is room for greater specificity of
competencies which is really what the pullout chart is
all about that goes beyond those core competencies, as
well, that institutions can apply.

But there is an assumption about a core of
learning and that core of learning really ratchets up
from the associate to the Bachelor's to the Master's.

CHAIR STUDLEY: And that was part of what I
was getting at. You can't skip one of the posts. When
the string goes around, you're not supposed to skip one
all together.

MR. MERISOTIS: You can't skip one.

CHAIR STUDLEY: Or drop one of these all
together.

MR. MERISOTIS: Yeah. One thing I wanted to
just say about it. These things have been developed in
other parts of the world, as you know, but we're really
more inspired by what we saw in other parts of the
world than taking any of the specific advice they have.

One reason for that is that American higher
education does have some unique characteristics. For
example, in the U.S. compared to many other countries,
we care a lot more about things like access and
diversity. We care a lot more in the U.S. about things
like the civic role of higher education than you might
see in other parts of the world. In fact, most of the
degree frameworks we've seen in other parts of the
world have no civic component at all and so those
elements, I think, are important to point out, that
even though we got this inspiration from seeing what
other countries had done, really this, in our view,
fits the unique model and characteristics of American
higher education and the diversity that's represented
in our system of higher education.

CHAIR STUDLEY: Arthur?

VICE CHAIR ROTHKOPF: I commend Lumina and you
for what you're doing here because I think it's
critically important.

My question goes to where NACIQI fits into what you're doing and I think Holly made a presentation early on in our existence, our new existence, talking about your work with WASP and HLC, which I think is very important.

A concern that I have, let me put this delicately, is that the higher education establishment of Dupont Circle isn't really -- doesn't seem to be terribly interested in measuring student achievement. In fact, in, you know, post the Spellings Commission and when NACIQI was, I think, previously asked to get into questions of student achievement at the instance of the Dupont Circle groups, Congress passed legislation saying that the accrediting process isn't supposed to get into achievement issues.

I guess my question really is to what extent do you think your work is consistent with the views of the higher education establishment? Are they more willing now five years later to embrace issues of outcomes assessment than may have been true in the past or do you find them still resistant to looking at
outcomes as a means of measuring the performance of these institutions?

MR. MERISOTIS: Yeah. I wouldn't attempt to characterize their motivations or views. From my perspective, what I'm encouraged by is that primary partners in this work, in addition to accreditors, are these national organizations, AACNU and ASQ and CIC, and I think that's a very encouraging sign that they are participating willingly, you know, this is a voluntary process obviously, and being involved in the testing of this, and I do think a lot of the conversation over the last five years, in fact, has moved towards a more learning-centered model of higher education, towards better understanding the student outcomes as opposed to simply the institutional outcomes.

Now we could probably debate about whether that's going fast enough, whether it's going deep enough, etcetera, but I think that there is encouraging signs that this is the direction that things are going. We think this is a tool that, frankly, can help accelerate that because it provides a practical
way to organize the thinking and learning and I think one of the implications for you is going to be that if in fact this does get more deeply utilized because our formal investments are touching over a hundred institutions in 30 states, we know lots of places that are using this without any investment on our part, as well, so we're hearing from places all the time that are doing that, including, by the way, I should mention that all of the testing we're doing right now that we're supporting is at nonprofits but we think for profits have an interest in testing this, as well, and we think that that's terrific.

So our view is that this work is likely to change the parameters of your role as an advisory body over time because I think the nature of the definition of quality is going to evolve as a result of this and similar tools that I think are going to be developed.

VICE CHAIR ROTHKOPF: Just a quick follow-up. Have organizations, like ACE, the American Council on Education, have they been approached? Have they signed on? That represents the umbrella of all of higher education as opposed to some of the groups that you've
mentioned.

MR. MERISOTIS: Yeah. We haven't had a specific conversation with ACE. We've worked with them in some other areas but not on this. ACE has got important work going on, I think, in thinking about accreditation, independent of any investments we're making, but in this case, we were not connected with them in this work.

DR. FRENCH: Jamie, what were the -- you referenced the other countries that you researched and those were called qualifications frameworks. This must have really gotten you excited to initiate a project like this.

What were the effects in the other countries that you saw?

MR. MERISOTIS: So these kinds of qualifications frameworks have been applied diversely in other parts of the world, from the U.K. to South Africa, where I did a lot of work in my previous life, to a variety of other contexts, and I think one of the reasons why this has been value in some of those countries is because of the sort of disconnected nature
between what higher education had been doing and what
the labor market needs were. So that was a strong
motivator in some of these countries.

Over time, I think it's come to be recognized
that in fact it's a way of helping higher education
strengthen its own relevance; that is, that higher
education serves these diverse purposes that have to do
with the economic, the social, and the cultural
well-being of individuals and of society, and I think
these kind of qualifications frameworks in the
different contexts that we've seen have actually been
applied in that way so that the starting point was
really labor market relevance but it's led to a whole
bunch of other things that I think is really
encouraging.

DR. KIRWAN: Jamie, I, too, want to commend
you and Lumina for this work and I couldn't agree more.
You had a superb team developing this concept and you
touched on this a little bit in your comments but have
you done any thinking about how we would know whether
or not these students in this -- you know, somebody
could announce they had -- what are we calling it?
What's the name? The three --

MR. MERISOTIS: DQP.

DR. KIRWAN: Yeah. DQP. So how would we know that a student had really mastered these comments and what's the assessment mechanism at the end of the day? That's a long -- I realize that may be somewhat out in the future but still.

MS. McKIERNAN: That's a great question and that's really a part of the project work that's going on, because we didn't want to remotely go into this nor did the drafters, in saying what are the examples of student work that would be evidence of demonstration of master of any of the competencies, and in the projects that are going on, part of the work is to say when you're looking at these competencies, what are the ways that you can assess it and actually demonstrate it? What's the array of tools that would surface that kind of becomes this body of literature and various benchmarks of being able to demonstrate it?

So through the course of the work, you know, in addition to looking at the content, is actually --

DR. KIRWAN: They're working on that.
MS. McKIERNAN: Exactly. What is the evidence?

DR. KIRWAN: Thank you.

MS. McKIERNAN: And that it's not any one particular tool.

DR. KIRWAN: Yeah.

CHAIR STUDLEY: I think related to that question, are you aiming for comparability across institutions or a language where people would be able to say not just that their institution had used this approach but that we each got a degree that met some standard? There are lots of different ways to do that but what might the next round be and if you don't know, if you don't have a single goal, is comparability something you're aiming for and, if so, what might that look like?

MR. MERISOTIS: Yeah. I mean, I think we need to have a longer conversation about what's entailed in comparability and what that really means. My view here is that, in short, this does -- we do put a stake in the ground and say there is a core of learning here that needs to be represented
and these generalizable skills or competencies should be reflected in how students apply themselves at the associate, Bachelor's and Master's degree level.

The analogy here is to other work that we are doing which is starting from a different perspective which is from the discipline perspective called tuning and this is more directly connected to things that we've learned from particularly the European context where, in many different disciplines now, there are essentially this establishment of reference points within disciplines about what students should know and be able to do in a specific discipline area.

So we are now testing that in at least seven states now, the tuning concept. So tuning is sort of more bottom-up and this represents more of -- I wouldn't call this top-down but this represents more of a broader application of this idea that there is some level of common understanding of comparability, whatever the word is, and I think that that word "tuning" is really useful because it's the musical analogy, you're tuning to the same key, not all singing to the same song, and I think that's pretty important
because one of the strengths of American higher education is the diversity that's represented in the way that we educate our students.

We don't want to erode that. What we do want is a common language and a common understanding about what these credentials represent and how they can be applied in work and in life and I think that's what's most important about tools like this going forward.

CHAIR STUDLEY: Anne?

MS. NEAL: Again, it's always great to hear from you all and I particularly appreciate your comment about you're not envisioning this as imposing on institutions, that in fact they retain their institutional autonomy and institutional decision-making.

Since we're here as NACIQI and we're dealing with accreditors, my question is since you are rolling it out with accreditors, I want to raise a concern. How do we square not imposing on institutions, yet potentially rolling it out through accreditors which it's been my experience that accreditors develop standards and then they are imposed on those
institutions that they accredit?

So I'd like to hear you speak to how we ensure institutional autonomy and decision-making when in fact we see two major accreditors taking this in hand.

MR. MERISOTIS: Yeah. It's a fair -- I'll ask Holly to comment on this, as well, because it's a fair comment.

Right now, we have WASC and the Higher Learning Commission actually taking different pathways towards the use of it and so you're seeing different ways that we're trying to learn from this and, you know, I should mention some of the other tasks, as well.

We're looking at everything from how it might impact student transfer to a variety of different things. In fact, we have a third accreditor that we're going to be working with. We haven't actually announced that yet but that will be yet another vantage point, regional accreditor. So I think that's useful.

I don't think that what we want to aim for here, and I want to be as clear as possible, is a single national standard that's driven through a single
body. I don't think that that was the intent of this
or certainly the way that we think that this could be
most effectively used.

We do think that the regional accreditors
themselves are already moving towards creating some
common understanding of what the student learning
outcomes of degrees should be and I think, if nothing
else, this provides a tool to test some of those
concepts.

I don't know if you wanted to add anything.

MS. McKIERNAN: I think the way that it's
being looked at, I think it's also a really good
question, is to say within the context of accreditation
and looking at the accreditors and the standard that
there be learning outcomes.

In the process of peer review then, is this a
useful tool and for the institutions and for those
involved then for being able to create a framework of
how they can demonstrate it and so it becomes a way of
being able to demonstrate something that is already in
essence required or outlined that an institution have
learning outcomes, that an institution be able to
demonstrate that, and then by using this in the process, is that helpful both from the institution's perspective as well as from those who come in to be able to provide a framework for being able to have the conversation, and part of the background in this, for example, with Paul Gaston, who has been on a number of accreditation review teams, his perspective was that this was really helpful because it gave them a way of being able to frame the conversation with the institution, with the faculty, and that's one of the concepts to be tested in the work.

MS. NEAL: So clearly there can be different pathways, as you're saying, but what if there's a disagreement with the framework?

MS. McKIERNAN: By the institution? That's why it's a beta version, is that we really want to know whether the content is right, and, frankly, the drafters want to know whether it's right and some have said that some of the competencies are, you know, too low and some have said that we're missing things and they want all of that type of feedback and that's exactly what kind of the whole process is to bring
about, is those exact -- you know, is this right? Are these the right categories? Are these the right ratcheting? What's missing? What should be added? What's wrong?

MR. MERISOTIS: The question that you're asking, though, is the right one, which is where does this go in the next iteration, in the next phase, and we started this without preconception about where it was going to go. We thought that it was important to get this conversation going about what the degrees represent in a way that builds on the success of you and many other people around this table who've been trying to push towards greater understanding of what we should be producing in our higher education institutions.

So we wanted to provide this as a practical way of organizing some of that thinking without saying that we think it's ultimately going to lead to this point. We don't know the answer to that and I feel pretty comfortable saying that.

VICE CHAIR ROTHKOPF: There's a continuum here. Obviously students who are going to college and
on have gone through K-12 and obviously a connection. There's a great deal of conversation now in K-12 and particularly at the Department of Education as it's looking at these potential waivers from No Child Left Behind to look at a concept of college and career ready, and to what extent is that something that you've looked at, thought about, and how does it relate to your efforts?

MR. MERISOTIS: Yeah. I think that this alignment between what's going on at the K-12 and what's happening in higher education is very important. This is one reflection of that, I think, which is sort of at the higher ed level. What should these credentials actually mean?

Obviously with the common core, we now have an interesting set of opportunities and challenges in higher education and I know various of you, Brit and others, have thought about these issues which is, so how will the common core impact placement? How will it impact admission standards? How will the kinds of expectations that we have of learning at the K-12 level be on this continuum to the higher ed level, and what's
the relationship between the two?

Our view candidly is that the silo-ing of these conversations is dangerous, that we could end up with apples and oranges if we don't do a better job of trying to align the conversations about learning and the increments of learning over time.

The common core, as you know, right now is very focused in two areas. So it doesn't get at some of these generalizable competencies that this talks about here. So there's a lot of work to be done here but I think you're seeing different kinds of conversations at the K-12 versus the higher ed level but they have some common antecedents and that is trying to get a greater understanding of what kind of learning should be represented in the qualifications and the credentials that we award in our educational system.

VICE CHAIR ROTHKOPF: And I think the common core is a part of it. I guess I'd suggest that college and career ready, which is a concept at least the Department of Education and the Secretary has talked about as one of the requirements for granting waivers
from the proficiency rules of ESEA, that I'm not sure what the content of that is, and I think that's still being developed, but I think again -- at least I think there needs to be some alignment and maybe they ought to be looking at what you're doing and vice versa --

MR. MERISOTIS: I think that's right.

VICE CHAIR ROTHKOPF: -- to be sure that we're all on the same path here.

MR. MERISOTIS: And you're seeing several governors take a similar tack.

MR. STAPLES: Thank you. I want to follow up briefly on Arthur's comment. In any of the places that you're working, are you working with K-12 and higher ed to create some pathways between the curriculum development, for example, to meet the common core and higher education expectations around what the common core will be in their states or their communities?

MR. MERISOTIS: As it relates to the Degree Qualifications Profile?

MS. McKIERAN: That is one of -- it's like on our wish list of one of the projects that we really do want to engage people in that. As an aside, the
drafters intentionally did not deal with K-12. They thought that that would be kind of taking on more than they wanted to at the time that they initially drafted it with the acknowledgement that you clearly were going to have to think about the whole pipeline.

So one of the questions is, is there a project that would make sense both linking, you know, some higher ed and K-12 that would help with that, kind of the bridge point in the college readiness issue.

MR. MERISOTIS: You know, all the action at the K-12 level is certainly not the common core but the common core has become a useful point of reference in the conversation and Lumina, as well as some other national foundations, Hewlett Foundation and others, are trying to gain some greater entry into the conversations about the assessments being developed by the two consortia, PARC and Smarter Balanced, so that higher education has a voice in how those assessments are being developed and implemented because we think they have real implications in terms of what higher education ultimately does with the product it's receiving from the K-12 system.
Those consortia were not necessarily designed with that in mind and so this is something that we're trying to encourage. To say we're going to miss an opportunity here, back to Arthur's point about college and career readiness, we're going to miss an opportunity here if we don't see this as part of this continuum where these two pieces really have to connect in a way that's meaningful.

MR. STAPLES: Thank you.

CHAIR STUDLEY: A number of these work -- I can imagine we're working very well as a framework and using them in everything from hands-on advising of students to understanding how they are proceeding and what the expectations are to internal improvement by an organization or for an accreditor to consider this as a framework or framework among many that would want to use.

But many of those and some other uses drive, I think, fairly quickly to people saying give me a number, give me something hard that I can know either about individual students or about your population or your graduates. That's a little of what we're talking
about with comparability, but is that something you're
trying to avoid, don't think has a place in this, might
have a place, so far off that it's not worth talking
about? I even think of all the people who ask me as
though for all these things I do in higher ed, I will
be able to tell them my child was accepted at X, Y and
Z schools, where should he or she go, and our
collective ability to compare them and meaningful
education measures, if we are not in the institution,
is yet another possible application of this, but go
ahead.

MR. MERISOTIS: I was going to just say that,
look, the vision behind this thing is that this is a
tool obviously that faculty and institutions use but
the unit of analysis here is competencies that learners
should have, right? So it's a learner-centric model.

Our view is that the tools that you use for
assessment are going to be diverse. They're going to
have to do with writing and portfolios and a variety of
different means for expressing how you actually have
achieved the competency, depending on what the
competency is.
So I can't envision -- I think it's a mistake to say, you know, and when all is said and done, 74. You know, I think that's the wrong way to think about this. I think the way to think about this is that, you know, it's more like a musician's balance board. You've got lots of things, dials that you're turning and levers that you're moving, and what you're trying to do is to create some harmonization here that you know that you're making pretty good music here when all is said and done.

I think that one of the things we should have learned from the K-12 experience is that if we start with the question what's the number, we're going to end up devising all of the assessment tools and all of the processes around getting to that number and I think it's the wrong starting point. I think the right starting point is what are those broad competencies that we expect learners to have and then let's figure out the tools for measuring them over time. I think it's a much more constructive way to go about this.

CHAIR STUDLEY: I think the direction and this kind of analysis is very helpful. I don't mean to
sound critical and I'm not driving toward a number, but
another way to describe the universe is people will
seek the information they need to make the
determinations they have to make and if they don't have
good ones, they will default, pun intended, to other
ones. So we will be trying to tell whether a school is
good enough for something by its default rate, its
placement rate, and other surrogate measures that don't
directly tell you what the student learning outcomes
were but maybe they tell you something that substitutes
for being too intrusive about what the student learning
goals or outcomes were.

So this may well not yield a number. The
question is what could it yield or how could it help in
all of the different kinds of jobs that people are
trying to do to understand the quality of what's taking
place, the value for whatever purpose they're deciding,
whether it's an individual's personal value of that
institutional choice or the huge investment that we are
a gatekeeper for, trying to say there are many
different ways it can be done but we're trying to build
at least a floor under it.
MR. MERISOTIS: So what you said --

CHAIR STUDLEY: Any thoughts on that?

MR. MERISOTIS: What you've articulated is

well said and we don't have an answer for you today but

what you've expressed, I think, is really the point,

which is that there's a sense of urgency here, that in

the absence of the application of these kind of tools,

we're going to revert to things that are not

acceptable, that are not sufficient for us to make

these kind of judgments that are so important in

deciding what quality really is and what degrees and

credentials really should represent, and I think, if

nothing else, you know, it should spur us on to pedal

faster because I think it's that sense of urgency about

these kinds of things that's really ultimately the most

important thing here.

This will evolve. This will change, but we

think the basic approach is something that we're hoping

anyway, once it's in the water supply, it will continue

to proliferate.

CHAIR STUDLEY: Do you have any suggestions

for us about the kinds of questions that we might ask
that would complement what you're doing? I'm not saying change our standards but what might we listen for that might engage in the same kind of project or --

MR. MERISOTIS: We'll take that challenge.

That's a really interesting question. We didn't come in thinking putting ourselves in your shoes. I think that's -- we'll follow up with you on that. I think it's a really useful question for us to ponder.

CHAIR STUDLEY: Other thoughts or suggestions, questions? Because I think there is a two-way street on it here. There's much about what we're trying to understand that is at the very least similar in the kind of questions. How can we --

MR. MERISOTIS: That's right.

CHAIR STUDLEY: -- tell and how can an institution tell when it's making progress on its educational project? I think I even said something that Anne and I might agree on in that regard.

So what should we be following that you're doing? How might we feed our observations to you because I think part of it is without better tools and approaches, we will be forced to use some that don't
give us the confidence that we would like in important judgments that people have to make.

MS. McKIERNAN: One thing that I would just add to Jamie's comment was that, because we're really trying to learn from the work as it's going on and that this is really a beta version, that as the projects unfold and we start to learn how they're demonstrating the evidence of student achievement, what's happening, that will be an opportunity also to engage in further conversation about what we're learning from the work because what we're hoping is that with each of the projects that they will learn from each other as well as it will inform us about kind of what's the direction going forward.

So I would say that this is just like the start of an ongoing process and further conversation with you about what we're learning from the work would be definitely welcomed.

CHAIR STUDLEY: I would certainly echo that from our perspective. I would have said the same thing had you not.

Does anybody else want to just weigh in or
identify anything for that future kind of conversation
or that you'd like to listen for?
(No response.)
CHAIR STUDLEY: All right. Thank you very much. We really appreciate your being with us. Thank you for sharing those thoughts and we do look forward to that kind of continuing exchange very much.
MR. MERISOTIS: Thank you.
CHAIR STUDLEY: Thank you. Appreciate it. We are going to take a short break until 2 o'clock. Be prompt at 2 to return.
(Recess.)

PENNSYLVANIA STATE BOARD OF VOCATIONAL EDUCATION,
BUREAU OF CAREER AND TECHNICAL EDUCATION (PBGTE)
CHAIR STUDLEY: We are going to resume and the agency before us will be the Pennsylvania State Board of Vocational Education, Bureau of Career and Technical Education.
The action for consideration before us their Petition for Renewal of Recognition and the Advisory Committee Readers are Arthur Rothkopf and Federico Zaragoza. Which of you -- Federico.
DR. ZARAGOZA: Madam Chair, I would like to introduce the Pennsylvania State Board of Vocational Education, Bureau of Career and Technical Education. This is a Petition for Continued Recognition by the Pennsylvania State Board of Vocational Education.

The State Board of Vocational Education, Bureau of Career and Technology, is the state agency recognized for the approval of public postsecondary vocational education. Its legal authority was established by Pennsylvania statute and gives the agency jurisdiction to oversee public institutions that offer postsecondary vocational education.

Currently, there are 79 occupational or comprehensive institutions which include 21 high schools, 58 vocational technical schools, offering public postsecondary vocational education, to approximately 19,261 participating adults enrolled in 552 non-degree programs across the state.

These are non-degree programs provided by area vocational technical schools that offer training and employment to adults in a variety of occupations.

The Pennsylvania State Board of Vocational
Education, Bureau of Career and Technology Education, was initially recognized in 2004 for a period of two years and requested the agency submit an interim report. In June 2006, the agency submitted its Petition for Continued Recognition. The Secretary recognized the agency for a period of four years.

On August 14th, 2008, the Higher Education Opportunity Act was amended and this is the first opportunity for the agency to appear before the revised NACIQI group.

Madam Chair, at this time I'll defer to staff for their comments and recommendations.

MR. MUALA: Thank you. Good afternoon, Madam Chair and Members of the Committee.

My name again is Chuck Muala, and I will be presenting a brief summary of the Petition for continued recognition of the Pennsylvania State Board of Vocational Education's Bureau of Career and Technical Education, hereafter referred to as PBCTE or the agency.

The staff recommendation to the Senior Department Official for the PBCTE is that he continue
the current recognition of the agency and require
compliance report in 12 months on the issues identified
in the staff report. This recommendation is based on
my review of the agency's petition, supporting
documentation, a visit to the agency, which included a
meeting with the director and the staff, and a file
review.

My review of PBCTE petition found that the
agency is substantially in compliance with the criteria
for recognition. However, there are outstanding issues
that the agency needs to address. These issues fall in
the areas of demonstration in its financial capacity,
the composition of its advisory body, its complaint
policies and procedures, the monitoring of its
accredited institutions, and administrating its appeal
policies and procedures, some of which are a result of
the Higher Education Amendments effective July 2010.

We believe that the agency can resolve the
concerns I have identified demonstrating its compliance
in a written report in a year's time. Therefore, as I
stated earlier, we are recommending to the Senior
Department Official that the agency's recognition be
continued and that you require compliance report in 12 months on the issues identified in the staff report.

The agency is present today. I am also available for any questions that you might have.

Thank you.

CHAIR STUDLEY: Are there any questions at this time for the staff?

(No response.)

CHAIR STUDLEY: Seeing none at the moment, let's ask the agency representatives to come forward.

Let me thank you all once again for your cooperation and flexibility. I know you had to readjust your schedules and we very much appreciate your doing so to accommodate the committee. Thank you.

MS. BURKET: Good afternoon. I'm Lee Burket. I'm the Director of the Bureau of Career and Technical Education with the Pennsylvania Department of Education. With me, I have two staff members. I have Beth Marshall, who serves as our Accreditation Coordinator, and Tamalee Brassington, who is the Division Manager for Adult Postsecondary Programs that we oversee in the bureau.
I do thank the staff of the U.S. Department of Education for their continued assistance and support in recognizing the State Board of Vocational Education as a reliable authority as to the quality of the public post-secondary vocational education in Pennsylvania.

We realize that your recognition is ensuring that the Commonwealth career and technical education at the post-secondary level is at an acceptable level of quality. We especially thank Chuck Mula for working with us and providing direction and advice as we continue to revise our standards, guidelines, and procedures, and we do have the opportunity to work with a number of boards and with a number of agencies and U.S. Department of Education is very supportive and we do appreciate that.

Pennsylvania remains committed to designing and implementing a quality accreditation process. The governor supports the reform of career and technical education across the Commonwealth as the state positions itself as a competitive entity in workforce and economic development efforts.

Quality adult technical education is one of
the key components of these efforts and to that effect, the State Board of Vocational Education, which is the governing body of the Department of Education, is committed to ensuring quality pre-K through postsecondary education and has provided direction and regulatory support for reform efforts, including ensuring quality adult technical education.

The purpose for the State Board of Vocational Education seeking and retaining recognition as a state agency for the approval of public postsecondary career and technical education in the Commonwealth is to provide the career and technical schools a practical and cost-effective means of ensuring quality education. The state is a local autonomy state and, as such, the institutions can vary in the degree of quality. The accreditation process allows the State Board of Education to verify the quality of the education provided by these institutions by ensuring that they do meet the established accreditation program standards. It allows the institutions to review their programs and systems and establish goals for improvement to meet the standards.
The processes that the local schools use involve faculty, staff, student, and the public. We work closely with the career and technical centers to ensure they are meeting the regulation and the criteria and are showing improvement in regard to the educational systems and the student outcomes.

We also ensure that we, too, remain compliant with the regulation and, as an example, have made changes based on the Higher Education Act. Due to the changes in the Act, we have updated the accreditation guidelines to comply with the U.S. Department of Education regulations. We initiated the policies and procedures to meet the credit hour requirements of the Act prior to the deadline of the submission of this petition.

We’ve developed the credit hour conversion policy and are working with the career and technical centers as they begin to implement the credit hour conversions.

The State Board has delegated the authority or the management of the accreditation program to the Bureau of the Career and Technical Education within the
Pennsylvania Department of Education and we remain aware of the issues that are facing the institutions and ensure that the accreditation process remains viable and reliable and consistent.

As an example, we developed a pool of volunteers for the accreditation process. This does remain challenging for us because, in addition to seeking volunteers for the accreditation visits, the Department also has other projects that require local education staff time. We have been modifying the other processes to ensure that we have adequate volunteer support for the accreditation process. Thus, we make sure we are not compromising the accreditation process.

One of our greatest strengths in management of the accreditation program is our ability to provide one-on-one technical assistance. We work closely with each of the schools as they begin the accreditation process and throughout the entire accreditation process.

Annually, we provide training for all of the institutions and then follow up with those who are interested by visiting the site and covering the
accreditation process and materials with the school staff. We also provide them with sample documents that assist them and have a list of contacts that they can make as they pursue accreditation.

The Pennsylvania State Board of Education was, as you heard, granted conditional recognition in 2004 with recognition in 2006 and numerous changes have occurred since 2004 in order to ensure that we are meeting the criteria for recognition. We consult with the U.S. Department of Education to address the needs that have been identified and in regard to the findings, we do concur with the Department's findings and continue to work with them to ensure that we are compliant and that we will be meeting the regulations in a timely manner.

We also appreciate the National Advisory Committee's role and the insight that you provide us and the others during the hearings and so at this time, I'll stop and see if you have any questions or comments.

CHAIR STUDLEY: Do the committee members have questions or comments?
DR. ZARAGOZA: I only have one question and that's one of the staff findings address the issue of fiscal capacity and in the audit you're about $60,000 short of your requested budget and so I'm wondering what that's going to do to your capacity.

MS. BURKET: We're not actually short. The budget that we presented is 183,000 something. That's actually the cost of staff and the associated expenses for travel, the operational expenses that would be incurred. So we're fine.

Annually, the budget includes what we call the GGO money, the Government something Operational funding. That's adequate to cover all of the staffing within the agency. In addition to that, there is $62 million line item for career and technical education that supports both secondary and postsecondary programs.

VICE CHAIR ROTHKOPF: I had the same question as Federico. I just saw in the report, it looked as though the 186,000 became a 120,000. Is that not right?

MS. BURKET: I do have a copy. Wait.
VICE CHAIR ROTHKOPF: Chuck, am I reading that correctly?

MR. MUALA: Yes, sir. We did get some more information on that and I'll be glad to make it available.

VICE CHAIR ROTHKOPF: It's on Page 5 of the report. It indicates -- I think it's the same question Federico was posing. It looks as though you lost your, if you will, enforcement money by a third and that's not very comforting.

MS. BURKET: Okay. Whatever the budget is, I mean it is the accurate budget, and it is adequate. Again, it's covering the staff, the staff costs, and whatever's associated with their work, such as travel expenses. So we have their benefits, salary, and then operational costs, such as travel.

VICE CHAIR ROTHKOPF: It's a big Commonwealth, do a lot of travel.

MS. BURKET: You want testimony from them. They will agree to that. That is true. We have within the bureau, we have 30 some staff. Of that 30 some staff, and I'm guessing here, about 20 are professional
staff and they are on the road a lot. The nurse aide staff are committed solely to the nurse aide programs. There are three of them. There are over 200 programs that have to be reapproved every year. We have Beth. Again, her sole assignment is the accreditation process and she has currently eight of the current technical centers are approved or accredited. We have three additional ones that are coming in seeking accreditation. So with Beth and with the other staff that have been assigned to accreditation, we're able to cover the Commonwealth.

CHAIR STUDLEY: Chuck, we would appreciate your comments.

MR. MUALA: Yes. After our conversation, I did a little research and I talked to the agency. Basically, it might have been an error on my part in the staff report because I saw the smaller amount and I didn't see the explanation as far as the smaller amount goes, but I think what happened is the agency requires -- it's just this year it's working with less than they got last year but the same function is being done.
So what they do in their process is they request money to accomplish their mission and that money is granted to them but it just seems to be that it was less this time than it was the last time. So not that they've got less than they needed, they got what they needed, but it was less than they needed to operate last year or the last time they went through. Did I make myself clear?

CHAIR STUDLEY: Arthur?

MR. KEISER: Out of curiosity, with the increasing budget cuts and tightness of all kinds of state agency monies, why would you want to duplicate the process that, you know, other agencies, such as Middle States, would perform for you, where it would save the taxpayer? It seems like a duplication of expenses.

MS. BURKET: I'm not so sure it's a duplication. Middle States is available. The Council for Occupational Education is also available for the schools. In fact, a number of the eight career and technical centers that are accredited, a number of them actually have multiple accreditations. It's their
choice as to which entity they would like to participate with.

MR. KEISER: I understand that, but it just seems in an era of, you know, to avoid duplication, it just seems there's not a real rationale for the state having that accrediting function where like in Florida we don't have that.

MS. BURKET: Well, in 2004, this actually initiated because Middle States did pull out of accrediting career and technical centers and it really left a bind. There was no one else there for the career and technical centers to turn to and so the field approached, Pennsylvania Department of Education and asked if they would be willing to seek recognition and that's why we're involved.

The State Board is well aware that Middle States is back and is accrediting career and technical centers but they still want this as a safeguard if anything would happen.

MR. MULA: To help answer your question, Dr. Keiser, in the beginning when the initial recognition came through, one of the important factors that the
Department looked at was that the BCT was providing a function that, because the schools were not able to because of the budget and the way the economy was at the time, could not pay for those services through the accrediting agencies already out there, and this was hurting the job market.

So Pennsylvania stepped in to try to help do that by doing the same function for much less money and providing a closer monitoring service of the schools and what was happening in the schools. That was a big factor in the decision in their petition when they first came aboard.

MR. STAPLES: Thank you. I have a question which is slightly off topic but I'm curious how you feel about the Federal Government playing a role in making the decision about whether the schools have access to Title IV funds.

I mean, don't you feel as a state agency that you're perfectly capable of making those decisions about the quality of your schools without having to go through the Federal Government as a filter?

I asked the New York State people that
yesterday and they said they love the Federal Government, they love the Department, they love NACIQI, and I realize I'm not trying to make it awkward, but I'm just saying we're trying to figure out in part what the right role of each branch of government is and our agenda has been full the last few days with state agencies and I'm just not sure I fully understand the rationale.

You have very good Department of Education staff that are publicly accountable who work with you, just like we have here, and I would just want to ask you, do you think this process really adds anything of consequence, except the most important which is the Title IV funding, or is it just another hoop to jump through that doesn't really make a big difference in the way you function?

MS. BURKET: I don't see this as another hoop to jump through. As I indicated, Pennsylvania is a local autonomy state which means that the school districts, so the secondary level, higher education are essentially able to make many of their own decisions without the state coming in and providing a lot of
oversight.

So again, in regard to quality career and technical education in the state, this has really been beneficial for us because we've been able to establish the standards and we've been able to ensure that the programs are meeting that, meeting those standards.

MR. STAPLES: You did well. I just wanted to have -- I was curious if you saw a real value and I appreciate that.

MS. BURKET: Yes.

MR. STAPLES: Thank you.

CHAIR STUDLEY: Anyone else?

(No response.)

CHAIR STUDLEY: We've received no requests for Third Party comments on this agency. Are the presenters prepared to make a motion?

MOTION

VICE CHAIR ROTHKOPF: Yeah. I'll make kind of the usual motion that we've had before on the Pennsylvania State Board for Vocational Education, Bureau of Career and Technical Education, as we've had in previous ones that were not too controversial, and I
think it's up on the board.

Move that NACIQI recommend that the agency's recognition be continued to permit the agency an opportunity within a 12-month period to bring itself into full compliance with the criteria cited in the staff report and that it submit for review within 30 days a compliance report demonstrating compliance with the cited criteria and their effective application. I so move.

DR. ZARAGOZA: And I'll second.

CHAIR STUDLEY: Any comments? Any discussion on the motion?

(No response.)

CHAIR STUDLEY: Seeing no hands, all in favor, please indicate by saying aye.

(Chorus of ayes.)

CHAIR STUDLEY: Opposed?

(No response.)

CHAIR STUDLEY: Thank you very much. The motion carries, and your recognition is now renewed under those terms. We thank you again for your cooperation and flexibility, and thank you, Chuck, for
a good job and for yours, as well. Thank you so much.

BACKGROUND AND OVERVIEW OF THE NACIQI'S DRAFT
REPORT TO THE SECRETARY ON HEA REAUTHORIZATION

CHAIR STUDLEY: We will now move into a very different agenda item. We signaled yesterday that our agenda for this meeting had two very significant and obviously ultimately very complementary elements. We have completed the portion of the meeting in which we review individual agencies for their participation as accreditors in the Title IV Program, as participants in the triad.

Now we're going to move to our other job which is to help us move toward responding to an invitation from Secretary Duncan to advise him on possible elements of the next reauthorization of the Higher Education Act.

I am going to briefly review the task before us and then invite Susan Phillips, who has been doing a superb chair of the Chair of the Subcommittee on Policy, to help us become more specific with regard to the substance of the options before us.

As some of you know, just at the point that
this NACIQI, what's sometimes known as the new NACIQI, was convened, we were invited by Secretary Duncan to give him our thoughts with regard to the terms of a future Higher Education Act. We read that invitation as particularly related to our responsibilities for accreditation but as we all know, it's hard to separate accreditation from the other elements of the entire Higher Education Quality and Title IV Programs and so our purview and our challenge are big ones.

We first received that invitation from him at our training meeting in September 2010 and the committee met for the first time as a fully-formed and official committee in December of 2010. So while this work has been in development and gestation for some time, given the complexity of the challenges, it doesn't seem all that long at all.

To date, we have invited comment in several different ways from persons interested in the land of and success of Higher Education and Title IV Programs. We've had hearings well attended and with much very thoughtful comment before this group. We've invited your and others written consideration of issues, as my
notes say, and then more testimony and using all of
that and the collective experience of the 18 members of
NACIQI developed a draft set of options that we put
before the community for its consideration and
reactions.

Our object there was to identify the purposes
of the federal interest in quality assurance within the
Title IV Programs. We could all do the little
paragraph that tells us how much the Federal Government
invests and how much the taxpayers count on our
collective investment in higher education through the
programs influenced by the accreditation process.

We identified the key central goal of the
federal interest in accreditation as establishing the
assurance that taxpayer funds are used in accordance
with the principle that a well-educated citizenry
promotes individual and community well-being, economic
competitiveness, and workforce development and civic
participation. But how we do that is a matter of great
importance and we tried to be as comprehensive and
imaginative in including both the issues and concerns
and also the suggestions that might help us achieve the
smoothest possible arrangements.

In our effort to find effective routes to further improving the accreditation system, we did offer up some that are challenging and some that we understood might spark vivid discussion. We were right in that. But we felt that it was better at the outset to be comprehensive and explore with you the many different ways that we could go about building on the strengths and addressing the frustrations, shortcomings, limitations of our current systems.

So we agreed to build a consensus document with a range of alternatives which we will now with your help today and further discussion and deliberation by the committee work to refine further. There will be, I will add, as many of you are aware, other opportunities for considering influence on the Higher Education Act, including from the Department.

The Secretary's own regulatory process, I feel confident, will also give people doorways and opportunities to express your thoughts about how this could be done even better. So we are one of many voices that will help the Department and the Secretary
develop its ultimate recommendations.

Indeed, we might find that we come back together again in light of those other strands of advice, so that we can continue to think about these issues together.

At this meeting, we will do as much as humanly possible of the following. We will review the options that were presented in the paper that we shared with you. We will listen to additional comment from individuals who have signed up to speak to us and from discussion among the committee members, and we will then consider priority areas to be included in a final document.

At this meeting, we will discuss these issues among ourselves and take first a straw poll to identify the topics that appear to us to generate sufficient support within the group to want to elaborate on and move forward with.

After the meeting, we will prepare a final document which will be put out again for comment to the public for the required period and we will take a final vote on a document using a public conference call, the
conference call among ourselves which will be
accessible to members of the public who want to
participate.

At this point, I'd like to hand things off to
my colleague Susan Phillips, who, as those of you who
have attended these meetings before, has taken a
leading role in helping shape the options that we have
developed and brought to the public and to the
committee so far.

Susan?

DR. PHILLIPS: Thank you. So we have a long
list of options that we have discussed and put out for
comment. Committee members, you'll have in your folder
a quick summary of the comments that we've received,
just a quick walk-through of that. This is the purple
document, just the tally. We received a grand total of
27 comments back in writing. We'll receive some more
in a moment. Of those, 18 were from institutions or
institutional organizations, eight were from
accreditors or accreditation organizations, and one was
from a category I will fondly call other.

Our total suggestions, ideas to consider
included the largest one which is the A, B, and C
option which concerned the role of accreditation in the
institutional eligibility process, and the numbered
ones, 1 to 30, refer to issues concerning the triad of
actors, the state role in quality assurance, the role
and scope of accreditors, data as an essential tool in
quality assurance, data and service of public and
consumer information, and the role of NACIQI as a
federal advisory body.

Of course, these were ones that we had
whittled down. There are many other territories that
we explored in our initial conversation but this is
where we had narrowed it to.

As we take up this task of envisioning what a
final set of recommendations might look like, we've
taken on the challenge of trying to digest 33 different
options into a coherent set of recommendations. We've
divided them up tentatively into what I'll call three
clusters, the first-up cluster, the second-up cluster,
and the third-up cluster. This is marked on your green
sheet.

Essentially, what this does is try to identify
clusters of items that need to be addressed before the next set of items be addressed. That's the rough dividing line and so that we can proceed in a step-wise fashion. The current strategy for walking through this process is, first, we will take the additional comment from those who've signed up by the deadline to speak and after that, we will walk through the three clusters in order, taking discussion and again straw polls on each of the cluster areas. This will be clearer when we get into it.

So that's the process. I'm going to skip the brief summary of each area now. I'll do a little bit of that to bring you up to speed as we go along but would move us to the Public Comment, the formally-signed-up.

CHAIR STUDLEY: We will begin with the people who requested the opportunity to make oral comment and we very much appreciate your involvement here. As of the last time we checked the list, I'll just let you know, we didn't have any additional people who had requested the opportunity for public comment. So if you think you did so or meant to do so, do let us know
and we will balance that between today and tomorrow, but they are in order and I would -- if it's comfortable for you, I'd invite you all to come up so that we can hear what you have to say because we may have -- does that make sense?

They are Judith Eaton, Joyce Rechtschaffen, Vickie Schray, Joseph Vibert, and Ralph Wolff. So we will take you in that order. If you want to do it in that order, that would be -- take any seats you want. Thank you very much. And each of the presenters has been asked to speak for no more than three minutes. The light will be green when we start the timer. It will go to yellow at the 30-second mark. It will start flashing just before the three minutes and at that point, I would ask you to wrap up your remarks.

After you speak, the committee members might have questions for you.

DR. KIRWAN: Just real quick before they start, will we get a copy of their comments?

CHAIR STUDLEY: I think it's up to the presenters whether they brought them or can send them afterward. I don't know if we explicitly requested
that they bring copies.

DR. KIRWAN: If they could, I would appreciate getting a copy.

CHAIR STUDLEY: Okay. You've heard Chancellor Kirwan's request and if you want to amplify at that point or have manageable useful attachments, we would certainly welcome that.

Thank you very much. So Judith Eaton.

PUBLIC COMMENTERS' ORAL PRESENTATIONS

MS. EATON: Good afternoon. I'm Judith Eaton, President of the Council for Higher Education Accreditation, and we at CHEA have given the draft put out by the advisory committee considerable thought.

It seems that there are two major themes that dominate the document. One is the urgency of greater public accountability and the other offers up a solution to addressing greater public accountability and expanded role for government with regard to higher education quality. Those themes cut across all 33 options and I think those themes prevail whether or not gate-keeping is kept, is modified, or discarded.

When the paper talks about an expanded
government role, I describe this as moving from the federal interest in quality, which by and large has been carried out by holding higher education accountable for quality, emphasis on the holding, to a federal interest in quality assurance, which is much more tied to the process of reviewing for quality and moving in the direction of perhaps the Federal Government making decisions about what counts as quality and certainly the Federal Government taking a much more active role in the operation of accrediting organizations.

This may or may not have been intended but it's what comes through in the document.

I do think that an expanded government role in this area is problematic and think that we can do more with regard to public accountability in a different way and in the testimony that we sent you offered up several suggestions to that end.

First, that we keep the primary responsibility for judging academic quality in the academic community.

One way to do this is to have institutions publish, for example, performance indicators of their own
choosing aggregate data on how well they are performing with regard to, for example, graduation or achievement of educational goals or transfer of entry to graduate school, but this would be a community-based operation. This would be up to individual institutions.

We also suggest that there be more federal oversight in a particular area and that is addressing student aid and use of federal funds and, finally, if both of these suggestions were, indeed, operative, the sense is that the current federal recognition review could really be streamlined to focus on the basic soundness of accrediting organizations, how they operate, their commitment to a mission-based system, peer review. I mentioned several things in the testimony.

I do think that this combination would provide for greater public accountability. It requires more attention to student learning outcomes and to transparency. Students in the public would know more about the effectiveness of institutions. You would know more about the effectiveness of institutions, and although we talk a lot about higher education
generally, we really should be talking about institutions. Students don't say I want to go to higher education. They want to go to College Park or they want to go to SUNY Albany or they want to go to one of Art Keiser's schools and they need to know about the academic effectiveness of those institutions.

Madam Chairman, I can stop there, if I'm over the time, or do you want me to finish?

CHAIR STUDLEY: Just if you would finish your key thought but we, as I say, may come back with questions to each of you.

MS. EATON: Okay. I did want to make a couple more points about the value of the suggestions I think that are offered.

One is I think that if we had more information at the institutional level, it would help us deal with problematic schools in the accreditation process, what we sometimes call bad actors.

I also think that we could use this information to deal with another issue that has been difficult for all of us and that is the amount of time that might be involved in sustaining accreditation when
they are problems. We would have more evidence to bring to bear on that issue.

And, finally, I think this approach would enable us to address an issue we've been struggling here with, we've been struggling with it here today and we struggled with it yesterday, and that's captured by phrases like "picky issues, the process is picky, nit picking."

We really may be on a path that is highly undesirable and that is micro managing accreditation operation. I don't think we want to go there. I don't know the connection between micro managing accreditation operation on the one hand and what we're after which is academic excellence, it's student achievement, it's student attainment.

Review of accrediting organizations is not, as we all know, an end in itself. It is part of an ongoing effort by so many of us to ensure the very best we can for students and I think it's extremely important that we keep that in mind as we move forward.

Thank you, Madam Chair.

CHAIR STUDLEY: Thank you very much. Joyce
MS. RECHTSCHAFFEN: Thank you, and good afternoon. Thank you for the opportunity to testify today on behalf of Princeton University President Shirley Tilghman.

We greatly appreciate the receptiveness of the Commission to concerns we have voiced about the accreditation process and to new approaches that might address some of those concerns.

We strongly support the Commission's options that would allow accreditors to design procedures for expedited review for institutions that can meet specified criteria. These options, 13 and 14, would lead to a reduction in the costs and demands on well-performing institutions while still holding them to agreed-upon standards. It would also permit accrediting agencies to devote more time and energy to poor-performing or newly-established institutions.

Institutions that meet the criteria for expedited review would complete a peer review process focused on areas that the institution and the accrediting agency agree constitute areas for
improvement. We believe that the data requirements for expedited review should focus on the items outlined in the report's Option 21, including completion graduation rates, placement, and/or other indicia of career progress and alumni satisfaction data.

An outline of how such a system might work is attached to President Tilghman's recently-submitted comments on the discussion draft.

We are also pleased that the Commission is willing to consider a total revamping of the accreditation system that would result in mission- or sector-based approaches. As President Tilghman outlined in her written and oral testimony to the Commission, the rationale for this approach is that peer review processes work best when institutions are reviewed by representatives from institutions that are similar in mission and organizational structure.

Different institutions can and do learn from each other but it is unclear that these exchanges occur through region-based accreditation.

Let me conclude with some brief comments on your question. Should the linkage between
accreditation and Title IV fund eligibility remain? We believe the answer to this question depends on how the accrediting agencies carry out their responsibilities. They must be willing to suspend accreditation of failing institutions and at the same time respect the academic freedom of sound institutions.

In our view, this means respecting the long-established practice of leaving judgments about curriculum and approaches to assessing student learning to teaching faculty of successful institutions, not the accreditors. If the current system cannot carry out these responsibilities without risking damage to institutional quality and autonomy, then we believe it would be better to sever the link and have accrediting agencies focused on peer review and institutional improvement.

In drafting a new approach, it would be critical to be very careful to ensure that the government does not usurp institutional autonomy from making academic judgments. Any standards set by the Federal Government extending beyond financial integrity should focus on the dataset outlined in Option 21, as I
previously described. Those are the appropriate measures of educational effectiveness that are significantly undervalued in the current standards by which institutions are judged.

Thank you again on behalf of President Tilghman for providing this opportunity to share our thoughts and suggestions.

CHAIR STUDLEY: Thank you very much. Vickie Schray.

MS. SCHRAY: Good afternoon, Madam Chairperson, Members of the Committee.

I'd also like to thank you for the opportunity to provide comments today on the draft legislative recommendations for the reauthorization of the Higher Education Act.

As you've heard, my name is Vickie Schray, and prior to joining Bridgepoint Education as their Vice President for Regulatory Affairs, I held a number of senior leadership positions here at the U.S. Department of Education, had the great honor of working with many of you around the table on issues related to accountability, accreditation, and higher education
The call for reform of accreditation and increased public accountability of higher education is not a new conversation. In fact, it has been underway for over 20 years. No doubt, as you have heard over the past year, accreditation in the United States has many strengths and weaknesses and as others have pointed out, the system has evolved in response to the changing higher education environment.

As we look at the current environment, there are at least four major changes creating pressures on the system. One is the growing demand for higher education, especially from traditional to non-traditional or the new contemporary student who wants even greater options in the delivery of higher education.

A second is reduced public funding and rising costs and pressures to find more cost-effective solutions in every aspect of higher education.

Third is the growing demand for increased accountability and the shift from access to success with an emphasis on education and employment outcomes.
Finally, there's the changing structure and delivery of higher education, including new types of educational institutions and the increasing use of distance learning that allows institutions to operate not only on a national but a global scale.

As you deliberate on what changes to recommend to Secretary Duncan, I would like to suggest that what is needed is a collaborative, not a top-down, strategy that would focus on the following three options.

First, I would like to offer my support for Option A, retention of accreditation in the institutional eligibility process. The strength of accreditation lies in peer review and the use of academic professionals to make judgments on quality.

While much progress has been made to define quality in higher education, much work remains, including a greater balance between existing and more outcome-focused criteria. Decoupling the link between Title IV and accreditation could severely hamper the efforts underway to define academic quality and sever the only and appropriate link the government has between the federal investment and the existing
public/private infrastructure we now have for quality assurance.

Second, as noted in the paper, the various interests of each of the members of the triad are sometimes at odds and often duplicative, increasing administrative costs and regulatory burden without resulting in improved service to students.

States have taken a major leadership role in establishing performance accountability systems to drive improvement in higher ed. Most states have now established performance accountability systems and have identified one or more performance measures, but it is important to note that these systems and related state regulatory systems represent yet another layer of quality assurance in higher ed that is largely disconnected and inconsistent with the quality standards and processes used in accreditation.

At the federal level, there has been an increase in the number of regulations and disclosures required by institutions but the information is often difficult to find, the measures use different definitions, and the data are not required of all
institutions, impeding their value in helping students
to make informed decisions.

What is needed is a concerted, coordinated
national, not federal, strategy to bring the disparate
efforts together with a focus on developing a common
quality assurance framework. This framework will help
to rationalize the system by defining roles and
responsibilities and the data that each of the members
of the triad will collect.

Finally, we need to improve data and
transparency. These efforts to build a quality
assurance framework would benefit from the major
federal investment in the state longitudinal data
systems that have the capacity to share high quality
and trustworthy information.

The Federal Government has spent millions to
support state efforts to develop these systems. Now is
the time to ensure that these systems include all
higher education institutions and are capable of
reporting information at the institutional and the
program level.

One of the great strengths of an American
higher education is the diversity of its institutions. Instead of proposing to differentiate accreditation or standards by sector or type of institution, we should differentiate and focus on benchmarking against like institutions with comparable selectivity criteria.

CHAIR STUDLEY: If you could wrap up shortly?

MS. SCHRAY: Yes.

CHAIR STUDLEY: Thank you.

MS. SCHRAY: Again, it's important to retain the relationship between accreditation and the institutional eligibility process, to support and promote current efforts to improve educational quality, but for this option to be viable, I would recommend the development of a quality assurance framework in collaboration with all members of the triad.

Thank you very much for the opportunity.

CHAIR STUDLEY: Thank you. Mr. Vibert?

MR. VIBERT: Good afternoon, Madam Chair and Members of the Committee.

As the Executive Director of the Association of Specialized and Professional Accreditors, I represent approximately 60 agencies that assess the
quality of specialized and professional higher education programs and schools in the United States.

ASPA member accreditors set national standards for specialized disciplines for defined professions to ensure that students receive an education consistent with standards for entry level or advanced practice in their respective fields.

Thirty-three of the ASPA membership are recognized by the Department of Education.

Thank you for the opportunity to comment on your draft report to the Secretary on the reauthorization of the Higher Education Act.

We would ask that in any recommendations that go forward that you keep in mind, maintain and support the core principles of accreditation; namely, the value and importance of peer review, the independence of institutions and accreditors in the academic decision-making process, and the respective independence and authority of the states and the accreditors.

The diversity and creativity of educational programs in the United States are strengths of this
nation and should be preserved. Individual program and institutional mission and goals will be lost if legislation, regulation, and subsequent guidelines create additional federal control and micro management, as has previously been mentioned.

Our diverse education programs require reliance on professional judgment by peers who are experts on content, not a centralized system that relies on standardized criteria that is applied with little concern for mission and goals.

The roles of the Federal Government, the states, and accreditors have been under the microscope for some time now and there is concern about the functioning of the triad. We agree that there can be room for improvement in any system but increasing federal control of the structure or functioning of the triad negates the three-part structure and that is something that we cannot support.

We should look for ways to improve the relationship among the three entities through a joint effort with review, input, and potential proposed changes to the system sanctioned by appropriate
representation of all three partners.

ASPA and its members look forward to working collaboratively in addressing the issues and promoting the highest quality of education for our students in this country.

Thank you.

CHAIR STUDLEY: Thank you very much. Ralph Wolff, please.

MR. WOLFF: Thank you. I, too, appreciate being here and appreciate the work you're doing. The challenges are great, both for higher education and accreditation.

I'd like to make three points. Accreditation is changing and needs to change more, but I would like to have those changes acknowledged. You commended the Northwest Association with a fundamentally new model last year. The Higher Learning Commission has developed a new pathways model. My commission has just adopted, I wrote you about this, all of our reports will be made public from June forward, and our action letters. We're requiring graduation proficiencies, external validation, and benchmarking of retention
graduation.

    Just to begin a list of other changes, including paying much more attention to for-profit institutions, we've all made significant changes around issues like change of control, online education, and the like.

    I do believe that we need to make further changes and that leads to my second point, which is that we need flexibility and adaptiveness and we support those recommendations that allow for that.

    If I might say, let me try to be over-simple and say there are four categories of institutions that we work with. We have what you might say are people called the bad actors or the problem institutions, the one that needs serious attention. We have a second category of those that run the risk of falling into that category.

    Now I would submit that they are not the vast majority of institutions and then at the other end, we have the high-end/high-performing/not really serious problem institutions. I put Princeton in that category. Cal Tech, Stanford. And we have other
institutions which do a really good job and for which our efforts toward improvement could really be significant.

To put all four of those categories in the same bucket and to say the same approach is required by your regulation makes little sense anymore. We need to put the emphasis on the right saliva. We need to put our attention toward certain activities that we do which we, I believe, are capable of doing and with different strategies for those institutions around which we have established metrics and have been able to identify warning signals.

And that leads to my third point, which is rather than fundamental change in the system, we need to try more communication and collaboration. A very concrete example. We are working on the accreditation of an institution. I would like to work with the Department of Education and say what do you know about that institution so we can do a good review. Can't happen. But the Department is collecting multiple indicators. Its own subgroups aren't talking to one another, FSA eligibility and the like, but we need much
more communication and collaboration around the use of the data, the application of the data, and how our review process can link to areas of concern without compromising investigations or the like. I would add states, as well.

So I would just conclude by saying that I don't think that restructuring the system at this point is a worthy goal. I think it's very undefined, but there is the capacity for this entire system to do better and to use the enforcement of the authority much more but I will just conclude by saying if we were to sit down with the Department, I could not tell you what's all in the Department's quiver and I would like the Department to know what's in our quiver and how we could work together to really assure the public of the quality and integrity of the institutions in the bottom categories and I'd like to have the freedom to work with the other two categories toward their improvement but not treat them as criminals or for us to be investigatory agents.

Thank you.

CHAIR STUDLEY: Thank you very much. We
appreciate the comments from all five of you and I know that many of you have given us at various stages along the way expanded versions of that.

I'd like to open it up now for the committee to ask questions of any of you. We do not have, as I said, additional public comment and so we have a little breathing room here to let you ask the questions that you would like -- not exactly representative but speakers from different viewpoints.

So let me take several hands and I see Arthur's first. Others?

VICE CHAIR ROTHKOPF: Yeah. I have actually several comments but let me start with this one and ask Judith to amplify on a point.

In your written comments and in your oral comments, you make the point that the paper that was circulated would increase federal control. Let me ask you to respond to whether, if the direction in which we went was for Option B or Option C, in which the federal role was limited to the items that Joyce mentioned in Option 21, specific data or maybe a little bit more than that, of completion rates, licensure, satisfaction
and so on, and left the entire accrediting universe still continuing, in other words, it doesn't mean that you get rid of accrediting bodies as they were before the linkage occurred but why couldn't you delink, have the Federal Government define what it really wants to know about institutions, and it be data-driven and quality would remain in the existing accrediting bodies or new accrediting bodies?

They wouldn't be under the federal control.
You wouldn't have all the pickiness, all the micro managing that you referred to. Why do you say that Options B and C would increase federal control?

MS. EATON: Thank you, Art. I said that because when I look at Option 21, it says the dataset with common definitions and if it's a large enough dataset and it includes a lot of specific academic areas, it seems to me that the onus has shifted from our institutions to the Federal Government.

I also said it because it seems to me that, given that we have a mission-driven system, it's up to the institutions to identify appropriate indicators of their effectiveness and I don't think they should be
penalized for it.

A number of the options assume a national approach that I think can get in the way of the very effectiveness of higher education institutions that has gotten us to where we are right now. If you would go up the path of, look, we're going to hold you accountable for having those indicators, providing adequate evidence about those indicators and judging those indicators, and the accreditors come in, you, the institution, and the accreditors come in and say are you doing this, all right, I think what will happen with that over time is institutions will be seeing what one another does and in an organic way that's going to help institutions use information to improve, but I don't think you need to lodge a significant set of data options within the Federal Government to achieve what we want to achieve.

MR. WOLFF: May I comment briefly on that? We have a task force right now working on retention and graduation rates for every one of our institutions and at our institution to create a template. We know that IPEZ works for only a very small number of
institutions.

We've worked with and are starting to work with not only Peter Ewell but with the National Student Clearinghouse. That data is not complete. We are calling it numbers and narratives. One has to contextualize the information. So there's no single metric that would apply to all institutions, even if we can get good data. We're doing this at the undergraduate and graduate level.

So I would assert that we do need to pay more attention to retention and graduation but contextualize and the problem with the federal regulatory response is that numbers tend to be a single metric or single -- or categorize arguably inappropriately for the context. Even within the 23 campuses of the California State University, there's enormous variation of graduation rates and that one needs to recognize the different campuses are working with different categories of students.

But we intend to make those judgments and I do believe it can be done through the peer review process but not through a regulatory process with the uniform
metrics.

CHAIR STUDLEY: Anne?

MS. NEAL: Well, I want to thank all of you for being here. I must confess, as I looked down at our summary of the public comment, I see a long list of alphabet soup organizations in Washington, D.C., and other places, most of whom are regulated or are regulating institutions of higher education and so I think, as I'm looking at this task for Secretary Duncan, I do want to keep thinking about the parents who aren't here and the students who aren't here, the students with debt who aren't here, the students who are now occupying the ivory tower, if you will, because I think this is really the questions that we're being asked to address, whether or not we are graduating students with the skills and knowledge they need to succeed in the workforce and there certainly seems to me to be a significant amount of evidence that we are not.

We heard when we first started this effort that we're academically adrift which has some pretty stark numbers in terms of students' cognitive gains and
so as I look at this, I appreciate very much the input that you all are bringing but I also want to have the bigger context of those who are not employed by the existing system and how we might attempt to improve it, but I don't think it's particularly surprising that, as I look through most of the statements from those of you who are in the business, that you kind of like the business the way it is and I guess that's not surprising. But I think that we've been asked to be bold and I hope that we will try to be bold as we look at this.

Hearing from Judith and Joyce, I heard a great deal of common ground and it's ground with which I tend to agree, that baseline indicators from the institutions of quality that would go to core results and quality, financial stability being more of a focus by the Ed Department, and then where we seem to get to an interesting juncture then is attempting to decide whether or not we need to sever the link between accreditation and institutional eligibility for Title IV funding, and as put in the Princeton, if the current system cannot carry out its responsibilities without
risking damage to institutional quality and autonomy, then perhaps we should think about severing the link and this is the area I'm most interested in pursuing for the reasons that Arthur's already started.

I guess, Ralph, it's good that you're here because you've been outlining what you envision the ways forward in this ever-changing landscape, but as I look at your plan, I must tell you it raises for me the kinds of concerns that I think many of the institutions are raising about damage to institutional quality and autonomy and why do I say that?

As I look at what you are proposing, it seems to me it is a long stretch from peer review, that it is talking about consumer protection, institutional accountability, audit and enforcement panels, new auditing teams that would look at graduation rates.

I must confess I am concerned that this is beyond what I understand peer review to be and I guess what I want to address with all of you, what I'd like for you to address is we have always referred to accreditation as peer reviewed, but in fact accreditors, because you are gatekeepers, hold a gun to
the heads of the institutions that you oversee.

It seems to me that we can say that you're private entities but in effect you are agents of the Federal Government because you're deciding whether or not institutions are receiving federal funds and so if I subscribe to Judith and Joyce's belief that we need to limit excessive government intrusion, then it seems to me delinking, allowing you, Ralph, to support institutions voluntarily as accrediting bodies did in the beginning, would certainly take the gun away from institutions who are accredited but would allow the self-improvement role, which accreditors have fulfilled over the years, to flourish.

So I'd like to hear you all address that.

MR. WOLFF: I guess I'll start. I think it doesn't take the gun away from an institution.

Instead, it shifts the gun and turns it into a Howitzer because it will be done by a regulatory process by agencies that will end up having to ask the same questions we're asking and to set standards across all 5,000-7,000 institutions using what appear to be on paper simple metrics is simply not true in practice and
that's what we live with.

But let me say that I think all of us in the accrediting community appreciate that there is a shift toward greater public accountability, toward greater transparency, and I certainly would say my commission and the Community College Commission was making reports public which they have done for years. I think it's a step in the right direction.

But I would say that how does one address academic quality without looking at what the outcomes are and so that question's going to arise. How does one look at what are appropriate completion rates without looking at institutional context? You yourselves are a judgment-making body and it would be impossible for you to do your work without the nuances that are required in some kind of interactive dialogue which is what the peer review process does.

So I would just submit that there is a regulatory function that we perform. I think we are clear that for some institutions that function needs to be much more rigorous or pay more attention to it and for other institutions we're able to more
quickly -- should be able to move more quickly beyond it, and I think it's not that we are satisfied with what we are doing but I think that we are capable of not only doing what we do well but to improve in areas that we agree need to be improved.

MS. RECHTSCHAFFEN: Well, just to elaborate on why we raised the issue, that if the current accreditation doesn't become less intrusive, I mean, right now some of the things that really concern us, for example, are proposals to have external validation of the Lumina degree profiles of critical learning. We don't know how you do that. That doesn't amount to a standardized test or other things that we're not at all clear on.

I mean, we feel at Princeton that these are pedagogical judgment that, along with the faculty, and it is highly undesirable for the accreditors to decide such damage and we fundamentally believe that's why we got involved in this process, that that is going to do damage to the greatest system of higher education and so that's just elaborating a little more about what we're doing.
We feel it's very important to weed out the bad actors but going to this kind of next and future steps is doing great damage to the system.

MS. EATON: Anne, as I heard you, one, yeah, we want to do better. There are areas of higher education where we can and should do better, but I don't think that the desire to do better or acknowledging that we could do more takes us immediately to there's got to be more federal oversight here.

Second, in addition to that, I think I'm not sure the question any more is link or delink. I know that's how it was framed. I know that's how we've talked about it for years. I think the issue is, and as Ralph acknowledged, as Joseph acknowledged, and I turn to them because they're in the accrediting business, we are in a different climate, especially with regard to the role of higher education, Vickie spoke to this, as well, with regard to public accountability.

How do we carry out the role? All right.

What about it? What do institutions do? Of course we
have some accountability to the Federal Government, institutions, and accreditors. It's a lot of money. How do we do that? I think the fundamental challenge for all of us, the fundamental challenge is what is an appropriate way to meet the accountability expectations but not eliminate the benefits and there are considerable benefits with whatever the limitations of the system that we have. 

Who's going to do what and that can be a collaboration of sorts and we don't necessarily have to put it in the frame of the formal linkage or delinkage. 

MS. SCHRAY: My recommendation to maintain the relationship between Title IV and accreditation is based on what I've observed over the last few years. I think it would be catastrophic at this point in time because I think what you would see is a very chilling effect on all of the activity and there's been a significant amount of activity to define student learning outcomes across the board.

You've heard mention of the various associations work. You heard from Jamie this morning where they've actually begun to fully engage faculty in
defining those student learning outcomes.

I'm struck by how much work, though, still remains and worry that if you decouple Title IV from accreditation, it will stop forward movement on that end.

I do think it's critical, though, and I hope I made my point quite clear there's, as I mentioned, a great deal of work in the institutions, under the leadership of the accreditors, the associations, but the states have done a significant amount of work, as well, and I think at this point, there is a lot on the table amongst the members of the triad and what's really important is to bring all that together, clarify roles and responsibilities, determine who's collecting what and how in a very safe environment, can we leverage some of that information to assure the students and the policymakers and the public at large that we do indeed have a quality assurance system.

MR. WU: I have a totally different question for the five of you. What do you think the role of the states should be? Well, we can infer something from the stunned silence.
MS. EATON: The states right now are the owner-operators of public higher education, given that the funding is there. They have authority with regard to the direction of an institution in a number of ways. They have authority with regard to programs and degrees and I might wish, and having worked in a number of states and public institutions, that that were a bit less enthusiastic. I nonetheless see that the rationale for it and the importance of the accountability there.

The states also have some authority with regard to private higher education operating in the state and if you're going to operate in that state, I think there's reasonableness there, as well, but just as at least as I'm saying, I don't want to see expansion of federal control. I would not want to see the expansion of state control.

I think we've got enough challenges at the state level, distance learning being one, internationalization being another. We are talking about federal dollars. So there is with all my concerns a federal interest.
MR. WOLFF: I would just add that with the most recent Department regulations on states, state approval and authorization of distance education, there's enormous confusion.

There are 50 different approaches. So it's hard to say there should be uniform approach to how the state role should be manifested, but I do think that in this area, communication is definitely warranted, more communication, but I don't think more legislation or regulation is.

We still are trying to sort out how to come into compliance or I can tell you having talking with representatives of the legislature in two states, California and Hawaii, they're still trying to figure out how to come into conformity with the current regulation.

DR. KIRWAN: I have two questions. I want to go back for just a moment to the decoupling and I think one of the common themes I heard in your comments were that we need to do a better job with the bad actors. I think several people made that comment, maybe all of you did, and so whenever I think about decoupling, and
I agree with that, what concerns me is what would be the lever, if we were going to do a better job with bad actors, what other lever would there be to improve their performance? What would be able to hold over them if it wasn't -- I mean, there may be others but isn't that an effective, potentially effective tool for improving the performance of bad actors?

So let me just get what -- I have one other question.

MS. EATON: I think part of the difficulty in answering that question is if we were to decouple, then what? We don't have an answer.

DR. KIRWAN: Right. That's what I'm saying. Is there some other mechanism, if you don't have financial aid? I mean, how do you improve the performance of the bad actors? What are the tools you would have to sort of force some improvement process?

MS. EATON: I think accreditation serves that function whether linked or not; that is, there are a number of programmatic accrediting organizations that do not have a federal link and they are not federally recognized and most of them could not be federally
recognized in the absence of a federal link. They work just as hard at accountability. They work just as hard at quality improvement.

What I'm trying to say -- some people say, oh, accreditation will dry up and go away if there isn't the federal link. I think we have a lot of evidence that's not the case. Some people say absent the federal link, we'll have no lever with regard to --

MR. WU: Right.

MS. EATON: -- improving quality. I think we have a lot of evidence to the contrary.

Now with regard to bad actors, what do we mean? What are we going after here, all right, and I don't know that. So it's hard for me to answer what we would do with regard to that.

MS. RECHTSCHAFFEN: Well, one of the options that was laid out by the Commission was some type of federal standards and we think that the appropriate ones would be the ones in Option 21 which are clear, graduation, completion, indicia of career success, job performance, licensure, financial stability, student loan default rates. So those could be combined in that
DR. VANDERHOEF: This is for Title IV?

MS. RECHTSCHAFFEN: Well, one of the options the Commission -- the Commission presented two options. One was a total severance and one was some type of federal standards. We, in our testimony, combined that with Option 21 which had a very defined set of standards.

MR. WOLFF: Just on this, if I could just pursue this point, how are we doing now with the bad actors? We've had the gun to the head of them and yet there are a whole lot of them out there and we've heard along the way that there are some of the agencies are afraid to act because they're going to get sued and they want to be indemnified.

You know, the current system isn't get rid of the bad actors. We just read the paper, go to the media, you see a whole lot of them, and the current system isn't dealing with them and, you know, how do we -- is what we're talking about, the mixture here, you know, going to be better if you had a specific federal requirement on defining what is a bad actor?
MS. EATON: I think that we are making some progress, if I might, in that area. When we look at the data, we, from CHEA, from an accrediting organization, and we looked at all the, what I'm going to say, negative actions, I don't want to say adverse actions, it's technical; that is, did you deny accreditation, did you remove it, did a program or institution go on warning, show cause, etcetera?

There's a significant increase in negative actions between 2007 and 2009, 2009 is the latest year for which we have data. There were 637 of these actions in '07. There are 969 in 2009.

Now I don't like judging accreditation, all right, in this way, on the one hand. On the other hand, clearly something is happening here with regard to the scrutiny of institutions and programs, whether new to accreditation or continuing.

VICE CHAIR ROTHKOPF: Can I just say --

DR. KIRWAN: This is not about financial aid.

So I'm intrigued by this notion of doing accreditation more by mission of institution and it was mentioned in one of the testimonies, but the others didn't comment
on it. I just wonder if anybody has any thoughts about is that a practical way to go and, I mean, do you see some value in a mission-oriented, more of a mission-oriented accreditation process, yes, sector?

MR. WOLFF: I'll start. I commented on this the last time and if I could fill in very little on the last question.

I think it's easy to define, it may be easy to define any who claims to be a research university and there are a lot who claim to be that may not necessarily be. We're a community college. I worry about all that's in between. Is that everybody else? Is it faith-based institutions? Is it comprehensive universities that offer doctoral degrees, Master's degrees? Do we go to the Carnegie Classification?

At the end one might have, say, there are sectors clearly defined but in between there really are not. We all make effort to have peers on the team so that we select out the peer reviewers. We all have representatives on our commission from a variety of sectors and I would submit that adds great value to the process.
The great concern about back slapping of one to the other could occur arguably even greater if the peer review process were much more narrowly constructed. So I think that the way in which we do our reviews are very sensitive to or maybe could be made more sensitive to but I don't think structural change is the way.

If I could just make one other comment about Option 21, we had experience with the SPRIS about trying to identify the state postsecondary review entity's job placement rates. Well, for a vocational school with a single program, maybe that's relevant but for Bachelor's degrees and whole areas, that's why I say these terms connote a level of simplicity that doesn't exist in reality.

It's not about just getting data but who sets the standards of what is appropriate performance for retention and graduation, for job placement, for licensure exams? I mean, one could look at any licensure exam and see the range, whether it's the bar exam or the psychology exams, and to say that who's going to set the standard and this is where
one -- that's where peer judgment is needed and I would argue that Option 21 is really not that simple because those data are not -- or those elements of review are not simple across a wide range of institutions to whom they would apply.

MS. EATON: Brit, I'd like to again reiterate from my remarks that I would recommend that -- and it goes back to the issue of the student -- that we look at differentiating not necessarily by mission but take a look at the student population that those institutions serve and look at selectivity criteria, number of Pell recipients, students with a number of non-traditional risk factors, college readiness. There could be a whole host of criteria to allow institutions that serve like populations to come together, benchmark, and really help move progress along for those students.

MS. RECHTSCHAFFEN: I think you could pursue sector accreditation as an experiment. You do not have to dismantle regional accreditation to get there.

DR. KIRWAN: It could be an option.

MS. RECHTSCHAFFEN: Yeah. And I think there
would be challenges. I see the advantages, I see the
disadvantage, but I see little disadvantage
to -- little advantage at all to dismantling regional
accreditation in the quest of sector.

DR. KIRWAN: I see.

CHAIR STUDLEY: Art?

MR. KEISER: In response to your comment, I'm
not sure that there are that many bad actors because if
you read the papers, they tend to be anecdotal and not
specific.

Secondly, I am surprised that any of the
accreditors would want to say that you're designed to
take our bad actors because that's not the role, at
least my understanding of the accreditation. It's
certainly not the role of accreditation within the
current triad.

And third, how do you define a bad actor?
Who's a bad actor? Is 10 percent placement very good
or a graduation rate good or bad?
The definitions aren't there and what scares
me that if we establish that the U.S. Government
defines what those definitions are, much like our
actions, it's either black or white. You make one
decision or the other. There's no concept of
improvement. There's no concept of institutional, you
know, differences and development.

Judith or Vickie, what do you think? I mean,
is accreditation designed to take out bad actors?

MS. EATON: In the sense that you'll have a
review of an institution or a program and if it's
seriously problematic, either the entity won't receive
accreditation or its accreditation won't continue.

See, I think a certain amount of what we're
cconcerned about goes on and goes on in a formal
collegial way through the peer review process. If you
go out and look at 25 regional state universities and
you learn about their graduation and you learn about
their retention and other indicators of the results
that they are producing and you come across the 26th
regional state university and its results are wildly at
variance, all right, with the other 25, lower, you know
there's a problem there and you know the problem has to
be solved.

If bad actor includes not doing as good a job
as you need to do unintentionally, all right, you're going to take care of that. If you're talking about degree mills or out and out fraud, accreditation was not designed for that.

CHAIR STUDLEY: I have a question and I appreciate that at least we are talking about bad actors. Even if we disagree about how many or exactly what the combination of interventions are and who does them, at least we've identified that there is an elephant somewhere near the room.

Judith, you made the comment that it would be helpful to have more information at the accreditor level about -- and you were the first to use the phrase "bad actors," and I think, Ralph, you said the same thing, that there were opportunities for combining knowledge and data about institutions that could help you do the job that you have assumed more effectively.

Could you be a little more specific about what that would be and what the barriers are to doing that because that might also be the kind of thing that could fall into the options that we identify related to greater cooperation and greater data-sharing and
greater risk assessment focus on institutions where there is a real problem, appears to or might be a real problem?

MR. WOLFF: I think it's a good question and let me try to respond in two ways, one with respect to the Department and one with respect to our own process. My understanding is the Department is collecting a wide range of data, 30-40, I don't know how many, data elements across the Department in different sectors, at least that's what I've been told by officials in the Department.

As I understand it, they're trying to figure out what does that data mean? Well, I'd like to know if we're going to do a review of an institution about which there are those data reflect an issue, I'd like to know more about it which could be default rates or could be other elements that they have concerns about that, without crossing the line or, you know, we need to maybe redefine the line.

CHAIR STUDLEY: I was going to say --

MR. WOLFF: I don't even know how the line --

CHAIR STUDLEY: -- you don't know where the
line is.

MR. WOLFF: Exactly. And I would like to have conversations. In our own review process, we are trying to do a lot of what Princeton is asking for and Option 21 is saying it a different way but to say what are the metrics that would be helpful in undertaking a review to, if you will, get things off the table by not having to have long expansive self-study reports. The current law requires a self-study, a comprehensive self-study periodically, followed by a visit.

Several of us SACS, the Northwest Commission, are doing a lot offsite. We're moving to a daylong offsite review and that means that we need to look at data elements, and I think all of us are searching for the kinds of data elements that will be relevant, that will create triggers on the one hand for early warning systems and build confidence for those that we can move on and focus on more important issues. I think that would be a collective enterprise of what data is available.

Let me just say like this Composite Ratio 1.5 the Department uses is an important trigger. We
monitor. We're told when the Department finds that but
the resolution of that, the Department negotiates, and,
you know, we try to monitor how that is being followed
up and do the like.

So I think there are areas where
communication -- I don't want to go so far as
partnership. We want to maintain our non-governmental
status, but we could, I think, work together much more
collaboratively to address common problems in that one
sector where we share concerns.

I would also say that integrity is an
absolutely fundamental issue and I think what's come
out in news reports and in reports that GAO and IG have
carried out have raised questions about integrity,
academic integrity, financial integrity, and the like,
and I think we need to ask better and different
questions, and I think we need to look at what do we
need to do for that limited sector that would help get
more at the issues of integrity that will build
confidence in our review processes.

CHAIR STUDLEY: Thank you.

MS. EATON: If the accrediting organizations'
members would agree to data collection in certain specific areas, then the accrediting organization and its members have to want to do this, the institution is in a position when a commission sits down to make a decision about accredited status or no or any of the variants, to make some judgments about whether an institution is weak and how weak it is.

In other words, we'd be adding more hard data into a process that already has some hard data but we'd be adding in even more. That would be one vehicle. There are a lot of other things and again we're not defining bad actor but we're talking about institutions, I think, that don't graduate people that have very, very high attrition rates and a number of other things.

And the issue would then be for the accreditor, and I think this is going to be an outcome, if I may, of what Ralph is attempting to put into place, and I think a number of other accreditors have a good deal of these data, the outcome's going to be the accreditor is going to be saying to the institution or program, wait a minute here, all right, you want and
need accredited status under these conditions. It's not available. At another point they'll say, all right, we're looking at what you do, we're looking at what our other accredited institutions do. You've got to make a certain amount of progress so you don't lose the improvement function. If you want to move, move into being a member and having accredited status.

But I think in a number of ways, it's already done. We could have more data. We could be more explicit about it and I think that would get at the bad actor issue but we do need more discussion about what are we talking about when we say bad actor.

CHAIR STUDLEY: One more quick comment and then I think Art Rothkopf had some more and Cam.

MS. SCHRAY: I would just like to go back again. We are not lacking data. We are drowning in data. The challenge is making sense of the data the states collect, the Federal Government collects, the institutions collect as required by their accreditors. There are lots and lots of data and I think what's critical again from the student perspective and the issue of bad actors, until we have complete
comprehensive data across all institutions, all
sectors, to level the playing field, students aren't
going to be able to make informed decisions.

I mean, once we have a very clear transparent
map and framework for quality assurance, I think it
addresses this issue of bad actors, who is, who isn't,
who's in, who's out. So I think it's a critical step
that you might recommend to Secretary Duncan for the
Federal Government to pursue.

CHAIR STUDLEY: Art Rothkopf?

VICE CHAIR ROTHKOPF: Just to pick up on
Vickie's last point, I was a member of a commission
that Vickie was associated with that made that
recommendation five years ago and it was opposed by all
parts of the higher education community because they
said, oh, the government can't put all that data out
there.

I mean, you know, people, you know, if you put
the data out there, there will be some private group
that will come along and put it in some meaningful way
so students who really are the ultimate goal here can
figure out what's going on at these institutions.
Right now, it's this opaque mass of data which makes it very hard but I think there's been resistance, in my judgment at least, in higher education in trying to get that data into the hands of the consumer and trying to keep it tightly kept. That wasn't my point.

I'd like to ask, and this is really a broader question, but I've been of the view and I think it's expressed in the paper or the Options paper, that this is a unique expenditure by the Federal Government, Title IV. It is the only place that I'm aware of, and I'd be interested in those of you who've thought about it have any other view, where the Federal Government has, in effect, outsourced to others the power to spend federal money which amount, from the standpoint of the taxpayer, roughly a $175 billion a year is put into the hands of people who are, in effect, benefiting from that $175 billion.

Is there any other place in the government where the Feds have outsourced the ability to get federal money that any of you are aware of?

CHAIR STUDLEY: Charitable tax deduction.

MS. EATON: Research money. I think about NIH
and NSF. I'm thinking about peer-reviewed decisions, about federal money for research and programs. It's not identical, of course, but it is similar in some ways.

VICE CHAIR ROTHKOPF: Thank you.

CHAIR STUDLEY: Cam, your turn.

MR. STAPLES: Thank you. I have a question which is a little different but it has to do with NACIQI and our role.

If you've observed us of late, I think we're continuing to think about what our focus is on and how we can do our job better and to a certain extent, we spend our time on fairly small minutia with some of the analyses that come before us.

I asked a couple of state agencies whether they felt this process was valuable to them, given that they're really different than nonprofit agencies. They're accountable. They have a public system, just like the Federal Government does. They felt it was valuable.

I guess my question for you is, as I was reading through the letters and trying to figure out
what people had concerns about, and I wanted to know if you had a sense of what you thought the right role of this process might be, the recognition process, review process, to focus on those larger questions that seemed to be of greater import to people at the institutional level, without getting bogged down in what many of the letters here are concerned about which is this heavy, heavier, more prescriptive statutory and regulatory burden on institutions.

So I don't know if you have anything to offer us but I think, as part of our process, NACIQI is part of the reauthorization act and we may actually make recommendations around the role of this entity and around the role of the Department of Education.

CHAIR STUDLEY: Granted.

MR. WOLFF: I don't think your challenge is much different than my commission's challenge, Larry sat on my commission, in the sense, but it's even worse because by definition, the Department has a regulatory compliance function.

We try to move to put compliance where it needs to be put and then really move into engagement,
really facing the future. What are the key issues for
the future? I would submit that over the past five
years, this process has become very much increasingly
compliant at the micro level and it's not about our
effectiveness on these issues. How are we addressing
these issues? How does our review process get at the
issues that you're concerned about and are we really
getting at them?

It's not whether what's posted on our website
is three lines or six lines, you know what I mean, and
it's a both and, but I do feel that it's hard to engage
the larger issue of effectiveness around key issues
because you're limited by what the regulatory framework
says and are we able to make distinctions between
different kinds of institutions and I would hope that
that would be -- I've been arguing for that for a long
time. So I think that that's a really critical issue.

I also would urge that the world is changing
quite dramatically. I mean, one of the things I would
say is the role of the faculty is changing
dramatically. The role of institutions where there is
a core full-time faculty is shrinking, even in
institutions that are traditional institutions, and how does one assure quality?

I mean, there are some very significant questions that we're all facing. Adaptive software and how do we assure quality, online education. It's not about the rules. That's why I think we in the accrediting community want to be able to conform and comply with the rules but we have a much more serious conversation.

The second issue I would say is this is no different, and I say this with all respect because it's the same for us, there is a power relationship between our institutions and the accrediting agency and I feel Princeton has been arguing, you know, how do we deal with that and one way is to restructure it, but I think there is a power relationship between accrediting agencies coming, working with the staff, and the concern is that if you don't get a good staff review, that you all aren't going to -- you know, there's no real opportunity to engage.

We really fundamentally disagreed or we felt you were misapplying in a good way, in a constructive
way, and I think you all took some of the sting out of
that yesterday because for the last few years, it was
if you had a micro area of non-compliance, you weren't
re-recognized, you were on this short leash for one
year and you always felt that you were constantly
coming back before to prove you were in compliance, and
the idea of issuing reports and being able to have a
five-year renewal is actually, I think, very helpful of
recontextualizing the areas of non-compliance.

There's no such thing as partial compliance.
So this really, I think, eases that relationship, but
it's where is the place for engagement around
effectiveness more than compliance, in addition to,
it's not an either or, in addition to compliance, and
so I would hope that you all -- we could have that role
around each of those issues where we're able to get the
right issues engaged in our review process and are you
assured that we're really being effective, not just are
we being compliant?

MS. RECHTSCHAFFEN: I don't know if this
directly answers your question, but we've not had the
opportunity to testify, submit written comments three
times, and I think we've testified orally three times, too, and we had real concerns, as we've expressed to you, very clearly about what was happening in the accreditation process and this group provided us with a forum for being able to talk and have a dialogue with you all about those concerns.

So we appreciate that. I don't know how that exactly fits into the future but I wanted to tell you that we appreciated those fora that were provided.

CHAIR STUDLEY: Mr. Vibert wants to add a comment. I have then Anne and Larry and at that point we're going to wrap up this panel and take a break.

MR. VIBERT: Okay. As a representative of 60 agencies, sometimes it's hard for me to say one thing that will stand pat for all of them, but I think it's fair to say in terms of the functioning of this committee we've seen a development going on and there was considerable frustration in the first few meetings in at least our interpretation of your role and your ability to send forward a recommendation to Dr. Ochoa that was different from what staff was offering and no disrespect meant to staff whatsoever, but there's been
a considerable better feeling about your functioning and making and taking that ability and responsibility as you look at the individual agencies.

I think the word was granularity at the June meeting and I think it will be much better for the agencies if we could go to a higher level in your review.

Thanks.

MS. EATON: At your last meeting, I think it was the last meeting, one of the accreditors said we will comply with everything you demand of us but, candidly, it is not going to improve our organization's service to improving quality and I thought that was rather telling and I do think it's in part a response, Cam, to what you're asking.

You know, we talked earlier, you talked earlier today and yesterday, we have 41 staff recommendations, we have 57 staff recommendations, as if the sheer volume said something. I question is that the case?

In going through the recommendations, how serious are these to the effective functioning of the
accrediting organization for the purpose of assuring and improving quality and that's why I said earlier, I think we're getting trapped in examining the accrediting organization and judging it as an end in itself and we need to pay more attention to the larger purposes.

I think we're also struggling with the new regulations coming out of '09, '10, and '11, and it's very, very difficult, and all my comments are aimed at the regulations. I'm not talking about the staff or the Department or anything else but if we could come up several levels, if you could, I think we would all benefit a good deal.

CHAIR STUDLEY: Anne?

MS. NEAL: Back again, Judith, to your earlier comments about focusing on quality and financial stability, let me posit a process and get you all to respond.

With those two goals in mind and I think following along what you've recommended, essentially have institutions demonstrate their financial responsibility with the Department which is already
done and have a default rate as a proxy for quality and presumably to be set by Congress since we're suggesting this is for Higher Education Act.

Then that would deal with the bad actors. Then you would have institutions providing information along the lines of what you all have been talking about, attrition and retention, graduation rates, achievement of educational goals, transfer, job placement, etcetera, and you could even have those self-certified and somebody could attest that those are correct.

No standards, just simply put that information out there with the ability of the Ed Department to go after you if the institution said something wrong or to be sanctioned for misrepresentation. So you'd have financial stability focused on by the Feds, a baseline of default rates which would go to the quality issue, and then you would have institutional reporting which would provide information to consumers, so that to my mind, with the goals of protecting the taxpayer dollar, keeping the Feds out of institutional business, allowing institutional autonomy, lowering costs, having
greater transparency, and then I'd like to hear you respond to that option.

MS. EATON: I think you're describing a variant of what I was attempting to describe. The major reason I've raised the issue as others have of financial responsibility, your phrase, and had to deal with the use of federal funds is I think oftentimes use or misuse of federal funds defines bad actors and then we turn to accreditors and say you're responsible for the bad actors.

Well, the accreditors are not responsible in that area and I think that -- well, one of the things I really hope comes out of your deliberations is a recommendation for more robust activity with regard to the appropriate use of federal funds.

With regard to the quality institution information issue, my vision of this is that the institution sets its expectations with regard to these indicators, has a way of examining whether they are adequately addressed or not, makes all this public so students -- again, I think students go to colleges and universities. They're looking at colleges and
universities and if the information is right there for them about what happens to most students, whether it's graduation or completion of an educational goal, etcetera, that's what students need.

I don't know that they need some national graduation rate or attainment rate or anything like that, even though we're in the policy world and we think that stuff's great. All right. So I'm focused on students.

I want to do that in a way that protects institutional autonomy, protects mission, protects academic freedom by our not getting in the work of faculty who should make judgments about individual student learning outcomes. That's not the neatest thing in the world but I think we're doing some of that now and if we would do more of it and if you would hold us accountable for doing it and if we could build some more trust with regard to that, then everybody would benefit and especially students.

CHAIR STUDLEY: Larry?

MR. WOLFF: Can I just add a quick comment?

CHAIR STUDLEY: Briefly.
MR. WOLFF: I don't accept that default rates are either an indicator of quality or the indicator of quality. There are so many more variables about different kinds of institutions, different kinds of students. I think it is an important indicator but I don't think it would be the leading indicator that we would use.

So I would just say, secondly, transparency, there is a ton of information available in the navigator site, learningresults.org, on graduation rates. The Department doesn't have the capacity to verify that information and I think we, for that category, those two categories that I said, I think we need probably to do a better job of making more of our role verification of representations made.

Somebody's going to need to do it but I'm not convinced the government could or should.

CHAIR STUDLEY: Larry?

DR. VANDERHOEF: Just a quick point about Title IV and accreditation. There are particular things about Title IV and being eligible for Title IV funding that, to my way of thinking, gets in the way of
accreditation, that it makes you think funny. I don't like the fact that I wouldn't know, for example, that 85 percent of a university's budget came from Pell grant dollars and headed up and I don't like the fact that I would know that 30 percent of an institution's budget goes into marketing or 40 percent or whatever. Those are things that give me a bias but they aren't really connected to accreditation. I mean, an institution could be operating very well indeed, even though they were doing those particular things, especially both of them together, that would really -- so I don't quite understand why we seem to be so concerned and frightened.

We had an institution here yesterday that they had a major internal issue going on and we heard both sides of it for I don't know how long that was, an hour and a half, and -- four hours. It was that interesting, I guess, that it just went by so quickly. But in the final analysis, it finally came out, you know, that Title IV didn't enter into this issue at all and yet the accreditation to them was very important. So this comes to your point, Judith, that
accreditation is still going to be important. It all depends on how the degree is used and what it's worth and so that's just a point to be made.

   Now for what it's worth, I think the majority of this group does not like the idea of separating Title IV eligibility from accreditation and I don't know that that's going to happen in the near future, but I'm still not sure why there's such an immediate reaction, the Howitzer, I'm going to start calling it the Howitzer reaction as a matter of fact, Ralph, thank you very much.

   But another totally other issue, Ralph, what do you think -- you know, there's a lot of talk about the triad and which includes the states. I mean, how do we relate to this in California? We just don't? We just don't take it?

   MR. WOLFF: I think your point is well taken. Can I just say to your first part, Larry, what you were saying is that how much is spent on -- how much of the tuition discount at a nonprofit or how much is spent on recruitment in a for profit is data.

   Our primary issue is are the students getting
the services that they really deserve with whatever
money that the institution is bringing to bear.
Default rates can be a very significant factor there
and if the money is going into recruitment and students
are not graduating, not getting jobs, are not getting a
quality of education, it is highly relevant, but it is
a secondary factor or it's only an indicator that
points in a direction. That's what I would say.

But in and of itself, this is what would worry
me, is that somebody, anyone would set a figure that
only X amount could be set on recruitment any more than
a tuition discount would need to be a certain rate that
comes out of other institutional funds.

DR. VANDERHOEF: But you worry about the black
and the white of a line that would be drawn?

MR. WOLFF: Exactly. But I think the larger
question is, and I think it is a relevant question, is
when an institution is admitting students and we know
that there are many that are admitting students whose
level of preparation requires additional support, is
that support being provided? It's academic support,
it's counseling support, it is academic pathway
support, and I think that is an appropriate role, and
if it's going into the front end marketing and
recruitment and compensation and the like, we should
have something to say about that. That's my opinion.

DR. VANDERHOEF: Now how about the triad?

MR. WOLFF: Every state is different. I mean, this is one of the challenges. I mean, in the East
Coast, you met with the New York Board of Regents and they play a very significant role. I won't comment on
some of the dialogue that occurred, but I just think that there's a 50-state range in what's possible and I
just think that it's more one of cooperation than the Department or the Federal Government setting a uniform
set of expectations and many states are financially challenged and the idea of being asked to do more at
this stage, I can say both in California and Hawaii, is just simply not possible.

CHAIR STUDLEY: Susan goes next and then we will take a quick break.

DR. PHILLIPS: I'm coming back to what was called the bad actor issue and I'm going to just say
that once and not use that term again because again I
don't think it is well defined.

Instead, I'm going to ask you to assume that you're sitting in front of Congressman Harkin who is pointing to institutions that have engaged in deceptive practices in recruitment, have large percentages of their revenue streams based on those federal Title IV dollars, and whose students either don't finish or then can't pay back their loans.

So whatever you want to put, I'll call those the Harkin schools, how do we explain that those institutions are eligible to be the recipients of that Title IV money from an accreditation view, from a Department view? How do we explain that? You can explain it any way you want.

MS. EATON: I think, and I'm not sure we could explain it sufficiently at this point, all right, given the climate, one, I think it's reasonable to posit that evidence of deceptive practices, whether not going into the illegal practice, wasn't there in an accreditation review initially to accredit these schools and that the oversight that is carried out by the Federal Government didn't reveal that either or it develops.
Now how do you deal with it when you -- how do you get evidence of it? That has to do with -- I think what we're talking about in terms of a stronger role for the Federal Government with regard to oversight of Title IV and other federal funds and I think, candidly, for accreditation, it's doing even more than we're doing now when those things come to our attention. It's not only having the standards, it's enforcing the standards, and it takes more work.

One of the things that came out of Senator Harkin's hearings is that a number of accreditors are far more activists with regard to looking at these areas, recruitment, marketing, related areas, than perhaps they were a few years ago. So in that sense, the hearings produced some of the additional scrutiny that the Senator was seeking, but it's about what do we need to look for and getting the evidence and there's a role for accreditation and there's a role for the Federal Government.

The accreditation role has to do with standards related to recruitment, marketing, integrity, all right, and how to carry that out and the Federal
Government's role has to do with is there fraud and
abuse, is there appropriate expenditure of federal
funds.

CHAIR STUDLEY: Anybody else want to address
that one?

MR. WOLFF: I think those hearings and the
reports raised issues that we can't ignore as an
accrediting community and I will speak personally.
I've been involved in a long time as an accreditor and
the mental model of what constitutes quality has
largely been defined by more traditional institutions
with a core full-time faculty where a whole set of
assumptions could be made about what is quality.

And I think that the last decade has -- it's
not that mainly four large-scale national footprint
primarily but not entirely for profit institutions are
new but I think we've got to change our mental models
about what are quality, what constitutes quality and
not to exclude those that have the liberal arts
colleges, the research universities, the flagship
universities, and this is where I think that we are all
learning very significantly how to address these
issues, and I think there is more we need to do.

I think that one of the great virtues of regionalism, if we were to -- you know, it came out of historical selection, but is that we can experiment. We can try different approaches. The Higher Learning Commission has taken some very significant steps in this direction. I'd like to learn from them. I think we're taking very significant steps. I think it's premature to take one regulatory national broad brush that's going to affect every one regulatory position which I think will be a problem, if they were all in a learning curve, and this is where I feel working more closely or getting better communication with the Department will enable us to do our job better.

MS. RECHTSCHAFFEN: This doesn't speak directly to that but I do think that in terms of weeding out bad actors, that that is really important, and that we do think there should be some agreed-upon measures of fiscal loan default, graduation rates, even if they have to be perhaps changed based on, you know, differential rates based on different missions, but there are certain levels below which you could say
these are bad actors and there's a series of indications we think that could be the case with.

MS. SCHRAY: Just to piggyback on that point, if we're using graduation rates, for example, as one means to determine who's a bad actor and who's not, then we have to do a significant amount of work to make sure that that information is complete and comprehensive.

For the Federal Government to care deeply and they should for Pell recipients and other underserved, under-represented students, those are the very students that are left out of IPES. The students that are not first-time/full-time graduate from the same institution and I know the Secretary's Commission on Measures of Student Success has done a great deal of work to try to define it, but I think until we get to a point where we have solid definitions that are consistently applied across all institutions, it's difficult to answer that question.

CHAIR STUDLEY: We're going to take a 10-minute break now and when we come back, the committee will be in discussion among ourselves, as
Thank you.

(Recess.)

POLICY DISCUSSION OF PUBLIC COMMENTS
AND RECOMMENDATIONS

CHAIR STUDLEY: Good afternoon. Thank you for your patience and interest and at this point, we are going to take all of what we've heard and thought about individually and read and asked questions about and take it to the next and wiser, we hope, step, and with that, Susan is going to pick up our process right here.

DR. PHILLIPS: Okay. Thank you, Jamie. As I said before, we've sort of divided the report into different chunks to be able to walk through a chunk and see where we are in it and then take up the next chunk.

The first chunk that we have or cluster that we have to consider includes the role of accreditation in institutional eligibility, the issue that we've been speaking about today. It also includes a number of items from about the triad, the state role, and a couple of items about data as an essential tool in quality assurance.
I'm going to remain optimistic but not predictive about us being able to get through the entire cluster before we disburse this evening but did want to start us off with the conversation about what's fondly known in the report as A, B, and C.

A quick summary for those of you who don't have this fully memorized, A, B, and C refers to the three options that were offered for consideration about the linkage between accreditation and institutional aid eligibility.

On your purple sheets are a quick summary of those respondents who commented in favor or opposed, so you can sort of keep score as you go along, and in brief, Option A is the argument to retain the connection between the two. It received comment in favor from several organizations. Option B was to execute a complete delinkage. That was commented in opposition by more institutions or entities, not just institutions, as well as you heard Princeton had a particular qualification on it, and Option C, which is perhaps known as a hybrid or a two-part model, was also responded to by a number of entities in opposition.
We heard a number of comments about those three options, retain, delink, or link in a very separate or two-part way. Our first task is to consider what of those three options we might want to include in our recommendations.

Again, our process is to think through this, discuss it a bit amongst ourselves. Depending on our timing, we might take that straw poll or continue on with the other items in Cluster A, in the first-up cluster, and take a straw poll at that point. I'll leave that assessment to Jamie.

So let me just offer the opportunity and, Jamie, you'll navigate this to open discussion on the A, B, C question.

CHAIR STUDLEY: Did you have a precursor question on the merits? Then you go first.

MR. KEISER: Let me see if I understand, Susan. You know, we're to vote on A, B, and C. In the presentation, we had three associations respond to support A. We had one institution, I know there's a question mark if that's where they were going, I guess, the question mark is, you know, supporting B, and a
whole list, laundry list of institutions and agencies against that, and the same thing with C. You had one question mark with Princeton and the rest against it.

So assuming that we don't ignore the public comments, do we have much of a choice or do we want to go against the public opinion here?

CHAIR STUDLEY: I'd like to suggest that the answer is very similar to the comment that I made this morning, which is we are here to exercise our independent but I'll add the phrase informed judgment. So this is not a process that we have to make on a particular record or have to find our facts elsewhere.

The comments that we got were advice to us about how to understand the suggestions that we make but I don't think that any of us --

MR. KEISER: We are not bound?

CHAIR STUDLEY: We are not bound by the public comment. We're not bound by the weight, length, numerosity, or any other characteristic. To the extent you found it wise, informative, use it, reflect on it. Certainly, we would want to explain our thinking afterward, but this is not a --
MR. KEISER: I understand.

CHAIR STUDLEY: -- regulatory process in that sense.

MR. KEISER: I did think there is clear consensus within the community and which I share to support Option A.

CHAIR STUDLEY: Let me see who would like to speak to these. I have Arthur Rothkopf. Others who would like to address -- this is the A, B, C collection all together, not one at a time.

VICE CHAIR ROTHKOPF: This is not on the merits but really to deal with Art's point. One, I think from what I heard from Princeton that they are definitely either a B or probably a C favorably.

I would note that --

CHAIR STUDLEY: Joyce will have to rise to object.

VICE CHAIR ROTHKOPF: Are you a C or not?

CHAIR STUDLEY: Favor or disfavor, not A. No, no. I was simply joking. It's just they don't want to be described as A-B or A-B-C. They may favor or disfavor.
VICE CHAIR ROTHKOPF: Well, then I would also add the Association of American Universities, not a minor group, says in their report, "We believe that Option C raises promising possibilities." So I would at least say that AAU is a question mark mildly favorably and I agree with Susan, we should -- I mean with Jamie, we shouldn't be adding in.

On the opposition to B and C, it looks to me like they are fairly similar group of New England institutions who may have been urged to do this but I would, you know, -- I'm not sure how much I'd count all of those as additive. I would not -- by our colleague but by somebody, at least they felt that it was useful to do it but it's half a dozen or so institutions in New England came in.

So my own view is we ought to make our judgments based on what we think's the right answer.

CHAIR STUDLEY: Who would like to speak -- Susan?

DR. PHILLIPS: Two points, one just a process clarification, and then an opinion.

Process clarification for those of you
thinking this through, the statements of support or straw polling are simply at this point, you know, non-binding expressions of your current thinking. It's not an endorsement of the words on the page because I expect that those will probably get shaped as this conversation goes on. So you're not being asked to ratify a particular paragraph or sentence but rather the concepts at this point or not, whatever. I'll close that piece and then offer a point of view.

I think one of the most compelling arguments from my point of view, which is obviously an institutional and faculty point of view, is that academic quality decisions has to come from the Academy, that there is no other proxy for it. There are lots of proxies but none of them are about academic quality and that element, as long as there is intended to be some element of academic quality associated with Title IV funding, means that these bed fellows have to figure out a way to work together.

I don't think that academic -- I certainly don't want and don't think that academic quality can be
or should be judged outside of the Academy. My view.

CHAIR STUDLEY: Others who would like to speak to this issue? Any of this complex of issues? I see Brit seems to be --

DR. KIRWAN: I wasn't moving to speak. I just --

CHAIR STUDLEY: Leaning forward.

DR. KIRWAN: Well, I'm sorry, I apologize for that, but I certainly agree with that Susan just said. So I'll register that.

DR. WILLIAMS: I also concur with Susan on this.

CHAIR STUDLEY: I will, given that there's no one else who wants to speak at this point, I will step out of the chair role. I thought that one of the comments just a moment ago captured what a number of the comments that we got were saying, to the effect that there is a lot of change and flux and effort going on in the accreditation community.

It seems to me that an important question for me is how can we best create energy and momentum, wind in the sails of the positive inquiries, and Judith
mentioned that, although the data are hard to understand, that there do seem to be more critical actions that can be taken to be moving in the direction of greater rigor and higher expectations.

Ralph Wolff was the one who made a kind of summary comment about that, but I saw it in a lot of the letters that we got and part of the reason for offering Options B and C was reflecting a sense of urgency about the need for improvement, about the critical concerns.

It is interesting that I think literally at the point that you were asking the Harkin question a moment ago, Susan, when I took the break and checked my e-mail, we have a letter to us from Senator Harkin sharing his latest reports on the subject of minimum standards and expectations in a particular sector that is covered by accreditation.

So this committee has been, I'm tempted to say groping, but has been seeking for ways to address the federal responsibilities, move along that which is positive, insist on real rigor and seriousness, and to do everything that we can to put jobs into the hands of
players who can handle them, to have people do the right things to make this all, if it's a three-legged stool, to make the three-legged stool stand up, if it's something else, to make it a worthy and functional operation.

I'm personally fine with A. If people sincerely are moving toward accomplishing the objectives that we listed as helping the Federal Government achieve its goals and making sure that others hold up the part of this complicated mix that allows us to assure that there's quality in not just billions of dollars of federal money, although that is important, but years and years of people's invested time, people who have only one chance to get an education and need to know that the places that are listed as accredited by an accreditor approved by the Federal Government, that that actually means something and that there's a good chance that if they do their part, that they will be able to get a quality of education there.

So B and C, I think to the extent we included them, were our efforts to try and say is there a better
combination because there are ways in which this current combination is not doing the job adequately.

Anne?

MS. NEAL: To address the delinking, there seems to be a premise that if we delink that invariably means that we have more federal intervention. I don't think the two necessarily go together. In fact, it seems to me that if we essentially have the Feds looking at the financial stability issues and grad rates, which is what I've suggested, and that the institutions themselves supply information, I don't see that that is a brooding federal presence. It seems to me that's less of a federal presence. So I want to simply raise that and disagree with those who feel that that's the inevitable outcome of delinking.

My goal in delinking is to get the Feds out of the institution's business, not more into them.

CHAIR STUDLEY: Anyone else who wants to speak to this complex of issues?

(No response.)

CHAIR STUDLEY: Susan, do you think we've -- was there anything you wanted to focus us in
on or is there -- okay.

So we are going to, as we described, do a straw poll for each item, starting with the A, B, and C group. As Susan just said, we see these as non-binding expressions of current thinking, non-binding in one sense, as we go through the rest of this meeting today and tomorrow.

If we find that we want to double back or somebody, you know, learns something about an item and says now, you know, I think differently or we have a breakthrough that says, aha, we can do even better on something that we did before, we can, you know, continue to live through those together and non-binding in the sense that on a number of issues, it will not be possible to cast a final vote or make an ultimate choice until you see the words in which it's expressed.

You may think in general I'm comfortable with that direction or I'm not comfortable with it, but it may be that in the drafting we work out something that either brings more people into agreement or you say I thought I'd like it but not as expressed that way. So that's another reason that there is still some
flexibility in it.

So we will now address in these terms how many -- what I will ask is how many are in general support of including the item, name the item, in the final document, pending final language, and how many are opposed to including the item in the final document and then we will remember the vote count, not just for or against, but what the votes were because there may be items on which there are very high degrees of agreement and others where we are more divided and that knowing that difference will make it easier for the drafters to convey the degree of agreement or difference among us when we get to that.

So with that, let's take a look at each of these items separately. At one point we wondered whether we could cluster them but why don't we just say in terms of Item A, how many of you are in general support of including the item in the final document?

MS. NEAL: I'm not sure what we're looking at.

CHAIR STUDLEY: Okay. Are we looking -- do you want us to be looking at the report, Page 2, or some other --
DR. PHILLIPS: On your purple document, on Page 2, it says Option to Consider A. That's a direct copy from --

CHAIR STUDLEY: It's actually on Page 1, the way it comes in our -- it starts at the top of 1, the way ours printed out.

DR. PHILLIPS: Okay. Sorry. I'm looking at the wrong one. This is the material that was taken out of the report that was put out for public comment.

(Off microphone comments.)

CHAIR STUDLEY: Yes. No, not necessarily. The underlined portion is retention of accreditation in the institutional eligibility process. It would probably -- if we said it, we might still edit those words or change the way in which we talked about opposing viewpoints, but you are saying in general this approach is an approach you would support and associate yourself with saying most or, you know, if it had a minority number of votes, it might already believe the following. Is that clear enough?

VICE CHAIR ROTHKOPF: Going to Larry's point, it would be in support of A but not B and C?
CHAIR STUDLEY: Correct.

VICE CHAIR ROTHKOPF: I think if you're for A, --

CHAIR STUDLEY: You will vote consistent with it but I don't think we need to try and cluster the votes. You will know if you have voted for A, if it's inconsistent with something else because you could vote for A and a hybrid role, I think. You could vote for C but A and B, you would have to choose one or the other.

MR. WU: And it's non-binding.

CHAIR STUDLEY: We're getting a sense. Okay.

So, right, we're giving a sense of the body at this point. So let's see what we've got. So all in favor of -- all who would support, a general support of Item A being in the final document?

(Show of hands.)

CHAIR STUDLEY: I count nine. All opposed?

(Show of hands.)

CHAIR STUDLEY: Okay, okay. And, I'm sorry, I saw one no -- two. So when we get -- right. I think you will vote yes when we get to B, is that correct?

Yes.
DR. VANDERHOEF: What was the total?

CHAIR STUDLEY: Let's do them one at a time.

(Off microphone comments.)

CHAIR STUDLEY: I didn't get there yet. I said you vote for either A or B and then because C is a hybrid, you could vote if you think that is worth pursuing. You could vote -- why would you vote against something?

(Off microphone comments.)

CHAIR STUDLEY: Okay. No, you do not have to vote for A or B, isn't that right? Right. Did we -- okay. So, well, why don't we try that. Let's just vote the positives and see what we get. That may be sufficient to give us the power of that. Okay.

General support for Item A. That's still nine. I'm doing -- no, no. Let's just vote again under that description.

(Show of hands.)

CHAIR STUDLEY: One, two, three, four, five, six, seven, eight, nine. Okay.

For Item B being included in the report.

(Show of hands.)
CHAIR STUDLEY: I see --

MS. NEAL: I don't know that I necessarily agree with the words.

CHAIR STUDLEY: But the concept. Two yeses for the concept.

And C, which we've described as the modification of the linkage.

(Show of hands.)

CHAIR STUDLEY: Okay. Three. I see three. All right. One, two, three on C.

Okay. I think that gives us a sense of it.

Do you want to move on to -- Susan?

DR. PHILLIPS: Since we did so well with that first round, --

CHAIR STUDLEY: The others are easier to vote on.

DR. PHILLIPS: -- it's all downhill from here.

CHAIR STUDLEY: Right.

DR. PHILLIPS: I want to take up the --

CHAIR STUDLEY: I think smooth sailing, not downhill.

DR. PHILLIPS: Well, you're not the skier,
CHAIR STUDLEY: Right.

DR. PHILLIPS: We move to the next set in this cluster which are the triad of actors options to consider, 1, 2, and 3. These are -- Number 1 is a statement to clarify and articulate common understandings about the responsibilities of each member of the triad. All of the comments that was classifiable was in favor of that.

Option 2 was triad communication, coordination, and increased communication among actors would serve to achieve greater commonality and so forth. All of the classifiable comment was in favor of that.

And Item 3 was removing financial analysis from accreditation. This is sort of a two-part item, all of which is intended to reduce overlap and increase specialization. It is to assign financial issues, compliance stability, viability, and so on, exclusively to the federal level, promote states' engagement with consumer protection and investigation, and focus accreditor activity on program quality improvement.
Comment was divided on that item. It's a compound item, so it may well promote different combinations. So if we take up those three items, these are all of the items concerning the triad and have discussion.

DR. KIRWAN: This is --

DR. PHILLIPS: Excuse me?

DR. KIRWAN: This would be a yes or no vote?

DR. PHILLIPS: It would be a discussion to start and then there would be a straw poll that would say I'm in favor of including option to consider 1, I'm in favor of including Number 2, Number 3.

CHAIR STUDLEY: Some of you have asked how long we'll go tonight. We are scheduled to end at 5 o'clock. I think that, given the level of energy and complexity of these, we'd like to begin another topic, so that we aren't too overloaded tomorrow, but that if we plan to end no later than 5:15, 5:10, if we can, and let's just see what we can get on the table here and at least identify whether these are relatively comfortable, what kinds of questions people want others to think about. So we'll make a judgment whether we
vote tonight or in the morning, depending on the
discussion.

VICE CHAIR ROTHKOPF: Question. Item Number
3, and I think Cam may have raised this at a prior
meeting, I'm not sure, but I know someone did. How can
you take away anything from the states? That's not the
way our Constitution reads. I mean, the states can do
whatever they want and I don't know how we can report
to say they shouldn't be doing something. We might
encourage them not to do something but I don't think we
can -- this looks as though we're making -- assigning
in some way from Washington what the states ought to be
doing.

CHAIR STUDLEY: Let me just clarify. On
Number 3, let me just tease out some of the words. The
assignment of financial issues in the first sentence is
only specifically between the federal level and the
accreditors, recognizing that the Higher Education Act
can make -- can assign responsibilities along those
lines, assuming accreditors want to play and
participate, and it doesn't address states, and the
second sentence, "Promote the states' engagement,"
promote is intentionally chosen because we understand that states decide what they will do, but we could encourage them to take a particular role or reduce their sense of responsibility for others.

It's also true that the Feds do have, through state authorization and other requirements, we do have certain expectations of states as part of this. But I think we tried to be sensitive to that, Arthur, by saying promote the states' engagement, especially if we had adopted 1 and 2, to have closer communication with them, to see about how we could align and use our resources well, and the next sentence, "Focus accreditor activity," is as we do the statute and assign responsibility.

So your point is very well taken, but I think we thought we had maneuvered in the writing those shoals, but obviously you can take that into account whether you think these are doable or what limits you want to put on them.

Art?

MR. KEISER: I would speak against the removal of the financial, you know, and consumer information
from the accreditors, especially the financial reports
which they receive may or may not violate the federal
composite scores, but they certainly can indicate a
whole lot of other things if they are doing a good job
reviewing the financial statements.

That load potential future financial
weaknesses, which impact the educational quality of an
institution. If you don't have the budget, you don't
have the potential for spending the money where it's
supposed to go. So to remove that, I think, takes one
of the important parts of a comprehensive review of an
institution's educational quality and limits that
accreditor from considering all aspects.

Most schools fail because of their financials
and that affects the quality of the institution
obviously as they're going down.

CHAIR STUDLEY: Thank you. Would anybody like
to speak to -- I think the way you're most
comfortable -- any part of 1, 2, and 3 since we're
looking at them as related at the moment for comments
from any members of the committee? Cam?

MR. STAPLES: I agree with Art's point. It's
hard to separate out financial stability from other issues, but I thought when we talked about this, we were really talking about not so much prohibiting accreditors from looking at that but strengthening the federal role in reviewing financial stability. I mean, I don't know if we need to mandate what others don't do, as long as we're saying that we thought that there needed to be a heightened role at the federal level in ensuring financial stability. Maybe that's just my recollection of it, but I thought that was more the direction we were going with that.

CHAIR STUDLEY: Susan?

DR. PHILLIPS: One of the issues that arose as we put this out -- I agree that there's a question of who's supposed to be doing what to whom on this. One of the things that we heard in the data sections of the conversations since February was that institutions were feeling ill-equipped or accreditors were feeling ill-equipped with dealing with the kind of Title IV accountability dimensions that they might need to use to adequately evaluate some of the Harkin's group, so to speak, or others, and as we put this out for
comment, I think we heard back from the accreditors, no, we need that information. We just need, I think, some additional source looking at the Title IV issues. So we can't do our job without looking at the financials. Don't remove that from us. But if you could get some better watchdog on the Title IV compliance issues that would be better.

I think that's sort of what I heard as an overall issue.

CHAIR STUDLEY:  Anne?

MS. NEAL:  I find that troubling because again we keep coming back to the value of accreditation being that of peer review and my understanding of most academics and administrators is that, with the exception of Brit and the people who are here at this table, is that looking at finances is not necessarily what is their area of expertise and what has happened in the past is the accreditors will second-guess trustees who get involved who are legally responsible for the financial integrity of their institutions and so it seems to me we don't want to have mission creep here for the accreditors because we already have legal
entities that are responsible for these institutions and the Feds and so I am concerned that we not overburden what is supposedly a quality peer review assessment that deals with academic matters which the financiers don't deal with.

CHAIR STUDLEY: Are we not hearing comment about Options 1 and 2 because they are so unarguable or because you hate them?

MS. NEAL: I just have the same problem about telling the states what they are going to do. That would be my concern with 1, as it was Arthur's concern with 3.

CHAIR STUDLEY: Why don't we take them one at a time and just directly discuss Number 1? It may be that if anyone wants to clarify what it means, not ask it to clarify what others think it means, feel free. Does anybody have a comment or question related to Number 1 or clarification related to Number 1?

DR. KIRWAN: I mean, it does seem to me that the Federal Government could set its expectations as not requiring -- 1 doesn't require anybody to do anything. It just says clarify understandings and so
to your point, Anne, I don't think it's forcing states
to do anything. It's just trying to create the Federal
Government's understanding and expectation of the
various roles which it's hard to argue against that.

CHAIR STUDLEY: I would say on this one, there
are many different ways to do that. It could include
people meeting together and understanding what's
falling through the cracks or how they work well or
what they wish they had or what they count on others
for that isn't coming through.

To the extent that these are recommendations
about the Higher Education Act content, if those
discussions left the Secretary saying something ought
to change, then it could yield content in the Act but
we're not saying here what the nature of that
clarification should be.

So are people ready to do a straw vote on
Option 1? All in -- yes?

EXECUTIVE DIRECTOR LEWIS: I just wanted to
note for the transcript that George left, so there's a
total of 10 voting members here. So did Frank. Thank
you.
CHAIR STUDLEY: Okay. Thank you very much.

With that, how many are in general support of including Option 1 in the final document?

(Show of hands.)

CHAIR STUDLEY: 10, 10 and 10. Okay. 10 out of 10 present.

Number 2, Triad Communication. Short enough that I'm assuming you can read that one, but for the benefit of the audience that may not have the exact same language, coordinated and -- oh, they do? Okay. You have the language.

Okay. Option 2. Art? Oh, okay. Are there any comments or discussion? I would just add then that this seems to be a place that we might in the writing of it consider adding exploring explicit data-sharing, barriers within the statute that we might want to suggest the Department look at in order to allow the coordination. So I don't think we know -- okay, okay. Elsewhere in the document. Never mind.

Option 2, all in favor?

(Show of hands.)

discussion?

(No response.)

CHAIR STUDLEY: Seeing none, all in favor of including Option 3?

MS. NEAL: With the qualifiers, though, that I think Art had raised.

CHAIR STUDLEY: Why don't we do a straw vote on it as it stands and then if there's not support for this, we can deconstruct -- well, either talk about it and say what you like and don't like about it and we can see if we need to separate the pieces. It's true that there are several parts to it.

Yeah. Let's see what the feeling is about it as it stands and then you can see if there's any part that you want to act on if it does not prevail.

So all in favor of including Option -- oh, did you have a comment?

DR. KIRWAN: I feel like saying I feel strongly both ways on this one. I mean, is there an option of, you know, this is an idea that may be we need to think --

CHAIR STUDLEY: Yes.
DR. KIRWAN: Is there some middle ground here?

CHAIR STUDLEY: Yes, there is.

DR. KIRWAN: And how would you vote if you wanted to do that?

CHAIR STUDLEY: I think it would be helpful if you told us what about it appeals to you, so that we can -- you know, other people can have the same notion. We said that other tiers include support of the item in the document. We can add provisions to it or we can identify an item as being recommended for the Secretary to study further and we can shape an option, although I don't think we can edit, word edit by a dozen people, but we could put a new cast to it and see if it flies, but we might want to still do the straw vote on it as it stands to know whether there is strong interest in this and then work from there for just a moment after that.

Larry?

DR. VANDERHOEF: I don't mean to complicate issues but if we thought that it could be improved, don't we have to vote to keep it in?

CHAIR STUDLEY: Susan?
DR. PHILLIPS: Would it be easier for you to take pieces of this? Just take a sentence at a time just to see what the sentiment is?
CHAIR STUDLEY: Sure.
DR. PHILLIPS: Because I have a sense that people are liking one part and not another.
CHAIR STUDLEY: Okay. Let's do it that way. So if we take the first sentence, "Assigning financial issues exclusively to the Federal Register to reduce the burden on accreditors," all generally in favor of that item?
(Show of hands.)
CHAIR STUDLEY: Okay. There was one hand for that.
DR. KIRWAN: Half a hand.
CHAIR STUDLEY: Do you want to share your thought?
DR. KIRWAN: Well, I don't know that I have a profound thought, unfortunately, but I just am intrigued by this possibility. What I don't know are what are the unintended consequences of it. So I would like to see this concept developed a little further. I
think it has potential but I need people who understand
the consequences better than I do to tell me how
this -- could this have negative impact on
accreditation that I'm not seeing?

CHAIR STUDLEY: Okay. How about if we do
this? There was -- was it one or two? One vote yes on
that but let's see if there are straw votes for what
Brit just said. It might be worth exploring further.

DR. KIRWAN: All right.

(Show of hands.)

CHAIR STUDLEY: One, two, three. Okay.

DR. KIRWAN: All right.

CHAIR STUDLEY: Okay. Second sentence then.

"Promoting state engagement with consumer protection
and investigation and decrease the state responsibility
for the evaluation of program content." Would you be
in favor of keeping that in the document? All
in -- excuse me?

MR. KEISER: That's a tricky one for two
reasons. First of all, before a school ever gets to
us, the school is going to be evaluated -- to an
accrediting agency, it's going to be evaluated by a
state licensing board and that state licensing board may or may not -- the schools are not accredited and there must be some form of educational quality indications or indicators in the state law which unaccredited schools need to be very much the same for accredited schools.

The school has to operate for two years before it can become accredited. So to suggest that the state should not be evaluating that doesn't make any sense.

CHAIR STUDLEY: Other comments? We haven't voted. Let's see if there's a show of hands in the general concept of promoting the states' responsibility for consumer protection and investigation. There may not be but let's just walk through that. That seems like an implementation or a practical question but is there any interest in keeping that sentence?

(Show of hands.)

CHAIR STUDLEY: Okay. Four, five, six, seven, eight.

The next sentence, "Focus accreditor activity on program quality improvement." All in favor of keeping that concept? Query whether that's a change or
MR. KEISER: What does that mean? I'm not sure I understand.

CHAIR STUDLEY: Well, I think -- do you want to describe it? I think it doesn't make sense standing by itself.

DR. PHILLIPS: In the original writing of this, it was part of a package. I'm not sure that it stands.

VICE CHAIR ROTHKOPF: Is there any sense -- just a suggestion -- to take what's sort of left of Number 3, which I see being reducing overlap, and putting it up into Option 1, which is clarifying what the triad is doing? In other words, why can't we say let's clarify what it's supposed to do and reduce to the extent possible, if the parties can agree, there be less overlap? I mean, I don't know. I thought the language but that's the idea.

CHAIR STUDLEY: Perhaps everybody might agree with address overlap and consider the value of specialization because there is some positive.

What I'm hearing is that there's no
inclination to vote on -- "the focus accreditor activity" is not a stand-alone policy recommendation. It's only the relationship of the other items. I'm not going to do a straw vote on it, unless somebody would like there to be one.

We will move the concept in the last sentence probably as Arthur suggested and I think that's as far as our energy, blood sugar, and mental capacity will take us today.

Thank you all very much for coming, both the committee members and the audience, and we will reconvene tomorrow morning here. I look forward to seeing you. We'll be here at 8:30 and as you know, we will end no later than 3 tomorrow.

Good-bye. Thank you very much.

(Whereupon, at 5:10 p.m., the meeting was adjourned, to reconvene the following morning, Friday, December 16th, 2011, at 8:30 a.m.)

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