UNITED STATES DEPARTMENT OF EDUCATION

NATIONAL ADVISORY COMMITTEE ON INSTITUTIONAL QUALITY AND INTEGRITY

MEETING

WEDNESDAY
JUNE 8, 2011

The Advisory Committee met in the Commonwealth Ballroom in the Alexandria Holiday Inn, 625 First Street, Alexandria, Virginia, at 8:30 a.m., Cameron Staples, Chair, presiding.

PRESENT:

CAMERON C. STAPLES, Committee Chair,
Partner, Neubert, Pepe, & Monteith law firm

ARTHUR J. ROTHKOPF, Committee Vice-Chair,
President Emeritus, Lafayette College

EARL LEWIS, Provost and Executive Vice President for Academic Affairs, Emory University

WILFRED M. McCCLAY, SunTrust Bank Chair of Excellence in Humanities, University of Tennessee at Chattanooga

ANNE D. NEAL, President, American Council of Trustees and Alumni

WILLIAM PEPICELLO, Provost and President, University of Phoenix

SUSAN D. PHILLIPS, Provost and Vice-President for Academic Affairs, State University of New York at Albany
BETER-ARON SHIMELES, Student Member, Fellow, Peer Health Exchange
JAMIENNE S. STUDLEY, President and CEO, Public Advocates, Inc.
LARRY N. VANDERHOEF, Former Chancellor, University of California, Davis
CAROLYN WILLIAMS, President, Bronx Community College of the City University of New York
FRANK H. WU, Chancellor and Dean, University of California, Hastings College of Law
FREDERICO ZARAGOZA, Vice-Chancellor of Economic and Workforce Development, Alamo Colleges

STAFF PRESENT:

MELISSA LEWIS
SALLY WANNE
KAY GILCHER
CAROL GRIFFITHS
ELIZABETH DAGGETT
KAREN DUKE
JENNIFER HONG-SILWANY
JOYCE JONES
CHUCK MULA
STEVE PORCELLI
CATHY SHEFFIELD
RACHAEL SHULTZ
Welcome and Introductions ....................... 6

Overview of Procedures for Committee Review of Petitions
Cameron Staples, Chairperson, NACIQI . 8
Melissa Lewis, Committee Executive Director, U.S. Department of Education 9

Accrediting Commission of Career Schools and Colleges
NACIQI Primary Reader:
   Wilfred McClay.................. 14
Department Staff:
   Chuck Mula...................... 16
Representatives of the Agency:
   Ronald S. Blumenthal, Chairman. 17
   Michale S. McComis, Executive ... Director ................................. 22

America Psychological Association, Commission on Accreditation
Action for Consideration: Petition for Renewal of Recognition
NACIQI Primary Readers:
   Arthur Rothkopf .................. 28
Department Staff: Joyce Jones ......... 30
Representatives of the Agency:
   Joyce Illfelder-Kaye, Associate Chair for Program Review........ 51
   Elizabeth A. Klonoff, Associate . Chair for Quality Assurance ........ 53
   Susan F. Zlotlow, Director, Office of Program Consultation and Accreditation, Education Directorate..................... 54
Accrediting Council for Independent Colleges and Schools

NACIQI Primary Readers:
  William Pepicello............. 119
  Federico Zaragoza..............

Department Staff:
  Steve Porcelli............... 121

Representatives of the Agency:
  Gary R. Carlson, Chairman.... 134
  Albert C. Gray, Executive Director and Chief Executive Officer.............. 140
  Roger Swartzwelder, Chair-Elect
  Thomas Wickenden, Deputy Executive Director...................... 144

LUNCH

Commission on Accrediting of the Association of Theological Schools

NACIQI Primary Readers:
  Wilfred McClay............... 207

Department Staff:
  Chuck Mula.................... 209

Representatives of the Agency:
  Dan Aleshire, Executive Director
  216

Accrediting Bureau of Health Education Schools

NACIQI Primary Readers:
  Beter-Aron Shimeles......... 234

Department Staff:
  Elizabeth Daggett............ 238

Representatives of the Agency:
  Linda Swisher, Chairman..... 240
  Delores Gioffre, Member, ABHES Committee on Degree Policies and Procedures
  Michael White, Director of Legal and Regulatory Affairs
  Carol Moneymaker, Executive
Director ........................................... 241

Third-Party Oral Comments
Omar Franco................................. 245

Accreditation Commission for Acupuncture and Oriental Medicine
NACIQI Primary Readers:
   Susan Phillips......................... 246
Department Staff:
   Rachael Shultz....................... 248
Representatives of the Agency:
   Mark S. McKenzie, Chair.......... 252
   William W. Goding, Interim ...... 252
Executive Director ...................... 252

American Osteopathic Association, Commission on Osteopathic College Accreditation
NACIQI Primary Readers:
   Carolyn G. Williams.............. 256
Department Staff:
   Jennifer Hong-Silwany.......... 257
Representatives of the Agency:
   Kenneth J. Veit, Chair......... 259
   Andrea Williams, Assistant .... 260
Secretary ..................................... 260
   Konrad C. Miskowicz-Retz, .... 260
Secretary ..................................... 260
Third-Party Oral Comments:
   Dr. Massood Jallali............... 268

BREAK
8:42 a.m.

Welcome and Introductions

CHAIR STAPLES: I want to thank you all for coming. This is a meeting of the NACIQI and we are very eager to get started with our business today. My name is Cam Staples. I'm the Chair of NACIQI and I think to start the meeting off what I would like to do is welcome all the members. It's nice to see you all again.

Then we'll go around the table starting with the Vice Chair Mr. Rothkopf to my right and ask everyone to please introduce yourself for the purposes of the audience and members of the Committee.

MR. ROTHKOPF: I'm Arthur Rothkopf, Vice Chair of the Committee.

MS. PHILLIPS: Susan Phillips, Chair of the Policy Subcommittee.

MS. NEAL: Anne Neal, President of the American Council, Trustees and Alumni.
MR. SHIMELES: Aron Shimeles. I work at Peer Health Exchange.

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

MR. LEWIS: Earl Lewis. I'm the Provost of Emory University.

MR. McCLAY: Wilfred McClay, University of Tennessee.

MR. VANDERHOEF: I'm Larry Vanderhoef, University of California, Davis.

MR. PEPICELLO: I'm Bill Pepicello, President of the University of Phoenix.

MS. WILLIAMS: I'm Carolyn Williams, President of Bronx Community College of the City of the University of New York.

MS. STUDLEY: I'm Jamienne Studley, President and CEO of Public Advocates, an advocacy group in San Francisco, California.

MS. WANNER: I'm Sally Wanner.
I'm not a committee member. I'm with the Office of General Counsel, the Department of Education.

MS. GILCHER: I'm Kay Gilcher with the Accreditation Division at the Department of Education.

MS. LEWIS: I'm Melissa Lewis, NACIQI Executive Director, the Department of Education.

**Overview of Procedures**

CHAIR STAPLES: Thank you, everybody. Hopefully we'll get the microphones fixed so we won't be torturing you in the audience with sound.

As you all know, one of the primary functions of NACIQI is to advise the Secretary whether it recognized specific accrediting agencies, state approval agencies, and others. That's what we will be doing a lot of today and tomorrow.

We also occasionally have requests from federal institutions and make
recommendations to the Secretary about whether those institutions should be granted degree awarding authority. We have at least one such request also during the course of this meeting.

After that beginning tomorrow and into Friday we will be responding, or continuing to respond to a request from the Secretary that we offer recommendations, policy recommendations regarding the reauthorization of the Higher Education Act. That process will continue throughout the rest of 2011 but we expect to make some significant progress starting tomorrow and into Friday.

With that, why don't I recognize Melissa Lewis who is, as she stated, our Executive Director, for other opening remarks.

MS. LEWIS: Thank you, Cam. I would like to welcome the members and our guests to the NACIQI meeting and thank everyone for coming. I would like to call
everyone's attention to the bottom of the first page of the agenda and to the guidelines for the third party oral presentations, both of which are handouts available in the back right corner of the room. Both list the order of the presentations before the Committee.

I would also like to call your attention to the procedures concerning public commenters. Those interested in making public comments at the meeting may sign up at the table outside the meeting room. There will be up to five public commenters per agency. You fill out an application. It will be stamped and the public commenters will be selected on a first-come first-serve basis.

The opportunity to sign up to make oral comments concerning an agency will close once the maximum of five speakers have registered or five minutes prior to the agency's scheduled review time as shown on the agenda depending on which comes first, which occurs first. If a person or group requested
to make comments in advance, they cannot also
sign up to make comments today.

With respect to the members we are
very pleased that 13 of the 17 members are
joining us today. Bruce Cole, Brit Kirwan,
Art Keiser and Daniel Klaich are unable to
attend the meeting. Federico Zaragoza will
join us later today.

Due to recusals Carolyn Williams
will be here for the first agency's review,
and then will be recused for the rest of the
morning. Frederico Zaragoza will also be
joining us later today.

Members, if you need to depart
eyearly from the meeting, please announce your
departure or your return to the meeting for
the record.

Also, concerning recusals, I would
like to remind the members that if you have
any conflicts of interest that require you to
recuse yourself from a review of the agency,
please announce that you are recusing yourself
before the primary reader's introduction of
the agency and to please leave the table at
that time so that you will not confuse anyone
concerning your recusal.

The meeting is being recorded by
the Neal Gross Court Reporter Company at the
round table just behind us. Please speak
clearly into the microphone so that the court
reporter may hear your comments. Remember to
turn off the mic when you're done. I
have asked John to please let us know if he
can't hear us.

I have a few other items to cover.
I did mention the handouts earlier in
addition to the agenda and the third party
oral comment guidelines. There's also a menu
from the sandwich shop right outside the
meeting room, as well as the draft June 11
policy agenda which list the three issues that
we'll be considering in the reauthorization
portion of the meeting, as well as the sub-
issues under each and other issues that the
Committee may consider.

The rest rooms are located just past the elevators to my left just outside the meeting room. Restaurants. Although the hotel restaurant is closed, there are several other options in the area.

Again, the sandwich shop right outside the meeting room. The Giant across the street has a large salad bar and large section of prepared foods and they are expecting a crowd so they should have plenty on hand.

Also, I've been told that if you walk out the front door here, turn left or right, go one block and turn left or right, and there are a number of luncheon spots, both sit-down and fast food available. Concerning internet access, you may access the internet anywhere in that front corridor along the glass wall of the hotel.

Also, members, I gave everyone a luncheon menu to choose from. The master list
will be circulated shortly. Please give Jamie your money. Please attend to it promptly because the order needs to go in by 10:00.

That's all I have. Thank you very much. I look forward to a productive and robust meeting.

CHAIR STAPLES: Thank you. I just want to make one comment, too, to the members. We have some information that has been handed out. Sample Language for Motions is in your packet for the readers who are going to be looked to to make a recommendation to the Committee after they've discussed their review. You might want to take a look at this in assisting you in formulating your motions.

I want to make sure you are aware of that.

Okay. At this time we'll call the first agency, the Accrediting Commission of Career Schools and Colleges. The primary readers are Wilfred --

I guess it's you today, Wilfred. Federico is not here.
Accrediting Commission of Career Schools and Colleges

MR. McClay: Yes. I've been asked to begin the discussion of the Accrediting Commission of Career Schools and Colleges. This is an accrediting agency that accredits 775 institutions located throughout the United States and in Puerto Rico.

Schools offer certificates, associate degrees, occupational associate's degrees, baccalaureate degrees, master's degrees, and distance education programs primary in occupational trade and technical career areas.

Most of the agency's accredited schools participate in the Federal Student Aid Program and this agency is a Title IV gatekeeper for those programs.

In terms of its recognition history the institutional history goes back to 1967. It started out as the National Association of Trade and Technical Schools. I
won't go through the whole history of mergers and metamorphosis until it became what it is today.

It was last reviewed in 2004. At that time requested expansion of scope to include distance education. This was granted by the Secretary in 2005. Then in 2006 expansion of scope was requested to include master's programs and that, too, was granted.

The request that we have before us is a petition for continued recognition for five years with no change of scope. Staff has recommended that this be granted, recommended to the Secretary.

Do we call -- we can call Chuck Mula.

MR. MULA: Good morning, Mr. Chair, and members of the Committee. I will be presenting a brief summary of the petition for continued recognition of the Accrediting Commission of Career Schools and Colleges, hereafter referred to as ACCSC, or the agency.
The staff recommendation to the Senior Department Official for the agency is that he continue the recognition of ACCSC for a period of five years.

This recommendation is based on my review of the agency's petition for continued recognition, supporting documentation and the observation of a site-team evaluation visit for initial accreditation in Fairfax, Virginia and an appeals panel session in Arlington, Virginia, in the spring of 2011.

My review of the ACCSC's petition found the agency in compliance with the Secretary's criteria for recognition with no issues or concern.

This concludes my report and I am available for any questions that you may have.

CHAIR STAPLES: Thank you, Chuck.

At this time we'll ask for the agency representatives to come forward.

MR. BLUMENTHAL: Good morning, Mr. Chairman, members of the Committee.
CHAIR STAPLES: Good morning.

MR. BLUMENTHAL: My name is Ronald Blumenthal. I'm the Chair of the Accrediting Commission of Career Schools and Colleges. On behalf of ACCSC Commission our professional staff and the nearly 800 institutions that we accredit nationwide, it is my distinct pleasure to be with you here this morning.

I'm also joined this morning by Dr. Michale McComis, Executive Director, and Christopher Lambert, Director of External Affairs, who led our organization's efforts throughout the re-recognition process.

As you are aware, ACCSC has been continually recognized by the Secretary since 1967. Needless to say, we are incredibly proud of our track record. I believe that our petition for re-recognition which is before you today demonstrates that this agency takes our responsibility to serve as a reliable authority on quality education very seriously.

From my vantage point the
recognition process is rigorous and admittedly challenging, but we believe that we are stronger agents because of our participation in re-recognition. We will continue to pursue our goal of improvement as a means to enhance institutional and student success.

As a former member of NACIQI I have a great appreciation and admiration for the important work that you do, fully understand and appreciate the role that accreditation plays in the higher education regulatory scheme.

To that end I am very pleased, as I know my fellow commissioners are, that this agency has been able to demonstrate to the Department that we meet every federal regulation required as a recognized agency.

Accountability is a critical component to our system of higher education and I believe that our petition to the Secretary has shown our commitment to this task.
On behalf of the full Commission and our staff I'd also like to extend my thanks and appreciate to the accreditation Department staff for their guidance throughout this process. We are happy to respond to any questions you might have.

CHAIR STAPLES: Thank you.

We have no third party commenters signed up so we will proceed to the questions portion if members of the Committee have any questions.

Wilfred, if you would like to start if you have any.

MR. McClay: No questions. I'm ready to make a motion whenever you're ready.

MR. ROTHKOPF: I have a question.

CHAIR STAPLES: Arthur.

MR. ROTHKOPF: When you take action when a report is done and the team goes out and reviews an institution and the Commission acts, what do you do with the report? Is it made public? Any summary made
public? Is it required to be posted on the institution's website? What action do you require, if any, regarding the report of your Commission on a particular institution?

MR. McCOMIS: The information that we make public through the Commission actions includes a summary of reasons an institution is placed on probation, summary of reasons for institutions that receive an adverse action that would include either a denial or revocation of accreditation.

MR. ROTHKOPF: So you report on the action but you don't make public the report of the Commission or the people who conducted the site visit?

MR. McCOMIS: That is correct.

MR. ROTHKOPF: May I ask would you consider doing that as something to inform potential students of issues that exist regarding that institution? Let's assume you continue the accreditation but there are issues that are of concern that come up. Is
there a reason you would not make that report public, make it available to perspective students?

MR. McCOMIS: Certainly I think the Commission would take that into consideration. It's not a current requirement under the federal regulations but in an attempt to create greater transparency that would be something that I'm sure the Board would be interested in looking at.

MR. ROTHKOPF: Just pursuing that, do you require institutions to report on their website or otherwise to prospective students what the completion rate may be of the program, actual employment of those who complete the program or may not complete the program? What sort of outcome information do you require, if any, of institutions that you accredit?

MR. McCOMIS: Effective July 1 we'll require the disclosure of employment rates by program. Any other disclosures that
the institutions make have to be in accordance
and align with the data that the institution
has submitted to us through annual reporting.
Those are the current disclosures that we
require with regard to outcomes.

MR. ROTHKOPF: So now disclosure
on completion rate?

MR. McCOMIS: There is not a
current requirement for that. We do require
the institutions to report that to the
Commission on an annual basis by program.

MR. ROTHKOPF: Just to follow up
on that, is there any reason why you wouldn't
require an institution to tell perspective
students what the completion rate is of
students who are enrolled in the program?

MR. McCOMIS: The Commission has
considered that. I think one of the issues is
that there is not an uniform manner within
which institutions are required or do report
graduation rates and so it's a bit -- even
though you are giving some information some
students, it may be a bit like providing information for them to compare apples and oranges.

Certainly if that was something to take into consideration, I think it would be important to also include disclosures about now that rate information is arrived at.

MR. ROTHKOPF: Thank you.

CHAIR STAPLES: Any further questions?

Yes, Anne.

MS. NEAL: Good morning. You note in the report that you all have on occasion required an independent third party audit of schools published rates of student graduation and graduate employment. I just wanted to hear your experience and have you considered a plan yet across the board?

MR. McCOMIS: Well, our experience has been one that the opportunity for the independent third party is to take information that the institution has reported to us, have
it verified through that independent third party. Have that information sent directly to the Commission at the same time that it's sent to the institution so that they see it directly from the independent third party.

It's currently being used in those instances where there is some level of concern either about the rates themselves or about the documentation that has been previously submitted where the information provided by the institution may raise some level of question in regard to either its veracity or validity.

There hasn't been a current discussion about making it a standard practice but it is an additional arrow in the Commission's quiver in terms of actions that they can take when they have a certain level of concern.

MS. NEAL: Can you tell me what is your association's budget and how many staff do you have?
MR. McCOMIS: The budget is approximately $7.5 million annually and there are 34 full-time staff.

MS. NEAL: Do you assess when you deal with the institutions you accredit what the expenditure of the accrediting process is for them in terms of man hours, FTEs, cost of paper, etc.?

MR. McCOMIS: No, ma'am.

MS. NEAL: Thank you.

CHAIR STAPLES: Any further questions? Okay. Thank you very much.

Wilfred, do you have a motion you wanted to recommend?

MR. McClay: Yes. I would move that NACIQI recommend that ACCSC's requested renewal of recognition with its current scope of recognition be granted for a period of five years based on the agency's compliance with the Secretary's criteria for recognition.

CHAIR STAPLES: Okay. Thank you.

That's been moved. Is there a second?
MS. NEAL: Second.

CHAIR STAPLES: Moved and seconded. Is there any discussion on the motion? Seeing none, all in favor of the motion say aye.

ALL: Aye.

CHAIR STAPLES: Opposed, nay.

Motion carries.

The next agency that is up before us is the American Psychological Association, committee on Accreditation. Arthur and Larry.

MS. WILLIAMS: Chair?

CHAIR STAPLES: Yes, ma'am.

MS. WILLIAMS: Carolyn Williams. I am recusing myself from the next group.

MS. PHILLIPS: Chair, Susan Phillips. I'm recusing myself from this conversation.

CHAIR STAPLES: Thank you. The record will note both of your recusals. Thank you.
Yes, Frank.

MR. WU: May I ask a question? I just wanted to clarify that when we recuse we leave the table but we are permitted to stay in the room. Is that correct?

CHAIR STAPLES: What is the standard for that?

MS. LEWIS: That is correct. You are free to stay in the back of the room to listen to the conversation or to leave the room but definitely do please leave the table.

CHAIR STAPLES: Thank you for clarifying that. That's helpful for members to know.

So who would like to lead off?

American Psychological Association, Commission on Accreditation

MR. ROTHKOPF: I'll take the lead and Larry will supplement as needed. Let me give the background of the American Psychological Association, Commission on Accreditation. It is a programmatic
accreditor. It currently accredits over 900 professional education and training programs at the doctoral and post-doctoral level in psychology.

The agency has also identified several federal programs that require the Secretary's recognition of its accredited programs as a prerequisite to participate in non-Title IV federal programs and/or federal employment. Some of them are listed in the report including, for example, the graduate psychology education program administered by HHS, Department of the Federal Government.

American Psychological Association Commission on Accreditation received its initial recognition by the Secretary in 1970. Has received continued recognition since that time. It was last reviewed for renewal of recognition at the fall 2004 meeting of NACIQI.

Following that meeting the Secretary granted continuing recognition for a
period of five years and found no compliance issues. As part of this review the Department staff reviewed the petition and supporting documentation, observed a decision-making meeting and a training workshop. That issue of the continued accreditation or recognition of the Commission for Accreditation of APA is now on the table.

MR. VANDERHOEF: That was very thorough. I have nothing to add.

CHAIR STAPLES: I will ask the agency members to come forward now. Thank you.

Joyce, come forward. There you are. Go right ahead, Joyce. Now I got it. I'm on track.

MS. JONES: Good morning, everyone, Mr. Chair, commission members, committee members. My name is Joyce Jones and I would like to present a brief summary of the staff analysis and recommendation after our review of the American Psychological
Association Commission on Accreditation.

I think the agenda shows the Committee on Accreditation and I would like to make that correction to reflect that it is the Commission on Accreditation.

The staff recommendation to the Senior Department Official for this agency is to continue the recognition. This is for its accreditation in the United States of doctoral programs in clinical counseling, school and combined professional, scientific psychology, predoctoral internship programs, and professional psychology and postdoctoral residency programs in professional psychology.

However, we would require, or recommend that the agency also submit a compliance report in 12 months on just a few issues that are identified in the staff analysis. We based our recommendation on our review, as Arthur stated, of the agency's petition, its supporting documentation, its supplemental documentation, observation of the
new commissioner training workshop and of the
decision meeting.

Our view of the agency found that it substantially complies with the criteria for recognition. However, it needs to address a few outstanding issues for which they have already scheduled for their Commission meeting next month.

That is to clarify its current and projected financial viability and that is of the Commission. To ensure, of course, that their public representatives meet the federal qualification requirements in way by demonstrating that they need it.

It needs to revise its records retention policy and it needs to work on its enforcement actions so that they are consistent with the criteria timelines with respect to enforcement. Also to demonstrate clear statements on what could cause these. Lastly, to implement changes with regard to the public information regarding senior
administrative staff.

Many of these issues the agency has on its agenda to address at its commission meeting. Therefore, we believe that these issues do not place the accredited programs, the students, or the federal aid they receive from other federal programs such as HHS and the VA among others and that the agency certainly can resolve these concerns and demonstrate compliance in a written report within a year's time.

Therefore, as previously stated, we are recommending to the Senior Department Official that the agency's recognition be continued but that the agency submit a compliance report in 12 months that demonstrates compliance with the issues identified in the staff report. Thank you.

CHAIR STAPLES: Thank you, Joyce. Any questions for Joyce at this time?

Joyce, I just have one question. I'm skimming through trying to find the
location of it here. In your analysis you mentioned concerning the financial stability of the agency. I believe this is your comment. "In addition, the agency has not provided any documentation to support the concern that there is financial stability."

I guess I want to understand that a little better. I think earlier you mentioned since 2008 there is no evidence regarding the fund balance. How is it that documentation isn't provided to you?

MS. JONES: The agency provided a written narrative of what the stabilization project but it presented no evidence that this, in fact, existed such as an agreement representing what they had supporting the narrative and that's the kind of information that we require.

It's just like hearsay. We had this and we're suppose to believe it but that's where the Department has now decided that we want to see documentary evidence
sustaining what they are reporting.

CHAIR STAPLES: So did the Department ask for that --

MS. JONES: Yes, we did.

CHAIR STAPLES: -- during this review and it wasn't provided?

MS. JONES: What they provided was not sufficient. It was insufficient to demonstrate that they had the financial viability to continue because the budget had shown four years of not quite having enough money and not explaining where it came from.

CHAIR STAPLES: I guess I understand. I'm trying to understand the process but you asked for the documentary evidence. You asked for some data about the fund balance.

MS. JONES: Initially, yes.

CHAIR STAPLES: And they declined to provide that to you?

MS. JONES: They provided a narrative and, as a result, that was not
sufficient.

CHAIR STAPLES: So the narrative is insufficient and please provide us with more information.

MS. JONES: That has been the funding or the staff determination on that issue. It would not at this time be in the record. We would not have reviewed it.

CHAIR STAPLES: Okay. I just want to understand how you hadn't gotten it yet. It seems like it makes sense that they would have provided it to you. I'm sure we can ask them that.

Any other questions from members of the Committee?

MR. ROTHKOPF: Just as a follow-up on that one, Joyce. Does the Commission on accreditation have a financial report independent of that of the APA and, if so, does it show this $1 million in a stabilization fund?

MS. JONES: The agency, I believe,
provided a budget, a projected budget, and a budget for the current year. They did provide a report, a narrative, on the other factors.

Specifically I know the response did not address with sufficiently what we require in terms of evidence showing their viability and that is one of the requirements. We don't have it yet. It has not been reviewed and we've asked the Board as part of the demonstration in a follow-up report.

CHAIR STAPLES: Anne.

MS. NEAL: I need some clarification. As I look at the entities we have before us today, it appears that in two cases the staff has recommended full recertification and a clean bill of health and that in all the other instances they need to report back in 12 months.

As I heard you say it, we were basically continuing the accreditation of this entity. Am I correct in understanding that when we say 12 months and come back with a
report, they will be coming back with a report and if they don't meet the various issues that you have addressed, then they either get good cause shown or they are out of business or potentially shut down. Is that correct?

MS. JONES: They are not shut down. The recommendation from both parties would be whether the compliance report demonstrated that the agency complied with the criteria for recognition. If it does not, the recommendation would be not to renew or continue the recognition at that point, at least from the Department staff's standpoint.

MS. NEAL: I guess my question as I look at these recommendations of 12 months, in some cases there are seven citations of problems, 13, 35, 12, 24, 17, 21, 19, but obviously the same recommendation is made as to each one of them regardless of the number of problems that are raised. What is the staff's thinking in terms of this?

MS. GILCHER: When we are looking
at the areas of noncompliance we are making a
considered decision about whether or not we
think the agency could indeed come into
compliance within that 12-month period of
time. If we are making that recommendation
with the 12 months it's on the basis of that
judgment.

The number of criteria that an
agency is out of compliance with is not
necessarily an indication of the severity of
the problems being brought forward in terms of
compliance to the agency. In many cases it's
a matter of lack of appropriate documentation.

Or that the council or the
Commission has not yet been able to meet in
order to make a change in policy. They have
certain requirements for periods of time and
they meet at only certain times during the
year.

MS. NEAL: In all these cases you
determined that you would not recommend, let's
say, a two-year period of accreditation or a
less than five year as opposed to the 12 months. How do you reach that determination?

MS. GILCHER: We are not at a point in making a recommendation on their actual renewal of accreditation until they demonstrate compliance so we are continuing that recognition with a requirement that they demonstrate that they come into compliance within that 12-month period of time.

At the end of that 12-month period of time after they submit their report, in reviewing that if there were still issues of noncompliance, then we would make a determination of whether we would recommend an extension for good cause.

We also might say that, okay, they have demonstrated that they are in compliance but we still have concerns about the ongoing viability of that agency in certain areas and could recommend less than a five-year. Actually it would be at that point only a four-year period of recognition because the
one year of the five would already have been taken up.

CHAIR STAPLES: Any further comments?

Frank.

MR. WU: I'm just wondering how often does an agency lose its status? I'm just wondering so that we can establish a baseline to gauge when we see that there are X number of problems or this type of problem. How often is that cure? Is that it has never happened, it rarely happens, it often happens? Is it one agency in the past 10 years or 10 agencies in the past 10 years?

I recall the first meeting that we had there was an agency that voluntarily withdrew. It was one that primarily, as I understood it, worked with K through 12 but did a little bit in higher ed and then it withdrew.

Just so we can set a baseline for ourselves in understanding this, how often
does this happen that an agency just altogether despite trying the staff finds they don't meet all of the rules and then we think the same and then they ultimately lose their status?

MS. GILCHER: It's not a common occurrence. However, it certainly has happened. In fact, the last time around another agency chose to withdraw after having had a full review of its petition. We have continued to work with them in order to help them come into compliance and reapply for recognition.

The way that we approach it is to do our best to help an agency come into compliance and to offer the advice and assistance needed to do so.

MR. WU: Just one follow-up question. So the typical end game here is the agency withdraws. In other words, they never push it all the way. If in the rare cases where this does happen, they usually withdraw.
Is that what happens?

MS. GILCHER: That certainly has happened. There are also agencies that choose to go the distance and there may be a determination that they are to be either limited or to lose their recognition.

MR. ROTHKOPF: I'll just follow up with Kay on the procedure points that Anne was raising. We've got eight agencies assuming the group, the Committee, and then the Assistant Secretary agree that there are eight agencies who have to do things to come back to us.

We've now got eight items on our agenda for either December or next June. Is there a way -- I would have to say in some cases I think some of these problems could be resolved because the Commission is not meeting until July and they are going to adopt a new rule that's going to bring them in compliance.

Some of these are, I would use the term, picky but they haven't complied. Some are
much more serious.

The question I guess I have is there some way to dispose of these in a way that doesn't require us to go through this whole drill on each one and add eight more of these organizations to our agenda for a full discussion where the problems have, at least in the review of the staff, and maybe some part of the Commission or the Committee, that the problems have been resolved in a good way? I'm just trying to look at what we're doing going forward.

CHAIR STAPLES: Do you want to respond to that?

MS. GILCHER: I will respond and then with backup of my counsel. The requirement is that an agency demonstrate its compliance with all the criteria. We do not have the authority to say that they are in compliance. We're not the decision makers. The process would be that they would need to be reviewed by us. We would
make a recommendation, reviewed by NACIQI and they would make a recommendation. You do have the option, or potentially have the option, to use a consent agenda so if there were no particular issues, they had resolved everything, then that could addressed on a consent agenda.

MS. WANNER: I think that's complete.

MS. GILCHER: The other question I thought you were going to ask so I'm going to answer it has to do with the length of time, the 12 months, or less than 12 months. I just wanted to let the Committee know that we did out of the last meeting send a memo to all of the agencies that had compliance reports and offered them the option of determining when they would submit that compliance report so that they could submit it in less than that 12-month period of time if they chose to do so.

Then laid out for them what impact
that would have in terms of the maximum period of recognition that could be recommended for them and which meeting of the NACIQI they would come forward for review.

Of the agencies that had compliance reports, six of them, two of them chose to come early before the spring 2012 and that was because their processes would allow them to demonstrate that compliance within that period of time.

MR. ROTHKOPF: Thank you. I was actually going there.

CHAIR STAPLES: Thank you very much. I think that is a useful discussion to have had since we have this issue coming up with a number of the agencies.

Are there any more questions for Joyce at this time?

Larry. Or comment on the subject.

MR. VANDERHOEF: Just one quick question. Given a circumstance like this I agree with Arthur that -- maybe I go a little
further. I think most of the issues that have been raised are not major issues and I don't see that there will be problems coming into compliance. In this circumstance can a move to approve pending straightening these issues out within six months or a year, can that be made? Can we make that kind of recommendation?

CHAIR STAPLES: Sally, do you want to respond to that?

MS. WANNER: You can certainly make a different recommendation than the staff did if that is what the question is. If your recommendation is that they come into compliance or that they report back that they have a six-month period to achieve compliance and then submit a report within 30 days thereafter you could do that.

CHAIR STAPLES: I don't know if it's appropriate for you to respond to that idea but I think I want to respond to that idea. I have a concern in that with so many
agencies, granted some may be technical and some may be substantive with issues, it would concern me if we were to delegate such a large amount of decision making to the staff even though some may be technical.

If we were to say upon the staff's understanding that all these conditions were satisfied, they were deemed approved by us, I would have concern. I am personally a little surprised by the degree to which there is such a lack of compliance given the length of time these agencies have had. Several years in many cases because NACIQI hasn't been in operation. That's my two cents about that concept.

MR. WU: I just wanted to ask does the staff in some way signal --- and I have not looked through everything thoroughly to see this. Do they signal if the lack of compliance is despite good faith efforts which I assume it is in most of these cases? That is, they are trying.
Due to the amount of detail and the complexity of this they just haven't provided all the proof. Or I also assume that in some instances there is some foot dragging, bad faith, or there is something else going on.

Does the staff signal that to us whether or not the agency is making a good faith effort to comply and doing everything versus will it signal to us if there is something funny or odd that we should be more attentive to.

CHAIR STAPLES: Joyce winks with her right eye when she is trying to signal that there is a real problem.

MS. GILCHER: The record that is made available to you includes the response of the agency to the draft analysis and then our staff analysis of that response so there is information available to you to make that judgment. I think we are trying to just present "just the facts, ma'am" in the
analysis.

MR. WU: Just so I'm clear on this, what that means is we could figure it out ourselves by looking at how detailed the response was each time in sort of assessing do we think they are really trying here. You will not independently signal to us. We need to sort of match, pull up on our screens at the same time what you said and what the response is and just look for ourselves to see. Would that be accurate?

MS. GILCHER: Yes. I think the process is set up such that there would be independent review and recommendation.

UNIDENTIFIED MEMBER: Frank, I can put just a little color on that having done a number of these and looked at the documentation versus what was in the staff report. I think Kay is right. It's just the facts but the facts are, for instance, there is something in progress. There has been no documentation received. Then we can go in and
put the color on it as to why that fact is as it is.

CHAIR STAPLES: Any further comments? If not, why don't we invite the agency representatives to come forward. This is the American Psychological Association that we are still on. Little bit of a detour. Hope that you enjoyed that discussion.

Why don't you introduce yourself and proceed.

MS. ILLFELDER-KAYE: Good morning. We would like --

CHAIR STAPLES: Just one second.

Sally had a comment.

MS. WANNER: I just wanted to clarify on something earlier. I may have misunderstood the question. The question about whether NACIQI can ask the staff to resolve a question and then not have it come back. That would not be appropriate. Neither the staff nor the NACIQI are final decision makers.
CHAIR STAPLES: Thank you.

Please proceed.

MS. ILLFELDER-KAYE: Good morning.

We want to thank you for the opportunity to be here this morning on behalf of the American Psychological Association Commission on Accreditation.

I'm Joyce Illfedler-Kaye and I'm a psychologist and I serve as the Associate Director of the Center for Counseling and Psychological Services at Penn State University in University Park where I've worked for the past 31 years.

I serve as the Director of Internship Training there and I've served in that role since 1983. We have an accredited predoctoral psychology internship program which has been accredited by APA for the past 28 years.

In addition to my job at Penn State I've been involved in national organizations related to training and
psychology for many years. These roles have included serving as President of the Association of Counseling Center training agencies which is an organization of university counseling center psychology internship programs. I've also served as Vice Chair of APIC which is the Association for Post-Doctoral and Psychology Internship Centers.

That's an organization that includes psychology, internship, and post-doctoral programs in a variety of settings including VAs, community mental health centers, university counseling centers, and hospitals. APIC is the organization actually that oversees the internship match process in psychology.

I've served on the Commission on Accreditation for APA for the past five years and this is my second year serving as Associate Chair for Program Review. In this role I oversee the program review process
including the preliminary review process as well as the program review process that takes place at our meetings and I oversee the voting on program accreditation status.

MS. KLONOFF: And I'll give you a quick summary. I'm Elizabeth Klonoff. I serve as the Co-Director of Clinical Training for the San Diego State University, University of California, San Diego, Joint Doctoral Program in Clinical Psychology.

In terms of my work on the national level, I'm the current chair of the Council of the University Directors of Clinical Psychology which represents the 165 or so clinical psychology doctoral programs located in traditional university settings.

I also serve on the board of directors for the Council of Clinical Health Psychology Training Programs which represents training programs at both the doctoral, the internship, and the post-doctoral level.

On the Commission of Accreditation
I serve as the Associate Chair for Quality Assurance so I'm the one who kind of looks and crunches some of the numbers. Finally, I do want to apologize. Joyce and I are both here as associate chairs. Our chair is actually out of the country and it takes both of us to do what he usually does so, again, Joyce and I are here in his stead.

MS. ZLOTLOW: And I'm Susan Zlotlow. If you notice, there's a theme here of all the tall people are at the table. I'm the Director of the Office of Program Consultation and Accreditation at the American Psychological Association.

I have the good fortune of working with the 32 commissioners of the Commission on the 911 programs we accredit and that includes pretty much contact with all the training directors of all those programs. Sometimes not on a daily basis but generally at least once a month.

I want to thank Joyce for coming
to visit us, not once but many more than once. Joyce came to one of our regular meetings and also sat through a day and a half of training of our new commissioners.

I also really want to thank Carol Griffiths. I have been in this position for 15 years, 13 of which I've had contact with Carol. One of the things I want you to note is that Carol and I have gone back and forth over the years and agreed to disagree on a fairly regular basis and she has been very good at listening to my saying, "But how does this add value to what we do as accreditors?"

So we've had that dialogue for 13 years I would say. I really appreciate her being open and available to have that discussion with me.

The APA COA values ensuring that we provide information to our programs, that we provide information to you that adds value to the process of what we do in the education and training of professional psychologists.

We want that information to
continually improve the quality of programs that the APA COA accredits and to demonstrate that the programs that we do accredit provide all of our publics, students, families of students, and the public who will make use of the services of the graduates of our accredited programs with quality.

I'm also keenly aware that NACIQI is developing and will continue to develop how it operates in terms of dealings with issues just as you had this discussion of how the final analysis goes along, what is in the purview of staff, what is in the purview of NACIQI.

I want to just talk a little bit first before going to the meat of the issues here in terms of the themes that we talk about as accreditors. Not just on COA but with other creditors, and that is that we are committed to doing what needs to be done to be recognized by this agency.

There are times when we look at
the list of issues and say again, "How does this add value to what we do?" Given that the initial review was done with a fine tooth comb to detail, which is the job of the staff, we would ask that you on NACIQI look at the bigger picture of how this relates to what we do as an agency which we believe we do with quality, and we understand that we can continue to improve what we do again for all of our publics.

We want to pose some questions to you. One of the issues that has come up in our review in terms of general issues, and then I want to speak to specifics, was did we provide the documentation?

I will discuss that again with the specifics, but one of the things came up and both Joyce and Carol were very gracious in spending some time talking about this with me and my staff person Erinn Monteiro, who is here, in terms of what is the role of providing you with documents as attachments
and what is the role of the staff person who visits the agency.

In some cases I'm concerned that if we provide documentation that we do everything and provide documents from programs that meet that, all of that is subject to FOIA. That was the discussion during one of the negotiated rule making. Every time we would provide a document to you we have to excise information.

One of the things I will say on some of the issues we were cited on, we do those things. In some cases our polices aren't as specific or we didn't provide a document to show that but we engage in those and my belief is those are things that could be handled in a staff review.

They are not currently part of the process. Again, we will do whatever this group and the staff say we need to do but those are things that I think in moving forward might need to be thought out.
I have some other things to say about what I see as the biggest issue but I want to discuss the financial issue because that came up. One of the things I would point to is in terms of our fiscal stability if you look at the staff report on page 5 we did provide staff with our budget for the last several years, the budget that is public information from APA that include our information.

One of the things that all of you who know budgets know is the budget isn't final until well after the year is over. A lot of the information on that budget includes not the final, final budget but the final aspirational budget.

We did make that note. If you'll notice, we did provide information in that on the fee stabilization fund and the belief of how much was in that at the time. When we got the initial staff review we were told we needed more information. We met with Carol
and Joyce and discussed what would be needed. I did not understand -- I'm going to blame myself -- that we needed a document saying that rather than our response.

To that end, I have brought a document from the CEO of APA that verifies the money in our account. I don't know how to proceed with providing that to you. I have an original and I have copies. What's your pleasure?

CHAIR STAPLES: Sally, what is the mechanisms for taking documents at a meeting? There is none I don't think. Right?

MS. WANNER: I think it can be included in the record here. It's true that if it's looked at, I mean, the Committee hasn't had the benefit of the staff's analysis of it and I don't know that the Committee is prepared here or has the time on its agenda to analyze it without the staff and make a decision.

MR. ROTHKOPF: I mean, there are,
I think I'm right in saying, seven issues that have been raised. You are addressing one of those seven.

MS. WANNER: Right.

MR. ROTHKOPF: I think that's fine. I mean, I don't know that it's going to necessarily change but I think we ought to have it. Obviously Joyce and Carol and the staff need to look at it and see whether it deals with the concerns that they have raised.

I think it would be fine to submit it and put it on the record.

CHAIR STAPLES: If we can take it, I think it makes sense for us to take it and Arthur and the staff can review it as well and help us evaluate it. You want to present that to the Sally?

[Letter from APA attached to transcript.]

MS. ZLOTLOW: Let me just say what is in there is no different in reality than our response. You have the budget in the initial petition as well as the statement on
the stabilization fund in the initial petition. When we were called upon we wrote a statement with the input of all the financial folks at APA.

This is a verification of that and the statement that even though the APA Commission on Accreditation is within APA it is supported by APA and it has a history of support by APA and it has a history of support by the Association.

I don't know if you want me to go on with the other points or you want to take this a point at a time.

CHAIR STAPLES: I think why don't you proceed because we want to take a chance to read this. Why don't you just continue to go through the issues and then when we get to the questions Arthur and Larry can help us follow up on that.

MS. ZLOTLOW: Okay. The other thing I would say is one of the things that came up, as I see it probably the biggest
issue in the staff analysis, is dealing with issues around probation and good cause.

I just want to say something very general and then, again, come back to that and that is that the APA COA has an educational philosophy in terms of how it looks at programs and how it accredits them.

It looks at them very carefully. Because we start accrediting programs at the doctoral level, there's a lot of professional judgment involved. There's a lot of time that it would take to change the course of a program. As such, the COA -- the APA COA, because there are a lot of COAs, provides significant feedback to programs during the review process.

It's that educational philosophy with a belief that by in large our programs have integrity and mean to do a good job of educating future psychologists that that feedback has led us to our current policies and procedures that when a program is found to
not meet the standards.

It is given notice through a show cause letter and given an opportunity to respond before being placed on probation and then is given time, two years for a doctoral program, one year for an internship or post-doc, to do what it needs to take to come into review.

The difference in terms of what the staff has called to our attention and what we do is that time frame. In reality in the past we've always done probation the way we currently do and revocation would come afterwards.

The idea is that we wanted to give programs the time to engage in educational activities that they need to engage in to come into compliance with us. The time is correct. The actions that need to occur in that time frame are the discussion here.

My understanding after spending a lot of time with Joyce and Carol is the belief
that we should have another decision in the
two-year or one-year time frame as opposed to
programs demonstrating they meet that
compliance.

I just want to say in terms of
what we do parallels your process. If that
needs to change, we have already written as
staff some ways that could change and our
Commission on Accreditation meets beginning
July 14th and we'll look at that.

But it will be a significant
change in our educational philosophy and it
will change how we deal with our institutions
and it will be difficult for some of the
students in the pipeline. Again, we will move
forward with that. That, to me, is the
biggest issue because it is a huge change in
our philosophy.

In terms of looking at the other
issues, what I would say in terms of I'm going
to take them out of order. I already have.
The idea we do vet our public members.
We will add additional language to make sure that we look for whether or not they have spouses or children who are engaged in the activities or basically the vocation which we accredit. My qualifications will be part of what is on our public website. As long as I can say I'm six feet tall that would be good, too. I'm kidding.

In terms of compliance with 602.15(b) we were found to be out of compliance. Part of the reason we were out of compliance was because we actually have a records retention policy.

If we didn't have that policy, I'm not clear that we would be out of compliance because, in fact, we do keep records of anything, any documentation from a program citing that it has a substantive change and our follow-up correspondence with them.

The issue is that the substantive change we call them implementing regulations but our policy on that says that we do have an
implementing regulation on substantive change. We have one on records retention. Our records retention policy says we will keep all documentations between reviews in the programs record.

We do not specifically state that we will keep the substantive change correspondence. We will amend our records retention to state that we also will maintain all such documentation on substantive change.

The other issue that has been one for us is how we monitor the fiscal ability of our programs to maintain their stability and that is a tough one in that we accredit programs, not departments, not institutions. Most of the time our programs do not have separate budgets.

When we look at does the program have sufficient resources to provide the education and training needed for our students, interns, and post-doctoral
residents, we look at that more by indirect means. We do that in depth during what we call the periodic review.

As a way to monitor in between times of periodic review, we do collect data on the key resources that we monitor; faculty, staff, and student and trainees. Every year we get information on the number of faculty or training supervisors in the program. We collect that data every year, the number of students, interns, post-docs.

We look and see if there has been significant change from one to the other. If there has, we ask the program for additional information and we ask if there are other issues we need to be aware of.

We also monitor key accountability indicators like graduation, licensure, and attainment of internships in between the time they are reviewed. In that sense because we look at resources in an indirect manner, what we come up with is how do we know there has
been a change in resources and that for us is the program is no longer able to maintain the quality, accountability that it had previously.

I understand that we are being asked to look at more than that and that was part of my discussion with the staff earlier this week which is we can ask for additional information as part of our annual monitoring but, again, since we don't directly look at fiscal indicators, it would have to be something very indirect. Again, I'm not clear how that would add value to what we do. Again, if needed, we will do that.

As I said, I think the biggest issue is probation and the idea of maintaining a program on probation for good cause. We do have an operating procedure that discusses -- not an operating procedure.

In the accreditation operating procedures themselves there is a discussion of how a program would be deemed to remain on
probation for good cause and that is after review of a program on probation the program has provided enough evidence that although in the professional judgment of the commissioners it's not ready to be accredited, it has made some progress and that is in our operating procedures.

Again, we are more than willing to undertake a change in our educational philosophy and we want you to understand that will be something that will impact our programs and will impact students. We also understand that what you're saying to us is maybe we need to change our world view of saying that our programs should be trusted to have integrity. That also will be a huge culture shift for us.

I'm just going to turn it over. Do you have anything?

CHAIR STAPLES: Okay. Did you have anymore comments? No?

Joyce, did you have any response
to the agency presentation before we begin our questions?

MS. JONES: Yes. Certainly the expectation for all involved is that the quality of the educational program is at least meeting standards as set by a reliable authority.

We, the Department, do rely on the accreditating agencies to act in that role but their role is also tied to the federal link and that is that they are assessing through their programs, in this instance, federal money.

In that regard, there are concerns that were cited in the staff report which do include mechanisms related to our requirements for recognition and that is compliance with the statutes or with the regulations.

In terms of the financial issues I think it would have been fair that the Department have an opportunity to review this in its totality rather than outside of a one-
page document in terms of putting together with the other information that we've had to review and their response for an assessment.

In that regard, I think appropriately it would have been better to assess it so I will maintain recommendation or determination that the agency will need to respond in total to that particular finding.

With respect to the manner in which the agency respects its programs assessment and diligence in trying to meet its standards, the Department is still concerned about the federal link and the quality of the program. If it continues to fail, then it is not meeting the requirements for compliance with the enforcement timelines.

Over and over and over again these timelines have been important to ensure that students are not in some way affected by ineffective review and enforcement of the timelines required by the recognition regulations.
Therefore, I'm glad to hear Susan say that the Commission will be reviewing its process at its Commission meeting in July. I think that the message is very clear that compliance to ensure the students receive a quality education in the areas in which they accredit is important to them as it is to the taxpayer.

I think that's pretty much all I have to say. I think that the agency in and of itself is a good agency. It has certainly addressed the specifics with a "we will do this." They have not told us how long it takes but they do have procedures.

Obviously with the length of time that they devote to fixing a program, they will certainly be very detailed in how they fix these problems. I think we will maintain our staff analysis and the recommendations.

Thank you.

MS. ZLOTLOW: Can I just say one thing?
MS. JONES: Sure.

MS. ZLOTLOW: I just want to say one of the reasons we started off with Joyce and Liz kind of telling you what they do is to make it very clear that for those of us -- and I am a psychologist, although my credentials aren't on the website. I am a psychologist. This is not just about recognition or accreditation. This is about the discipline to which we've devoted our lives and we very much want to make sure that means quality not just for the students in the program but for the public so that when someone goes to see a psychologist and they know that person has gone to an accredited program, it has meaning and it has meaning above and beyond recognition. Thank you.

CHAIR STAPLES: Thank you.

Members of the Committee, any questions? Arthur or Larry?

MR. ROTHKOPF: Let me just follow up this very interesting dialogue. I have to
say I'm a little surprised that some of these seven items couldn't have been resolved before we got here. To me the most simple would have been if you knew about it posting your resumes on the website.

I mean, why are we worrying about that? Why are we worrying about whether children of commission members work for an institution? That should be sort of a simple thing to resolve as it seems to me two or three of these others shouldn't really be something. There are a couple of serious issues here which I think you've identified.

Somehow or another in the process why are we faced with some of these what I call picky items that could have been resolved and why in the process weren't they resolved? I'll ask the Commission people.

MS. ZLOTLOW: I think the issue on some of them is just the timing because by the time we got the initial staff report we discussed it with the staff. We thought we
had resolved some of those. When we got the final staff analysis there wasn't really time to do some of those things.

For instance, the posting on the website I don't know if that's an easy fix but we have to go through our web people. That will be done. In terms of changing some of the information on the public member, that has to go through our Commission.

Some of those things are just based on the time frame. They're not big issues. They will be resolved but the time frame when we do exactly what it was that was wanted didn't allow us to do it.

I was just going to say we were in the unfortunate situation of having been closed for a couple days in between then because the power went out in our part of Washington, D.C. There are things that just couldn't be done in between when we got the staff analysis and our report was due. Are those things that will be done? Yes.
MR. ROTHKOPF: And we'll take one other item which is the letter you present. I mean, there must be a financial statement. I would sort of like to look at an audited financial statement. There must be something that says is the million dollars there. It's not a budget but it's a financial statement that says there is a stabilization fund and there's a million or whatever else. The important thing is--

MS. ZLOTLOW: The budget is in the initial petition but that doesn't have the final amount that is in the current fee stabilization fund. I have to say that as an organization the larger APA is audited on a regular basis and our budget. Accreditation is separately audited. I do not get a separate audit report, however. That is monitored annually. What you have in the letter is, in essence, no different from the response we provided except we were told it needed to be formal so we have formalized
that.

MR. ROTHKOPF: Going to, I think, one of the most serious questions, I'll just give my own view, there is no -- if you go to a psychology department at a university, there's probably no separate -- there is no separate budget.

They are getting money through the university system authorized by the provost and it goes to that program. You just expressed my own view that you look at what it buys.

I mean, whatever the amount of money is, how many faculty, what kind of facilities, and you've got to make a judgment as to whether to do the program that you're running whether you have enough faculty, the right facilities, the right programs, the right internships for your students.

It's sort of in the result, not necessarily -- I mean, you could get more money and do a lousy job as opposed to getting
a certain amount. What kind of job do you do
and what's the results of what comes out of
this system as opposed to the amount of money.
That's my personal view. I assume you agree
with me.

MS. ZLOTLOW: Oh, yeah.

MR. VANDERHOEF: I want to just
follow up on that. Again, I still think, and
I think you've confirmed this, that every one
of these requested changes they may take time
and there are certain things that have to
happen between now and the time you make the
change.

I guess my sort of bigger question
is do any of them at all, do any of these
changes violate your values and your
principles about how you should be operating?

MS. ZLOTLOW: I'm going to turn to
the people who are paid big bucks to make
decisions. We pay their airfare to D.C.

MS. KLONOFF: In terms of values
and principles there are some things -- it
depends on what aspect of the values and principles you're talking about. If you're talking about does having Susan's vita on the APA website impact our ability to evaluate programs? Obviously not. So some of these things have no relevance at all to our values.

Things like asking me to report to -- I would be one of the people. That's the other thing because we are at the final common pathway of being the people who are also accredited. We recognize, I think, when a request is made that seems like an unreasonable burden that doesn't really add to the quality of our program.

Speaking as a training director now asking me to report on the financial aspects of my university, I'm in California and I'm a joint program. Both of our university systems just lost a half a billion dollars.

The question really is not is the program financially viable per se. I mean, I
would agree with you, sir. I can't really answer that. The issue is has it affected the outcome in terms of the students, in terms of the courses, etc.

From a value perspective I think the requests that you're making are not unreasonable. They don't go against our values. Some of it may just not make sense in terms of how to implement it but I don't think any of the things you are asking violate any of our values or what we feel is important.

MS. ILLFELDER-KAYE: I did want to comment. I agree with Liz that the content doesn't -- they don't seem like unreasonable requests. I do think the issue about asking programs to document more about their finances is complicated.

I think one of the things that I have had an investment in working on the Commission is not asking our members to have to do things that don't add value but create a real headache for them. As an internship
training director I can say from my own agency it would be very difficult to say what is the budget for the internship program.

The internship program happens in the context of a service delivery agency. There are staff people who teach seminars. There are staff people who work as supervisors. It's very hard to put a dollar amount on their time connected to the program.

It could create, I think, a major headache for the people filling out these self studies and it's not clear to me what would be gained by that. I think there is a value in not creating headaches for people that don't create any real gain in terms of documenting something valuable about the program.

MR. VANDERHOEF: I would certainly agree with that. The fact is that probably everybody around this table has found themselves in that circumstance. What you do when that happens you go to whoever has to carry it out and you say, "This is stupid" but
It happens to be what we have to do to maintain -- that's the higher value, the higher good.

Again, I just wanted to make sure that you were not having to go contrary. You might have to go ways that you don't necessarily agree with. You might be going ways that you don't think add value. The bigger question is are they making you behave in ways that you consider to be inappropriate.

Ms. Zlotlow: Again, the biggest thing would be if we change how we view the process of putting the program on probation and potentially revocation. It doesn't change that we value certain things. What it does change is it changes our timeline and it is a different philosophy but I don't know that it would change our values if that makes sense.

Ms. Klonoff: If I might respond. The other thing I think maybe what we're talking about is kind of a developmental stage that the discipline is at. I think our
educational philosophy, our idea of educating
the programs as they were coming up, was
really a good one and made really good sense.

It may be that what you're
pointing out is that we're at a different
developmental stage. Maybe we could assume at
this point that people should have the basics
and that maybe we might want to consider
making that change so that now -- but it is
indeed a change. It will be a change for a
lot of people.

CHAIR STAPLES: Bill.

MR. PEPICELLO: Thank you. I have
a comment and sort of a rhetorical question
for the staff. I think we are also looking at
the developmental stage in the regulatory
environment for higher education right now.
One of the things that we've been talking
about so far this morning, and we are going to
continue throughout the day, is the fact that
the current regulatory environment requires a
level of granularity that we have not seen in
higher education previously.

It goes to things like people see time and time again in the agencies that come up today that there are issues of timing. It's not that they are not willing to do things but the timing isn't there.

It's not that there isn't documentation but perhaps there's not documentation that has been produced previously. While it doesn't add value, it does add transparency which is part of that granularity that we are dealing with right now in higher education.

I guess, to step down off the soapbox, my question to the staff would be is there a way that we could work to get to the granularity in the first place because as I read the staff reports, what I see is that the back and forth is that the first time you say, "Well, we need for specificity in this area."

I think sometimes the agencies don't have enough of an idea of exactly what
it is that we need to be looking for. I think that may speak for the timing and may get us out of having these particular discussions for agency after agency. It's a rhetorical question obviously but something I wish we could discuss and think about.

CHAIR STAPLES: Thank you, Bill. Earl.

MR. LEWIS: Slightly different kind of question. Of all the things I've read and heard this morning the most important question turns to your economic security. Having read the letter I have a question. I just want to make sure I understand.

Since hundreds, if not thousands, of individuals depend upon the accreditation process that you go through to be able to establish themselves as independent psychologists, there is a question about your own economic health which is sort of implicit in some of the things here, but there is also an understanding, if I'm correct, that you
have structural support then from the larger APA. There's not only in your own budget but there is essentially back stopping so both their reserves and their cash balances from each year underwrite your own efforts. Is that correct?

MS. ZLOTLOW: Yes. If you look at our budget, which I think it was Appendix 17 in our initial petition, we have an operating budget in terms of revenue close to $3 million. We have on any given day 14 to 16 staff. They tend to even go on with higher education which I think is a positive. We do have mechanisms in place.

In fact, the fee stabilization fund was a way for us to basically have a bank account, if you will, for accreditation to allow us to allow in more innovative initiatives from one time to another beyond our current budget.

In fact, we set it up to do that and we'll monitor it and continue to monitor
it so that when those funds get lower, we will raise fees. The idea was we wanted to become more and more involved in going online with a lot of our processes. You need funds to do that. We do utilize services at APA. We have an overhead that we pay to APA.

The reality is if you went in dollars and cents it would be hard to say that we didn't go over that in terms of some of the processes provided at APA so we have a home in APA. Although what is currently the Commission on Accreditation has a longer history than even its recognition here at USDE, and that is as an accrediting body there was the Evaluation Committee back then starting in 1948.

That was totally underwritten by APA so there is a very, very long-standing commitment to the accreditation process and the current form that goes back well more than 50 years.

CHAIR STAPLES: Thank you.
Jamie.

MS. STUDLEY: I am interested in monitoring fiscal health and this doesn't go for me to the specifics of our action related to you but to take advantage of your having thought about this one so much with us as we go forward in the conversation. Bill is talking about thinking about what overall accreditation policy ought to be.

One quick fact. Do you know what proportion of the programs that you review and accredit are within institutions that are institutionally accredited? Rough kind of number most have?

MS. ZLOTLOW: It depends by level. All our doctoral programs have to be in regionally accredited institutions. Internships vary because they are in different settings. There are VA settings. The largest two institutions in which we have internships are Veterans Affairs and counseling centers in universities. Those are all regionally
accredited.

If you look at it, it's 100 percent of the doctoral programs. I would say at least 40 percent, or close to that, of the internships and the post-doctoral residencies right now that we accredit are all either in Veterans Affairs medical centers or in university -- well, medical schools themselves.

MS. STUDLEY: The reason I ask is that we are going to be coming back to questions about the triad and the respective responsibilities of the Department, the accrediting agencies, and the states. The Department, as many people know, carries out a financial responsibility review that is the essential part of the Department's role within the triad.

Like Arthur and some others, I think that what you're doing sounds like the right kind of look, to look at the program quality, the results of the training and to
ask questions if there are changes or program
gaps or variances that you think go to whether
they are capable of producing comparable
results into the future.

If you could get the kinds of
budgets that you've already acknowledged would
be difficult to get, would it change your
staffing of the teams, your staffing of the
organization to look at budgets in this way?
Is that something that you would have to
change your capacities to do or do you feel
that you have that ability right now?

MS. ZLOTLOW: To be honest with
you, there is no way to do that because --
okay, so we accredit programs. The programs
don't have separate budgets.

MS. STUDLEY: Right. I'm just
hypothetically saying if we said you had to do
a different kind of financial review, would
that -- would you need a different or
additional skill set or is that just
unanswerable for you?
MS. ZLOTLOW: I don't think it's answerable because the reality is the majority of programs we accredit, be it doctoral, internship, or post-doctoral residency, do not have a budget per se. They are in a larger unit that has a budget.

Because they have other duties and responsibilities, that's part of what they do elsewise. To ask for a separate budget for the program, I mean, I would turn to my colleagues here. I don't know how the programs would do that in a way that reflected anything that was real.

MS. STUDLEY: Do either of you have a comment on that? I'm really trying to get at your skill set, not the feasibility of the budget being there.

MS. ILLFELDER-KAYE: I think it does raise questions about our skill set, too, because the people who go and do our site visitors are people like us. We don't do that while we're on the Commission but we're
psychologists who know about training.

We don't really know about evaluating budgets. When we do site visitor training we are not doing a component on how to evaluate a budget for a program. When the self-studies come to the Commission and we review programs, again, the people who are doing these evaluations are psychologists who are invested in education and training.

We're not accountants so aside from it being difficult as a program to come up with a budget, I don't think we're skilled people at evaluating those kinds of issues.

MS. KLONOFS: And if I could add, I'm not even sure exactly what the skill would be in that context. You know, I'll use my program as an example because we actually are a line item from the legislature.

That line item has long ago -- although there is a person on campus who could pull out that line item and could identify salaries that were associated with that line,
it doesn't support the program. It only provides very little evidence of what's going on. It's antiquated by now so it's not even clear to me what the skill set would be that would allow one to go from a faculty salary here and supplies, so you've got paper and the faculty salary to a student outcome here. I don't even know what that skill set would be let alone whether or not we would have the ability to do it.

MS. STUDLEY: Let me just ask one final question the other way around. Are you comfortable that you have the information that you need in terms of using inputs and outputs and looking at the delta when that's relevant to evaluate and accredit these programs.

MS. ILLFELDER-KAYE: I would absolutely say that we are comfortable with that because I've been on the Commission for five years. You can tell when a program is in trouble. I mean, you think at their self
study they are losing faculty. They were suppose to move to a new building. It hasn't happened for X number of years.

MS. KLONOFF: They are doubling up on something.

MS. ILLFELDER-KAYE: Yeah, there are a lot of indicators. They are not taking interns this year because their budget was in trouble. There are a lot of indicators that tell you when a program is in trouble. Then sometimes we will do special site visits when we think something is awry here. We have a lot of indicators that are quality indicators that tell you that there are resource issues.

MS. KLONOFF: And if I could, for the doctoral programs on a year-to-year basis we get a report of number of faculty and number of students. We actually compute changes on overtime year to year. All of a sudden you had four faculty and 20 students and the next year you had one faculty and 40 students, we would know that right away
because we monitor that on a year-to-year basis.

Again, like Joyce, I'm comfortable that looking at time to completion there are a million variables that we look at as part of a regular ongoing review on a year-to-year basis that would provide us with the data that we would need that actually are more meaningful than looking at a spreadsheet.

MS. ZLOTLOW: In fact, our standard for resources really discusses does the program have enough resources to get from what it says its curriculum is to showing us that students who graduate from that program are competent in the areas that are in the standards and that are consistent with the program's model.

When those things don't match, when there is high attrition, low graduation, students aren't becoming licensed or other goals of the program, that is an issue for us.

If resources are involved, we look
at that but it's the broader issue of is the program delivering the kind of education and training it is saying it delivers and that is what we monitor on a regular basis whether it be through the self-study process or through our annual monitoring.

MS. STUDLEY: Thank you.

CHAIR STAPLES: Frank.

MR. WU: I have two questions for us as a body. The first is a follow up on this issue of psychology departments and programs typically not having their own stand-alone budgets. It seems as if the APA would not refuse to recognize such a program, nor would it strip a program if it didn't have a separate budget.

That presents to us the issue of how much leeway do we have. If the way that our rules are set up are focused on institutions that, indeed, have budgets, and I can't believe a college that wouldn't have a budget but I could understand a department or
program not having a discrete budget, how much
leeway do we have if APA just can't do it?

It's not that they don't want to. They could satisfy the sort of over-arching
goals that we have but because the programs they are looking at don't have separate
budgets, if we insist that they insist those programs have separate budgets, we'll be at a
standoff. It's not a rhetorical question, just an actual question. Do we have any
leeway here?

CHAIR STAPLES: Does anybody have anymore questions for the agency or for Joyce?
If not, I think we can proceed to a motion and then we can discuss your questions in
light of the motion.

MR. WU: Sure.

CHAIR STAPLES: If there are no more questions, why don't we ask you to step back and thank you very much.

Do we have a motion?

MR. ROTHKOPF: I'm going to make a
motion but I want to make clear that I think that I agree with the APA people here and I look at, and this is preliminary to my motion, 602.19 which is, I think, the basis for saying they've got to have a separate financial statement.

It says they have to explain the compliance with standards that takes into account institutional program strengths. Must include periodic reports, collection and analysis of key data and indicators including but not limited to fiscal information, measures of student achievement consistent with the provisions of 602.16(f).

I think -- I don't know if there is anything in here, at least I'm going to express a horseback opinion, that it requires that there be a financial statement for a psychology program at a particular institution. I think there is a lot of other information that can be collected.

I would move that NACIQI recommend
that the requested renewal of recognition be
granted for a period of five years and that a
compliance report be submitted within 12
months but there be further consideration by
the staff as to whether or not separate
financial information is required for that
department.

CHAIR STAPLES: Okay. There is a
motion. Was there a second to that, first?
Moved and seconded.

MS. STUDLEY: Second.

CHAIR STAPLES: Do you have
questions about that? I guess I want to
understand just procedurally we are providing
five-year recognition regardless of the
deficiencies that have been noted. What would
the mechanism -- what do you anticipate a
mechanisms if the deficiencies are not
corrected?

MR. ROTHKOPF: They've got to come
back. They have to come back and report on
their compliance with those items which they
are not in compliance on. The one wrinkle in there is that I'm saying, or at least suggesting, that there be further consideration as to whether the item on financial reports be part of that compliance or whether or not they are not already in compliance.

CHAIR STAPLES: Perhaps I could just ask the staff. It sounds like we would be extending their recognition for five years without them being fully in compliance. Is that an issue or am I misunderstanding that?

MS. WANNER: That's not an option under the regulations. Our regulations are either you are in compliance and we grant you one, two, three, four, or five, or we say you're not in compliance, you write us a report.

You come back in however long the Committee suggest up to -- or the Senior Department Official decides up to 12 months. Then if at that point they establish
compliance, then they can be granted a period of recognition up to five years minus the time of the continuation.

If you can conclude that your recommendation is that the agency be out of compliance at this time, you would be recommending a continuation and not a renewal.

I would also mention that although the staff cited the agency under monitoring, by statute and regulation each agency has to have standards that go to the fiscal and administrative capacity as appropriate to the specified scale of operation.

That is not something that we can completely ignore. I don't think that the staff in their analysis has required a specific financial statement on the program.

In addition, the agency apparently in its response said that their standards or procedures say programs must be represented in the sponsoring institution's budget and plans in a manner designed to
enable the program to achieve its goals and
objective in a stable manner over time.

CHAIR STAPLES: So the motion as
worded sounds like it may be problematic.

MR. ROTHKOPF: I'm suggesting that
-- my motion is that they be continued
recognition, that they need to file a
compliance report within 12 months. I'm not
saying they are out of compliance.

I'm saying they must file within
12 months but I am raising a question as to
whether or not the staff report is correct on
the item as to the financial information. I
think that ought to be reviewed more closely
to see whether -- discussed with the agency
during this next 12 months or whatever the
period is.

CHAIR STAPLES: Karen, did you get
the motion? You have it? Okay.

There's a motion on the floor.
Larry, did you want to comment?

MS. WILLIAMS: No.
CHAIR STAPLES: Frank.

MR. WU: So the second question I had I'll turn into more of a comment. It seems to me from the tenor of the conversation here we are interested in making a distinction between on the one hand an agency that is out of compliance where that is serious. You know, real major problems.

Then on the other hand an agency that is out of compliance but it's stuff that on the face of it looks relatively easy to fix and the agency appears to be proceeding in good faith. We want to do something that signals to the world because we're not operating in a vacuum.

Lots of people watch this. My sense is we don't want the chronicle of higher ed reporting APA about to lose its status, you know. We want to have some intermediate option here. If it isn't exactly how the motion is framed, perhaps there is some other way, formally or informally, to signal that in
this case we don't expect that this is some
terrible virtually insurmountable set of
problems.

We expect this to proceed along
pretty smoothly if they have a little bit of
time and now that they understand. That
is what I understand the tenor of this motion
to be which I support, although I understand
from the staff technically we can't do that.

I wonder is there some other way
that technically is there work around here
that allows us to distinguish between out of
compliance and really out of compliance.

CHAIR STAPLES: I think the motion
is identical to what the staff recommends
which is that the staff recommendation is
continue the recognition and require the
agency to come into compliance within 12
months and submit a compliance report that
demonstrates their compliance.

That's the motion. The only other
wrinkle is I would urge that the staff and the
agency have a further discussion as to the financial requirement.

PARTICIPANT: But that could be outside the motion.

CHAIR STAPLES: Let me just clarify because I don't think what you said earlier is what you just said. I mean, there is a difference between continuing for 12 months. That is not a renewal of five years. Your original motion as up there says you are giving them a five-year renewal.

I think if you're suggesting that you want to continue for 12 months, then we are deferring a renewal decision for 12 months. If that's how you want to make the motion, that's fine but I want to make sure that is not the same as what we have up there.

MS. LEWIS: It is now but that wasn't the original motion.

CHAIR STAPLES: You put up this motion regardless of what he said earlier. Okay. That's okay but do you understand?
MR. ROTHKOPF: I understand all that. I'm sort of picking up on Frank's point. I don't want the word to go out that the APA which, in my view, seems to do a very conscientious job of looking at their program, is somehow on some probation for the next year. They are really not I don't think. I think we're saying they've got to come into compliance, meet these rules during the core and, you know, come into compliance within the year.

CHAIR STAPLES: I think further, too, if I'm not mistaken, at the end of the 12 months with all the information, we could make a judgment that we find them in compliance based on what they provided regardless of the staff recommendation.

The staff may say we still think that we need an audited financial statement and we could decide at that time we don't think you do. We find them in compliance and that's our recommendation. I think the
discussion is giving guidance to the staff. We are still able to make that judgment in 12 months.

Jamie, you had a question.

MS. STUDLEY: It's a comment on Frank's comment. I think that the motion before us follows the same standard that the staff have told me is their standard which is can the agency reasonably accomplish these final steps, the additional steps within the 12-month period.

We are nowhere near the virtually uncertain, horrible or whatever you're afraid of, at the far end of the spectrum of anxiety since we're talking about the psychologists. I wouldn't vote for an institution where I thought that were the case.

Where we draw that line or how we tell the difference I think we may have other opportunities not doing it in the context of the APA which might signal that concern about them.
That is an important line to draw but I think this is not one that raises that because we have done -- NACIQI has been asking that question and has been approving for continuation agencies where we thought they were that close to the mark. I think we will come back to your good question about what is the tipping point between renewal and not good enough or what other options that we might have.

CHAIR STAPLES: Yes, Frank.

MR. WU: One follow up. My only concern is that we are consistent. Whatever we do here we shouldn't change our mind six months from now. Perhaps we should be thinking about how do we draw this line between, well, there are some things but they'll fix it, versus we are really worried.

Is it that we just make comments and people infer from the tenor of our comments or is there some formal way to frame the motion, as Art has tried to do, that
captures that. I don't know the answer so I pose the question.

CHAIR STAPLES: I think those are good questions. They may not be resolved right now but I think those are good questions. The question also is what flexibility we have under the regulations. I mean, whether we can continue or grant renewal when there are technical flaws that cause them to be out of compliance. It sounds like there is a fair amount of rigidity to that.

Bill, did you have your hand up? Or Larry?

MR. PEPICELLO: Yeah, I just wanted to follow up also because I think for consistency sake what we would do is have a recommendation such as this because at this point all of the recommendations are the same regardless of what the severity might be of the issues.

But I think it's important to say if we're really concerned, I don't think I
would be really concerned until the compliance report came back because we might be concerned but it might be something that is fixed quite easily by the agency as opposed to them coming back in a year and saying, "Wow, you know what? We can't do this. We can't come into compliance."

UNIDENTIFIED MEMBER: And that is exactly why I asked the question early on did the agency feel any difficulty in reaching compliance. Generally they said no, they didn't, they could make it. There were these other matters that might be problematic but that didn't mean that they couldn't.

I just think we're carrying on a little too long here frankly. I think we should be okay with this. We may have some questions when the compliance report comes in. The people from the agency have said there is not going to be any problem so we're there it seems like to me.

CHAIR STAPLES: I think for what
value it has it may be giving a sense of what our interests are when we see the report in 12 months in the sense that to the extent the staff hears what we are talking about I think it's relevant to what we might get back in 12 months and that is probably useful.

Anne.

MS. NEAL: If I may add to the confusion. It seems to me what Arthur is saying here is that one of the disputed areas which is the accreditor's right to be looking into the finances of the departments is somewhat debatable.

Because of that he is willing to conclude that they are constructively in compliance and, therefore, willing to suggest that they are entitled to something more than a 12-month extension.

I think that is a very legitimate question because it does seem to me in their role in guarantors of educational quality is their demanding financial data that is
probably not available and not necessarily relevant in terms of the departments essential to their role as accrediting bodies.

I guess I am wondering when we get to this situation where the nit picking gets to the point of just paper passing. Is there ever a point where we just say, "Yes, this is acceptable." Could we do it for three years? Would that make people happier?

Then, alternatively, what we did last time allow people to come back in sometimes shorter than 12 months in order to get their process moving along more rapidly.

MR. VANDERHOEF: Just one final comment. I'm sorry, Cam.

CHAIR STAPLES: Go ahead.

MR. VANDERHOEF: I couldn't agree with you more but I think our attorney said that under our current circumstances impossible. I would like it to be but I think what we heard is we can't do that.

CHAIR STAPLES: I think we can
allow them to come back sooner. I think the 
motions do allow them to come back sooner. 
Logistically whether they can get on our 
December agenda may be a different question.

MR. VANDERHOEF: They can come 
back sooner but we cannot right now say we 
think everything is going to turn on the case 
so we are going to give you the five years.

CHAIR STAPLES: That's right.

In order to try to stay on 
 somewhat of our schedule, although we are a 
 little behind, if there is no further 
discussion of significance --

Go right ahead if you want to.

MR. SHIMELES: I had a question 
 procedurally. When we continue the 
 recognition for 12 months and request that 
they come back to submit a compliance report, 
this is not probation. That is not the way I 
understood it. It is a pretty standard 
procedure. I'm sort of responding to what 
Arthur is saying. Okay, that was my question.
I was just making sure because, in my opinion, I mean, they are not going to have any issue coming into compliance within 12 months or less.

CHAIR STAPLES: And, in fact, many -- correct me if I'm wrong. Many of the groups coming before us have had continued recognition for quite a long time because NACIQI hasn't been meeting. We are catching up still with groups that have been continued for years beyond the traditional cycle. I don't think this is going to impact them in anyway.

MR. SHIMELES: Another question I had was with respect to allowing accrediting bodies to come before the 12 months, when we say that they are going to come back in 12 months to submit a compliance report, it's 12 months or less. Correct? So if we put specific language in that says --

CHAIR STAPLES: Within a 12-months period.
MR. SHIMELES: Yeah, within a 12-month period. I mean, this isn't to denigrate what is being said but is there any point to making a motion that would say come back in six months? Don't we want to give these accrediting bodies the amount of time necessary? If they see fit that they can come in in six months, like they can, right?

CHAIR STAPLES: This permits them the discretion, I think, which is a matter of scheduling with the Department whether we could have it on our December agenda.

MR. SHIMELES: Okay, great. Thank you.

CHAIR STAPLES: So we have the motion before us. Any further discussion about the motion? The last time I did a voice vote and I was asked this time to do -- it's up on the board -- to do it by show of hands.

MR. LEWIS: Would you read the motion? Will someone read it?

CHAIR STAPLES: Will somebody with
good eyes read the motion?

MS. LEWIS: I would be happy to read it.

CHAIR STAPLES: Melissa, go right ahead.

MS. LEWIS: I move that the NACIQI recommend that APA's 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 should 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.

CHAIR STAPLES: Any questions or comments? If not, all in favor of the motion please raise your hand. Any opposed? The motion carries.

We'll now take -- let's make it a 10-minute break. Does that sound reasonable?
We're a little behind schedule.

MS. LEWIS: That would be fine. I have one point, please.

CHAIR STAPLES: Go ahead.

MS. LEWIS: If the members would please pay Jamie for their lunch.

CHAIR STAPLES: We'll see you back in 10 minutes.

(Whereupon, at 10:39 a.m. off the record until 11:01 a.m.)

CHAIR STAPLES: Welcome back. We are slightly behind schedule but we will certainly make the time that we need to make for each of these reviews.

At this time we are going to take up the Accrediting Council for Independent Colleges and Schools.

Accrediting Council for Independent Colleges and Schools

MR. PEPICELLO: Thank you. This is a petition for continued recognition and a change in scope.
The current scope of recognition is accreditation of private and post-secondary institutions offering certificates for diplomas and post-secondary institutions offering associate, bachelor's, or master's degrees in programs designed to educate students for professional, technical, or occupational careers including those that offer those programs via distance education.

The requested scope, the request is to extend that scope to professional doctoral degrees. Otherwise keeping the scope the same but going to the doctoral level.

ACICS accreditation is a required element for its accredited institutions to apply for eligibility to participate in federal student financial assistance programs. Over 850 ACICS accredited institutions are currently participating in Title IV programs.

The Secretary of Education first recognized ACICS in 1956 under the agency's former name the Accrediting Commission for
Business Schools. In 1985 the agency requested an expansion of scope to include its accreditation of master degree programs in senior colleges of business which was subsequently granted by the Secretary.

The last full review of ACICS took place in June of 2006 at the NACIQI meeting. After that review the Secretary renewed the agency's recognition for five years and granted the agency's request for an expansion of scope of recognition to include its accreditation of institutions that offer programs via distance education.

In conjunction with the current review the Department staff conducted an observation of the agency's Intermediate Review Committee held in Washington, D.C. in November of 2010. In addition, Department staff conducted an observation of the NACICS site visit to Straford University's campus in Woodbridge, Virginia, in February of 2011.

As I mentioned, in addition to the
continuation the agency is requesting an expansion of scope to include professional doctoral degrees that will be discussed in the staff analysis.

With that I will turn it over to Steve.

CHAIR STAPLES: Good morning, Steve.

MR. PORCELLI: Good morning. I am Steve Porcelli of the Department's Accreditation staff and the staff recommendation to the Senior Department Official regarding the Accrediting Council for Independent Colleges and Schools, or ACICS, is to continue the current recognition of the agency and to require compliance report in 12 months on the issues identified in the staff report.

This recommendation is based on our review of the agency's petition, supporting documentation, and observation of an ACICS on-site evaluation visit. Our review
of the agency's petition found that the agency is substantially in compliance with the criteria for recognition. However, there are a number of issues that the agency needs to address.

In summary, ACICS needs to document the comparability of its doctoral standards and its experience in accrediting programs for which it is seeking an expansion of scope. Until it does so, Department staff is not prepared to recommend the requested expansion.

The agency needs to have adequate representation of both academic and administrative personnel on all its entities. The agency needs to ensure that all its commissioners can access all the institutional files before it makes its decisions.

ACICS needs to evaluate and provide each institution with a detailed written report assessing student achievement while taking program level outcomes into
account, and to continue monitoring student achievement under its new monitoring process.

The agency needs to clarify the point at which an institution may be in noncompliance with a threshold and to ensure compliance within the mandated time frames.

ACICS needs to demonstrate that its regular systematic review process effectively involves all relevant constituencies as appropriate and that they remain involved throughout the standards change process. ACICS needs to define when substantive changes would require a new evaluation visit.

Finally, the agency needs to document its evaluation of teach-out agreements to clarify its new process elements and to provide examples of the required adverse action summary statements.

In closing, we believe that these issues will not place its institutions and students with the financial aid that they
receive at risk and that the agency can resolve the concerns we have identified and demonstrate its compliance in a written report in one year's time.

Therefore, as stated earlier, we are recommending that the Senior Department Official continue the agency's current recognition and require a compliance report in 12 months on the identified issues. Thank you.

CHAIR STAPLES: Thank you. Are there any questions for Steve at this time?

Jamie.

MS. STUDLEY: I appreciate that and I appreciate you articulating the standard about whether this places the institution or students at risk and whether the agency can comply within 12 months.

I actually just want to signal that I'll have some questions later and maybe want to ask Steve about them because I think this is a complicated one. Thank you.
CHAIR STAPLES: Thank you. Yes, certainly Steve is available after the agency makes its presentation as well for further questions.

Any other questions? Seeing none, could the agency representatives please come forward.

Good morning. Please proceed.

MR. GRAY: Good morning, Mr. Chair and members of the Committee. My name is Dr. Albert Gray and I'm the Executive Director and the Chief Executive Officer of ACICS, the Accrediting Council for Independent Colleges and Schools, which is based here in Washington, D.C.

With me today are Dr. Gary Carlson, Chair of our council on my left. To his left Mr. Roger Swartzwelder who is the Chair-Elect and will be Chair in 2012. And our Deputy Executive Director Dr. Thomas Wickenden on my right.

I appreciate the opportunity to
visit with you about the value we provide, not only to the federal government as a gatekeeper for student financial aid but as a quality assurance guardian for more than 800,000 students in 46 states enrolled in one of the 870 career colleges and schools that we accredit.

I've been the Executive Director of ACICS for a little more than two years and have significant experience both in education and non-education accreditation as well as in association management, nonprofit management.

It has given me great satisfaction personally to see the effective application of quality standards and expectations through the ACICS accreditation program for the education of students enrolled in these schools. I come before you proudly to defend the record and urge you to continue our agency's recommendation for another five years.

ACS, by the way, will mark our 100th year anniversary in 2012. We were
founded as a voluntary quality assurance and trade association for business schools in 1912, have grown and evolved a lot since then. ACICS has been continuously recognized by the Department since 1956.

The application for recognition before you today represents a series of extensive conversations, correspondence, and dialogue with the Department regarding the expectations and requirements for ongoing authority as a quality assurance agency.

In general we have found the conversations to be very helpful, respectful, very informative. We do thank the Department staff for their recommendation for continued recognition.

We fully intend to respond to each of the requests for additional information and directions contained in the staff report. However, for the record, we would like to take exception to a few of these items that were cited by the Department staff in their report.
First, the expansion of scope to include the applied doctoral degrees which is 602.12(b). ACICS has worked diligently during the past six years to establish pilot projects that six institutions for several degree programs that clearly demonstrate our capacity to accredit doctoral level programs offered in career institutions and universities.

Those programs cover the range of applied professional doctoral degree programs that we seek to include in our scope from first professional degrees like the Doctorate of Pharmacy degree, to advanced practice professional degrees like the Doctorate of Business Management and Doctorate of Computer Engineering.

Under the quality assurance authority of ACICS students have been successfully graduating from those programs and gaining employment in those fields for several years. As the staff report notes, and to our knowledge as well, there have been no
complaints to the Department or state regulatory authorities regarding the quality or integrity of those doctoral programs.

In addition, the knowledge and expertise gained from these pilot accreditation projects informed a series of refinements and enhancements to the ACICS standards, as well as to our procedures and operating policies, all of which have been provided in great detail to the Department.

Since we have explicitly excluded the Ph.D. degree and the MD degrees, and at the request of the Department we have limited our request for accreditation for professional doctorate degrees in several specific areas where we have demonstrated experience and capacity, we believe we meet the Department's requirements concerning the range of degrees.

Those areas reflect a growing demand for the accreditation of these degrees among our member institutions. We know that because we have asked them.
Since ACICS clearly meets or exceeds the Secretary's expectations that the agency "must demonstrate that it has gained accreditation covering a range of the specific degrees for which it seeks expansion of scope" we respectfully request consideration for the inclusion of professional doctoral degrees ranging from first professional degree to advanced practice professional degree within our scope of accreditation. We ask that NACIQI include the requested expansion of scope in the recognition letter without condition.

Secondary we would like to highlight our exception to staff report is in the area of academic and administrative representation on site visit teams, policy making and decision making bodies, which is Section 602.15(a)(3). I'll say it this way.

Without exception and in complete transparency ACICS utilizes an appropriate and compliant mix of professional, administrative,
and academic expertise every time we send full accreditation teams into the field, every time we convene council-made policy or accreditation decisions, and every time council decision are appealed to the ACICS review board.

So we take acceptance judgments in the staff report regarding the proportion of academic and administrative personnel primarily because the report fails to acknowledge that for many of the small and medium-sized institutions that we accredit, a bright-line between faulty and administrative is not reflective of reality. Many of our campus directors come from faculty rings and continue teaching while they attend to administrative obligations.

Likewise, many of our accreditation evaluators, our commissioners and other new board members, have extensive experience both as faculty and as managers of the enterprise. In addition, the status of
being a public representative or member representative is not mutually exclusive with being either a faculty member or a administrator.

Therefore, there should be no reason why a public representative cannot also be a representative of the faculty or of the administration or why the same does not hold true for a member representative. So we are asking that NACIQI remove from the condition attached to Section 602.15 in its recommendation for recognition of ACICS.

Finally, the third issue we would like to call to your attention deals with accreditation standards at the institution or program level which is 602.16. Through its history as a recognized authority on institutional quality and integrity, ACICS has consistently developed and applied standards regarding student learning outcomes.

ACICS' student retention and placement thresholds are transparent, bright-
line institution level standards by which we hold all of our colleges and schools accountable on an annual basis. ACICS's standards and well-documented practices regarding student learning outcomes at the institutional level are explicit.

Every institution every year with no exceptions always verified. In the past the Department has deemed these standards and practices to be in compliance.

For the record, although we believe a clear reading of the Department's regulations does not require the type of program level standards that were cited in the staff report for institution accreditors of which we are one, ACICS has become developing program level student learning expectations and benchmarks.

We fully intend to codify these expectations as written standards and demonstrate ACICS' capacity to review and evaluate program level accreditation.
In conclusion, ACICS is prepared and eager to address the residual findings by the staff and to demonstrate full compliance in the report that we will provide within the next 12 months.

I would now like to turn it over to my colleague and our Chair Dr. Gary Carlson.

DR. CARLSON: Good morning. My name is Gary Carlson and I am the Chair of the Accrediting Council for Independent Colleges and Schools for 2011. I have served on the ACICS Council Board for six years but my tenure with the organization goes back much further.

I began serving as a peer evaluator for ACICS in 1990. During the course of 21 years I have participated in many site visits and accreditation reviews including as Program Specialist, Education Specialist, Student Service Reviewer, and Team Chair.
The organization has earned a reputation as being meticulous, perceptive, and fair in its application of standards. I can personally attest that the reputation is based on performance and experience yielded from hundreds of effective accreditation reviews.

My path to Chair of ACICS began a long time ago. It has been over 42 years I have been working in this field. Through that field I have been a adjunct faculty member at Creighton University in Nebraska, as well as ongoing instruction and academic duties at ITT Technical Institutes. An online instructor and continue to be an online instructor.

I also in the previous 21 years was a special educator. I have a bachelor's degree in secondary education, a master's degree in special education. Then I have a doctorate in administration, curriculum, and instruction.

Throughout my tenure at ACICS,
like many of my colleagues, I have kept my feet on both of the administrative and academic worlds. I was a teacher first and I have always been a teacher. I will continue to provide instruction to adult learners for the rest of my professional life.

That connection to the academic site or the institution is applied regularly as a peer evaluator, a member of the ACICS council, and in the formation of policy that applies to career colleges and schools.

The relationship between administrative and academic is organic, robust, integrated, and it represents strength and adaptability in my case and the case of most of the professionals at ACICS enlisted to conduct site visits, review school files, and shape policy.

I would like to reiterate that as the Chair of ACICS I ask that NACIQI specifically remove the condition related to the agency's administrative matters. The
requested expansion of scope to include the accreditation of applied and professional
doctorate is granted.

Those decisions will align with the Secretary's regulations as well as with the evidence and information provided to the Department through the extension transparent process that reflect the best interest of students served by ACICS accredited institutions as well. Thank you.

CHAIR STAPLES: Thank you very much.

Steve, did you want an opportunity to respond? I think you are next to respond to the agency's presentation. Well, I mean, that was your presentation, correct? I guess the question is would you prefer to go before the questions of the members of the Committee or do you want to wait for questions?

Can we have questions for the agency representatives? Bill, do you have any questions or anybody else?
MR. PEPICELLO: I don't have any further at this time.

CHAIR STAPLES: Anybody have any questions at this time?

Jamie.

MS. STUDLEY: I thought this particular proposed extension raised some more complicated questions. It goes back to what Frank asked earlier, in my mind, about the appropriateness of extensions or when we see more serious concerns. I thought there were some here that went to the substance of the really important role of accreditors.

I would be interested in part in knowing what the staff thinks are the most serious substantive issues. The one that struck me as critical was the evaluation of student achievement on a program as well as institutional level, the tracking of licensure with respect to program, and the ability to, if I'm reading the report as intended by the staff, to report back to the institution about
those student outcome measures.

The heart of the accreditation process is being able to make judgments about the learning expectations, the goals for the program and the institution and student achievement, and the back and forth between the accrediting agency and the institution.

I would be interested in hearing, I guess, first from the agency. You didn't mention those particular areas that were flagged by the staff and were part of the twelve-month completion. Yet, that to me are quite important ones so I would be interested in your response to the staff view that you are not there yet, that there is work to be done in regard to those standards. Why don't we start there.

MR. GRAY: I'll start and then ask my colleagues to also speak to this. One of the three issues that I raised that we took exception to in the staff report, No. 3 was accreditation standards at the institutional
or program level.

We have, as been mentioned here, been continuously recognized by the Department every five years since 1956 as an institutional accreditor. Our understanding of the regulations as well as the Department's administration of the regulations concerning institutional accreditors has always been and still is, as we read it, institutional accreditors are responsible for holding our institutions to student outcomes which we think are the most important part of any quality assurance program at the institutional level.

We certainly in that context evaluate programs. Obviously when we accredit an institution we accredit it to provide educational programs specifically within its scope of accreditation. We are looking at programs, at their efficacy in providing education, at their quality assurance, but we are not reporting their outcomes because as an
institutional accreditor that has not been
required of us, nor have we been advised to do
so.

However, in the last year or so
our commission has been looking at that. As I
mentioned in my testimony, they have made the
decision to start to put together a mechanism
for tracking student outcomes at the program
level and recording those.

They are expected to come out with
something in the next few months to do that at
which time we'll advise the Department of
where we are on that. We will have an
explicit monitoring mechanism and approach in
place before this 12-month interim period is
up if we still feel that it is not really an
appropriate reflection of our compliance with
the Department's regulations regarding our
recognition as an accreditor.

MR. SWARTZWELDER: Good morning.
Let me just add on to what Al said. We heard
during the discussion this morning that there
is a renewed focus, a new level of, I think
the word used was, granularity in documented
compliance with these standards.

As Al mentioned, as an
institutional accreditor we have been
collecting institutional level data for a
number of years in making decisions based on
those data without focusing at any great
detail at the individual program level bases.

It is clear from the discussion
this morning from the staff analysis from a
review of the regulations that perhaps there
is a renewed requirement to focus at that
lower more detailed program level basis. As
Al mentioned, the council has been talking
about this now for several months and is in
the process of developing standards.

It does require a change in the
way we go about our business and how we
evaluated institutions and how we make
decisions based on the data that we collect
but we are certainly committed to following
through with development of that process so that we can demonstrate full compliance.

MS. STUDLEY: Could you tell us how you reached the institutional criteria of 60 percent retention and 65 percent placement rate as the key measures?

MR. WICKENDEN: I'm Tom Wickenden, Deputy Executive Director. I'm responsible in part for accountability reporting.

I can tell you the history of that was that ACICS took a very standard statistical approach initially where you look at the average or mean of your institutions and you drop down one standard deviation which is a measure of the dispersion and you set your threshold at that level so that you're putting on reporting so to speak, or setting your threshold so that approximately five to 10 percent of your institutions would fall below that level.

Then as those institutions begin to improve and come up above, you can then
ratchet that level up a bit.

After doing that for a few years, our commissioners decided that rather than have this moving target they would establish an absolute percentage level. At that point they took what they felt was a satisfactory minimum threshold of 60 percent for retention and 65 percent for placement.

Our current averages are in the 70s for both of those but we still do each year have institutions that fall below those. We put them on reporting and also apply other sanctions to them.

MS. STUDLEY: One of the staff's comments is that licensure is not used as one of the institutional criteria. Are there licensure measures applicable to some of the programs within institutions that you accredit?

MR. WICKENDEL: Yes, ma'am. A number of our institutions have a number of programs where a licensure is required for
entry level employment so they do require --
we require them to collect that information
and report it.

But as with a number of other
requirements that we have, we analyze
licensure pass rates on a qualitative basis.
For example, we also require institutions to
survey their graduates and ask them how
satisfied they were with their preparation for
their career.

We also require them to survey the
employers of those graduates so we take into
account not only pass rates but also
satisfaction levels of the students and the
graduates.

We also require them to report
learning outcomes such as faculty graded
externships and internships, senior projects,
portfolio, graded portfolios, etc., and take
those also into account. We actually report
to the institution on each program the results
of that kind of qualitative analysis of all
those metrics.

For example, we have a question about asking our evaluators to judge whether the program meets the needs of the students. If it doesn't, they have to specify in what areas and what the evidence was. Even though we don't have a bright-line quantitative criteria for licensure pass rates, we included with a number of other criteria in a qualitative analysis.

MR. GRAY: And I would add to that we do look at licensure because in some cases licensure is required, as Tom mentioned, as required for employment in a field. But setting acceptable pass rates is a very problematical exercise.

For example, I'm a licensed engineer in five states. The pass rates for engineers, graduate engineers, for the licensing exam in the 50 states is different drastically in every state. It varies all over the map.
If we were to try to take an institutional approach looking at a particular program and say what is a good or acceptable licensure pass rate without taking into context the variabilities across the geographical area, as well as the different types of licensure, it becomes a very difficult thing to do.

It's a whole different world than setting a standard for placement or retention. We do track it and we understand the importance of it. In fact, we also require that if licensure is a requirement for employment in a particular program, that the school must disclose to the student that that is part of the requirement for that program.

MS. STUDLEY: You went just where I was going to go. In terms of the requirements for what is disclosed to students, do you expect institutions to share the retention and placement and licensure rates as part of the consumer information side
of the accreditation standards?

MR. WICKENDEN: As was mentioned earlier, placement rates are required as of July 1 to be reported and disclosed to students. Regarding the other measures, a number of our institutions do disclose those because they are proud of them and they use them for recruiting purposes. When they do we check to validate that they are actually based on the data that we've collected and analyzed.

MS. STUDLEY: I would like to see if other people have questions. I do have a couple more but I don't want to -- I would like to see how other people --

CHAIR STAPLES: Earl.

MR. LEWIS: I have a question that comes actually out of the report and I'll quote it. It says here, "Department staff find the ACICS expansion of scope to be so broad that it cannot be justified based on the agency's total experience which is the accreditation of three doctoral programs to
I would ask a question on your own organization and administrative apparatus and the fiscal sort of elements to underwrite that. How do you respond to the statement that was in the report? Do you have the administrative apparatus, the fiscal capability, and the experience to actually increase the scope to include a broad range of doctoral programs?

MR. GRAY: We do. The senior staff that are involved with managing our accreditation programs hold doctorates of different types. We, as mentioned, piloted over six years three different types of applied doctoral programs that represent the range of applied doctoral programs.

Keep in mind, we're not talking about academic or research doctorates. We're talking about doctorates that apply to employment in a specific field. The three areas that we piloted are representative of
that range. Furthermore, when we looked at our criteria, we formed a committee.

Many of our members are whole doctors in those areas that we are proposing to accredit. We put a committee together and they looked at our criteria in light of their experience and their own employment in academia and made recommendations.

We also hired an outside consultant who is an expert in higher education at the advanced level to critique our approach, our criteria, and our policies. We put all of that together in developing the set of revised criteria.

What the staff is seeing are not the criteria that we went through the pilot program and from which we successfully graduated a number of students, but improved a more advanced criteria based on the input from all of these resources. When I look at those, as I said, you're looking at -- we all have experience and haven't gone through doctoral
programs.

The criteria, the credit requirements, the specific faculty requirements that are set forth meet the standard of any doctoral program that I know of. I think we do have those standards in place as we sit.

CHAIR STAPLES: Thank you. Anne.

MS. NEAL: I would like to pursue just a little bit further the issue regarding the programmed success rate and student achievement. It's my understanding that when a regional accreditor accredits an institution it is institutional accreditation and in no way certifies the quality of particular programs within the institution. It simply is an institutional accreditation.

As I hear you saying, that is in fact what you're doing but now you are being asked to look at programs in addition. Could you just explain and help me understand that a
bit more.

MR. GRAY: I'll be brief and start out on that and let some others fill in on that. We are an institutional accreditor. Every institution is an amalgam of educational programs. We are responsible, or have been responsible, for maintaining quality assurance at the institutional level in terms of student outcomes and at the program level in terms of program quality.

We're talking about things like the syllabi, the curriculum, the program adequacy, the faculty, preparation of faculty, all of the standards that go into creating a robust strong program. We have specialized experts that go out on site visits and verify that all of those elements of a program are satisfactory.

That is part of our scope of accreditation. We do have programmatic involvement but we're talking about our responsibility to report and monitor outcomes,
student achievement. Again, there is even some of that but I'm going to stop here and let time, and maybe Roger, and Gary fill in on that.

MR. WICKENDEN: Obviously for an institutional accreditor the programs offered by the institution are really the heart of the educational activities. As Dr. Gray said, we do analyze each program. Every evaluation report includes a separate report on each and every program. As I mentioned, we do a qualitative analysis of all the indicators of educational quality including licensure and pass rate where that's applicable.

The difference, however, I think that the Department is pointing to is that at the institutional level in addition we have some bright-line standards for retention and placement rates. They are asking why we don't have those same or apply those same standards down at the program level.

I think our answer is that it's
much better and more appropriate to have a qualitative approach at the program level because you have so many factors that are involved there including the size of the program and the stability of the metrics, etc. At the institutional level it makes more sense to have a actual bright-line standard, quantitative standard. Their expectation is that we develop those kinds of standards at the program level.

MR. SWARTZWELDER: And if I could just add to that. You know, as we look at the regulations, the actual regulatory language, if we start, for example, in 602.16(a) it talks about the agency having standards for accreditation that are sufficiently rigorous to ensure that the agency is a reliable authority regarding the quality of the education or training provided -- and here is the key language -- by the institutions or programs it accredits.

This agency does not accredit
programs. This agency accredits institutions and includes within that grant of accreditation to the institution the approval of individual programs. That is how this agency has operated historically. It is our understanding that has been the interpretation of this regulation historically.

I appears that we now have a new interpretation of what this language means. As we said earlier, if complying with the new interpretation of the regulations is something that we are expected to do we, of course, will do it but we respectfully suggest, as Tom and Al have said, that accreditation at the institutional level is, in fact, that. It is accreditation of the institutions with review and evaluation of the various components of that institution including the programs.

CHAIR STAPLES: Susan.

MS. PHILLIPS: I wanted to come back to clarify something about the scope relative to offering doctorate level programs.
You had mentioned that many of the commissioners and yourselves had been in doctorate programs. To what extent are there individuals who have designed, administered, worked in the programs, not as their consumers but as their creators in the commission?

MR. WICKENDEN: Yes. A number of us on the staff as well as on the commission have been involved in the administration, development, implementation of programs up through the doctoral level.

I would like to add, however, that in addition addressing the issue of capacity, in addition to commissioners we also, of course, will need to identify and develop and train a cadre of our evaluators who go out and do on-site visits to institutions offering all these programs.

In doing that, at least in our test phase, our pilot phase, we would proceed very cautiously. In other words, we wouldn't take on accreditation of a program until we
had a sufficient group of evaluators as well as members of our intermediate review committee and, of course, our commissioners.

One last comment. The set of degrees that we are proposing to approach does not include every professional doctoral degree. We have limited to four categories of degrees the ones that we are currently accrediting.

In addition, a number of our institutions offer master's degrees and they are proposing to offer doctorate degrees in those same areas so we currently accredit the master's degree level and we have a cadre of volunteer evaluators who we can build on and make sure we have the capacity.

Then another category is doctorates in fields where there might not be a masters yet but where there are related master degrees. For example, in the allied health fields in nursing.

We fully intend to proceed very
carefully. We have limited the specific
degrees to 13 in number so we feel that we are
covering the range as well as proceeding to
develop the capacity.

DR. CARLSON: And from a
commission perspective I just want to assure
you that from being a doctoral person that has
served on many dissertation committees and
many committees as an outsider and doing that
that we compose a committee that not only
represented the commission.

It was from outsiders also that
was on that group as a committee. As Al has
already said, we went very, very carefully
with that as we moved through and we did
approach it from a comparable standpoint.

The only knowledge that I have is
what I have already done for the other
committees that I've served on with other
universities that are mostly, quite honestly,
regionally accredited and worked with those
schools to move forward with where we are at
today.

MR. GRAY: And I would also add, I don't know if it's been stated but in terms of the schools that we accredit, over 80 percent, or approximately 80 percent, of schools that accredit are degree-granting institutions. Most of our evaluators, the academic evaluators, come out of teaching roles in those institutions.

Not surprisingly since they are degree granting many of them hold doctorates. When we look to the pool of our evaluators coming from those institutions in terms of building capacity to look at degree programs at that level, we have a pretty good resource pool to go to to build that capacity just by nature of the fact that the vast majority of our schools are granting degrees.

MS. PHILLIPS: Excuse me. Not doctoral degrees but --

MR. GRAY: No, no. Typically the faculty that -- Tom mentioned there are a lot
of master's programs that would be logical programs from which you would proceed to a doctorate, business being an example. Many of the faculty that teach in those master's programs hold doctoral degrees and they end up being evaluators of our programs.

MS. PHILLIPS: Just one last piece. You mentioned that you thought that a number of the commissioners and yourselves had been involved in the creation and administration and offering of doctoral programs. A small proportion, large proportion, all, half? What is your sense of that quantity?

DR. CARLSON: Well, one thing as chair, and I think as chair-elect and the past chair, the makeup of that particular committee basically was anybody that was on the commission at that time had to have a doctorate degree on that committee who had experience with actually getting a doctorate and serving on committees and that type of
thing.

I wasn't myself on that committee. Past commissioners that are now off that committee, I would say there was probably -- if you say 15 commissioners there's probably five of us that was on that committee. Then we did get outside people on the Committee, too.

Tom, do you remember about how many? I know Richard was one it. Gary Nears was on it.

MR. WICKENDEN: Just to elaborate, we have three official public representatives who are not associated with a member institution. Each of those have doctoral degrees and has been involved in a doctoral university or is currently teaching as part of a doctoral program. Some of our other commissioners also had in addition to currently being members, a number of institutions have worked at doctoral granting institutions.
MR. ROTHKOPF: Just a couple of questions. The history of your agency is that of business schools as I understand it. To what extent are they business schools now or what percentage do they represent of the total?

MR. GRAY: The majority of students enrolled in ACICS institutions are enrolled in allied health programs. Second to that would be business programs. We have a mix.

There are probably, I don't know, 12 or 15 lead programs right now at ACICS institutions but the top few would be the mix of allied health which includes nursing and a lot of other things, and various types of business programs and law enforcement programs are some of the top. Information technology would be another area.

MR. ROTHKOPF: On the question of student outcomes, I think you indicated that if an institution wanted to report it, you
would check for the accuracy. Did I understand that correctly?

MR. WICKENDEN: Yes, sir.

MR. ROTHKOPF: Have you considered or do you require all of your institutions to report on student outcomes? If not, why not?

MR. GRAY: All of our institutions are required to report student outcomes. We have an annual institutional report.

MR. ROTHKOPF: I mean report to the public, not report to you. If they are reporting to you are to what the student outcomes are, which you do require, have you considered requiring them to report to perspective and current students as to what the outcomes are?

MR. GRAY: Well, we considered that. As of this time the commission has not elected to make it a requirement for schools to make public disclosure of that information. I would say this, though, If you go to catalogs and other information from these
schools, you'll find most of them voluntarily do that because these outcomes are areas that they feel they are proud of.

As Tom said, the averages are actually not at all bright-lines. They are closer to low 70 to mid 70 percentage ranges. They have been voluntarily disclosing that information. I'm not saying that in the future that wouldn't be a consideration.

MR. WICKENDEN: Also, I should note that ACICS does disclose a lot of these outcome measures in our key operating statistics report. It's a published report that is also available on our website. We summarize them by state so students in a state can look at the average placement rate, for example, retention rate, etc., and they can go to a school and say, "How do you compare to the average for your state?"

MR. ROTHKOPF: If it's recorded by state, I'm not sure I understand. Why wouldn't you require them to actually report
them by school? Why not?

MR. GRAY: It's just something that the council can consider and we'll go back to the council with your thoughts on that. There's no real why not at this point unless one of you guys know something.

DR. CARLSON: My response, and I can hear you loud and clearly, that being around a long, long time, I mean, we are always in transition and there is always -- we make adjustments as we go forward. I've been in this since 1990, as I explained, in the proprietary side.

Since I've been here we've been reporting placement and retention for a long, long time. There is a new community, more than just students. It's your own community where your school is at. Schools in the past for those years have not reported that but I think we got a new era and the era is the accountability era and that accountability.

I as a commissioner believe that
in the future, and I think something that we are not just considering but looking at very closely, is how we do that professionally and do it right.

CHAIR STAPLES: I would like to follow up with one question around the doctoral comparability, doctoral standards. You said you had done some analysis of that. As you know, the staff analysis that they presented says that there was nothing that was provided by you.

I guess my question is is this a timing issue again that we've had, that we had a prior discussion, or in the sense are you planning on providing this information or is there some reason why you haven't provided the information regarding what the comparability committee found, what the areas of improvement were, which I gather the Committee found there should be some strengthening of that, what your process was.

I mean, it sounds like the
Department -- you told the Department the result of your committee's deliberation but you didn't tell them what you did, how you did it, what the recommendations were, how you are implementing those which would certainly strengthen their view of what it is that your process was. I guess I'm just wondering why that hasn't been provided.

MR. WICKENDEN: In this back and forth process of our petition and the staff response we initially did provide information about what we did, how we did it, and the results of it. It was only in the very last request or response from the Department that they said, "We want to actually see a crosswalk of comparability for all the standards."

They did raise some specific issues regarding comparability and we address those. For example, they raised an issue of faculty preparation and asked what were our requirements and we said like all other
accreditors for doctoral programs we require
department to have a doctoral or terminal degree.

We actually in our criteria said
that a professional certification in the field
is not the equivalent of or adequate in place
of a doctorate degree. Then they came back
and asked, "Well, why aren't you requiring
professional licensure certification?"

We then pointed out that other
comparable accreditors do not require
licensure certification because it depends on
the field and the conditions of the program.
We do have a general requirement as others do.

I looked particularly at SACS as an example
of a fairly rigorous regional accreditor and
they have almost exactly the same standards
that we have.

We did even on the issue of
comparability regarding the specific questions
the Department had we did respond but it looks
now that they are asking for a comparability
demonstration for all of the requirements of
standards and we would be glad to provide that.

CHAIR STAPLES: So some of this information was requested recently or at a stage where you have not yet been able to comply but you are going to provide them what they are asking for?

MR. GRAY: Most of the information, as Tom said, came back as a response to our response to the staff report and we can readily provide that. As I said earlier, our standards are comparable across the board with doctoral standards so we can provide that information.

CHAIR STAPLES: Any further questions?

Jamie, I'll go back to you. It doesn't look like anybody else has any right now. Go right ahead.

MS. STUDLEY: Coming back to the question of academic and administrative personnel and the balance within the review


and team, I certainly heard you, Mr. Gray, and I believe Mr. Carlson, to speak to an issue that I agree with.

In this world of wearing multiple hats and doing different things over different times that theoretically people can qualify for bringing the academic experience to qualify as an academic participant in the process even if they are doing something else at a given moment, but that is not automatic or permanent as the staff's comments reflect.

My own experience includes time in academic institutions as an administrator, sometimes teaching as a lecturer, sometimes being outside academic institutions teaching as an adjunct but never claiming to fit the academic slot.

I have no dispute with your point that people might be qualified for the academic positions on the teams. What I hear the concern to be is whether you are clear about what those standards are, consistent in
the application, and have sufficient academic personnel involved to carry out the accreditation responsibilities.

Could you speak to those questions, whichever of you is appropriate? As I say, I have no disagreement with what you said as far as you went that people might but I think the staff's comments were different in a kind of as-applied measure here.

MR. GRAY: I'll speak administratively and ask Gary to speak academically. As you have stated very eloquently, we have people on our council who have been and are -- I mean, here is a prime example. Gary currently teaches. He's been in academic administration in a large institution for many years. Taught for years before that so his administrative and academic world has not only been sequential, it's been interwoven and continuous. He's not unique on our council in that respect.
But I also understand now, based again on the staff analysis, that the Department wants to see some level of representation on the council which is strictly academic and doesn't have any intermingling, currently anyway, of responsibilities with administration, as well as separate administrative duties without academic.

We understand that now. Again, five years ago when we went through this process we had a council composition which is reflective of what we have now and the Department found that to be an acceptable composition and to meet academic, administrative, and public needs.

That being the case, we actually changed our by-laws to now define that composition of council to include an academic representative, at least one, who is strictly an academician who teaches, current teaching responsibilities, as well as current
administrative.

Our bylaws now require the composition of all of our decision-making bodies which includes our council and our review board to have some strict academic and some strict administrative. Of course, we've always had the three public members requirements. That hasn't changed.

We have all that now codified. Our council meets those conditions. As time goes by we work through a nominating process. You can't make council changes over night because they all have five years, you know, and it's with staggered terms so the nominating committee is constantly faced with a diversity challenge. They want academic. They want administrative. They want public. They want representatives geographically. They want representatives from all types of backgrounds, ethnic and otherwise. Within a 15-member group finding all those diverse resources is a challenge but
they are faced with that challenge and they are up to it.

However, with respect to meeting the needs right now that the staff has identified for academic, administrative, and public, we have done that. We have shown how we've done it. We are record as having done it. We will improve it as time goes by but we do have that. We see a different now as a result of going through this process between having that mixed experience and that discrete experience.

Gary, you may want to pick up on that.

DR. CARLSON: I'll be real short. I'm going to tell you that I have a personal bias there. Being an administrator, being a teacher, you know, 42 years I've always felt I was a teacher and I've been doing -- I have continued to teach.

I think what we are really looking for, hopefully we are looking for, any mix
that we do when we visit schools that we're getting people with great experience that understand teaching and academics from that point of view. But there are some great talent out there. They are also administrators.

There are great teachers and sometimes we get so defined we exclude some people that could be very good on these teams that have been very good teachers also. I think we have to be careful that we put people that have experience in that realm and they have been teachers.

I don't know it's good to say you're an administrator or a teacher when you are actually, as you all know that have been involved in academics or any sort, you've all been doing administrative duties since the day you started being a teacher. I just don't know if you can define it that well. Thank you.

MS. STUDLEY: I think part of what
its getting at is a set of things in addition to being a teacher that the academic slot is partly program design as Dr. or Provost Phillips was talking about, and evaluation of the effectiveness of programs. That's different from being a capable teacher. I've struggled with those same kinds of things.

I wonder if the staff has anything they want to add to any of these because we've been following up on some of their points.

CHAIR STAPLES: I think if we're done at this point in time, I think that would be appropriate. Thank you very much, gentlemen.

MS. STUDLEY: I didn't mean to close it off for you.

CHAIR STAPLES: You may want to ask further questions.

MS. STUDLEY: No, no. No further questions. I didn't want to drive your process.

CHAIR STAPLES: I think we'll have
Steve come up at this point.

MR. PORCELLI: Thank you for this opportunity to add a few comments. I guess my biggest concern would be in 12 months how the agency responds to the materials. I hope most people and then the audience also realizes the complexity of this situation and the application and regulations to protect students and for-profit schools.

We have that uppermost in mind while applying the regulations. I also realize that 180-page document it is hard to see all the nuances in there. I would encourage the four gentlemen not to take other people's characterizations of what staff said but to actually read it for themselves because there was quite a bit of mischaracterization going on.

When you are dealing with an agency that has 850 or some odd schools and they run them through a process in a very speedy fashion, it's very important that the
fine points are very clear and very well taken care of. That was the concern throughout this process.

The expansion of scope if you get a chance to look very closely at that, you will see that right now they accredit in their pilot program computer, engineering, doctor pharmacy and -- the other one slips my mind at the moment.

Anyhow, they are asking for they specified 13 programs which they really have no experience with. They want to accredit doctor of osteopathic medicine. They want to accredit doctor of veterinary medicine. They want to accredit lawyers. They have such a broad expanse.

They say in their materials and they also nuance their materials. You have to be very careful in reading their materials. They say, "Right now we will avoid doctor of medicine." That's not a very strong statement that they will not accredit medical doctors
and they have zero experience in that. It's just very hard for staff to recommend an expansion of scope in such a broad area. Especially since it wasn't clear how broad the request was when it was first put out in the Federal Register.

I think other agencies and the public should have an opportunity to at least comment on the broadness of this rather than to just grant this expansion of scope at this point. We wouldn't have the benefit of the other comments which we could certainly disagree with but it would be only fair to give the other agencies an opportunity in public to comment on them.

On the academic and administrators on the bodies, the spirit of the regulation is really to give the students the best program as possible. When they send out a team you need the best of the best to go out there and look at those programs. They are all individual programs. Most of them go into
Also the decision-making body. I understand that most -- many people consider themselves super men and super woman. "I did this 20 years ago. I did that 30 years ago. I can wear all hats. I am wonderful." That is not reality as far as evaluating programs for students.

You want the people to be current academics, that they know what is the best methods right now so they can evaluate that. You want the people that are the best administrators right now, not somebody that ran a little program 30 or 40 years ago.

Yes, the regs if you want to push the regs to the very limit they don't specify any of this but the spirit is clear to protect the students and to give the best evaluation possible.

If you are only going to send a team out to a school five, 10-year period, you want the best of the best to go out there and
the most up-to-date people at that point. That's what we were aiming for. We ask for academic personnel -- personnel is a plural -- and they said, "We're going to have one academic on our committee." It doesn't even meet the letter of the regulation, let alone the spirit.

The final one, that they argued with anyway, the outcome standards at the program levels. In my back and forth with the agency they have already said, "We are going to work on these things." Nobody asked for bright-line. How is there any consistency? They don't have any guidance for their people. It's just all hit or miss.

The good thing is that this is really a reputable agency. I have a lot of faith in how they are doing. I've seen their team in operation and they are very well trained. They do a very excellent job so there is no question about any of these things.
We are talking about how to better meet the regulations. A lot of these items they responded and they said, "We are working on this and we will have it in place."

Obviously it's not in place right now so in 12 months if they wish to work in the spirit of cooperation, I believe they will be in compliance in 12 months. If they wish to fight everything, then we will have a problem in one year. Anyhow, I don't know if you have any questions.

CHAIR STAPLES: Bill, go ahead.

MR. PEPICELLO: A comment as someone who probably put in more time on this than most of the folks had an opportunity to do. As I read it, and I want to make this clear to ACICS, I don't think that, as I read things, that you are doing anything wrong. I think probably you are doing all the things that Steve just mentioned as far as composition, as far as diligence.

You gave us some of the outcomes
as far as graduating people and their having jobs in their fields for the doctoral programs. I have no doubt that you had a rigorous process for putting together the doctoral programs that you did, I want to make that very clear.

Steve's comments give us a broader context which is part of the discussion we've been having this morning which is there was not sufficient documentation in many of those cases for us to know exactly what the quality process was. I think that is where there is sort of a question of level of compliance.

Not that we're saying, at least in my mind, saying that no, there's not compliance there. I think it's a matter of doing the cross-walk, for instance, for the doctoral programs. I will speak as someone who has put together a professional doctor programs at my university and had them accredited.

I understand what kind of
documentation we might be looking for. I think it's that spirit that I read this in. I think that is the spirit in which I will make my recommendation shortly.

CHAIR STAPLES: Thank you, Bill. Any questions for Steve?

I just have one question, Steve. Given the lack of experience that you feel they have, the agency has, with a range of doctoral programs that they are seeking approval for regardless of whether they intend to do them anytime soon, are you confident that can be addressed, that issue can be addressed in the next 12 months?

MR. PORCELLI: Yes. The materials are accessible to you but everything is so extensive. We had asked how did they compare their doctoral standards to other common practices and so on. They sent a very, very lengthy document.

Ninety-eight percent of it was the consultant's resume and there was just a few
paragraphs on what they did and it just wasn't sufficient. Did they submit a document? Yes. Did they submit a very lengthy document? Yes. Was it useful? No. So that's part of the problem with the wording and the need to really drill down as to what is being supplied.

They said, "We tell our schools their standards must be comparable to other schools." Just because they tell them they have to be comparable doesn't help me as a staff person understand what they are looking for.

CHAIR STAPLES: Let me be more specific. What I was asking, in your interpretation they are looking for the ability to accredit MD degrees, JD degrees. That is within the scope of the 14 new doctoral programs that they are seeking approval for accreditation.

MR. PORCELLI: They did say they would avoid MD at this moment.
CHAIR STAPLES: But is it within their request though? I mean, whether they avoid it or not is it something they could do if we grant --

MR. PORCELLI: Yes, they could.

CHAIR STAPLES: How in the next 12 months are they going to sufficiently document to you their capacity to review MD degrees? I mean, it sounds like they are not intending to.

MR. PORCELLI: I think the only solution, and I'm not sure if this is even satisfactory to them, would be to limit the request to the three programs that they already credit. They already have the experience and they haven't gotten bad feedback from the public.

We haven't received any negative comments on those three programs. The criterion does say they have to show their experience. There is experience in the range but they really showed experience with those
three programs.

I know they like to compare themselves to a regional. They are not regional. They are a national agency and the regionals do predominately the academic degrees which is research based. These degrees they are asking for are specific skill sets and practices.

Several of the ones they are asking for are life and death doctors. They are asking to accredit medical doctors, doctor of osteopathic medicine, acupuncture, oriental medicine and so on. We are really dealing with a very serious request. If it wasn't so open-ended, you know, staff could recommend, "Yes, they do a fine job."

I saw how they went when they evaluated the master's programs at schools. They are very thorough. People are very thorough so there is no question about their qualifications or the qualifications of the people they send out. It's just for
consistency's sake. How do we know they can handle all these different practical doctoral degrees? That's a concern.

CHAIR STAPLES: Thank you.

Jamie.

MS. STUDLEY: Just procedurally. I would be interested to hear what motion Bill or his co-reader make. Isn't it likely that it will be at least a recommendation for renewal of their current authority in 12 months and that the time table for an expansion of scope does not have to follow that same timing.

If they want to make that request, they can make it in the appropriate time but it's not that we have a rush in order to maintain their current standard. I'm just separating those two procedures.

CHAIR STAPLES: That is true.

Unless there's other questions of Steve, maybe we'll get to Bill and his motion.

Go ahead, Bill.
MR. PEPICELLO: Okay. I will try to speak slowly and deliberately so you can get it up there. I move that the NACIQI recommend that ACICS 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 a compliance report demonstrating compliance with those cited criteria.

I further move that the NACIQI recommend to defer the decision regarding the agency's request for expansion of scope pending the receipt of the compliance report and consideration of the materials contained in it.

CHAIR STAPLES: I thank you.

Is there a second?

MR. McClay: Second.

CHAIR STAPLES: It has been moved and seconded. Any further discussion about those motions?
MR. WU: I just wanted to note that I have now heard a number of agencies say they take issue with the staff's view on this or the staff's view on that. I thought I would try to categorize the types of responses that I have heard so far and ask if on at least one of these categories it's worth our providing some guidance both to agencies and to staff.

One category of response is, "We agree with what the standard is that is being applied. We also believe we have not met it. Give us some time, we'll meet it. We just need to submit some more stuff, some documents," or whatnot. That's one type of response when the agency has been found to not meet the standard. That's No. 1.

No. 2, I've heard some of them say, "We don't quarrel with the standard and we think we've met it. In other words, we think we've submitted the appropriate stuff that meets the standard. We want you to look
at our stuff more closely than staff and find contrary to what staff did that, in fact, we've complied."

Those two responses are just about that particular agency. There is a third type of response that I think I'm hearing. I'm not sure I'm hearing but I think I am. This is the one where I wonder should we as a body offer guidance.

The third type of response I think I'm hearing every now and then is, "We take issue with how staff understands the applicable statute and regs. We don't think that is what the law is here. I'm hearing implicitly so we are not going to do anything more."

I'm wondering if, indeed, some agencies are saying that, at least to some specific provisions. If they are saying that, then I wonder if we as a body should say something such as, "Agency, you're right. Staff is wrong," because we are not bound by
the staff.

Or if we should say, "Actually, the staff is right here and we would recommend consistently with the staff." In other words, should we be giving guidance not just to the agency in front of us but all the other agencies sitting here and to the public when an issue like that arises because it is not uncommon that agencies sit down and say, "We take issue with what the staff said on X, Y, and Z.

But taking issue can mean different things. Taking issue with whether or not we've met the standard or taking issue with the whole standard itself. That's just an open-ended question for us to think about.

CHAIR STAPLES: I think that is worth us thinking about. I don't pretend to be able to respond for everybody now but I think some of that is implicit in the motion or the action that we take. I understand what you're saying.
Is there discussion about Bill's motion? I think we can still discuss it. It's up there and we've heard it. Anybody have comments about the motion?

Jamie.

MS. STUDLEY: I would just appreciate if staff, and this may be one for Sally, could just remind us what the different steps or stages are of approval. Bill has recommended one in this motion, continuation of approval for a 12-month period with certain conditions.

Are there any other options? There's terminating an accreditation at one end. There's clean and go forward for five years version. Is there anything else in addition to this option in the space between those two?

CHAIR STAPLES: Sally?

MS. WANNER: Um --

CHAIR STAPLES: There is a document, by the way, Sally is going to talk
about. There is a document in your packet that describes the options.

MS. WANNER: Yes. In addition, you can do a limitation that is between denial and continuation. Earlier I think Arthur brought up a suggestion that you essentially put a sense of a committee in the motion. You could do that.

You could say it's the sense of the Committee that the agency is in compliance or should work with the staff on this or whatever. That kind of thing. Really you can put in the motion any sort of message to the agency or to anyone else that you would like.

It's simply that as far as procedurally if you are going to renew the agency, there can't be any findings. If you are going to continue them, it can't be over 12 months. Then there's the option if you want to take a sanction that is short of denying them, you can limit them.

And the limitation, that's where
factors like limiting as to only continuation of already accredited agencies or significant change restriction.

MS. WANNER: This is an area where you can be creative but there aren't that many alternatives that we have identified. It's not to say that you couldn't identify other things that would be acceptable but such things as we are not going to recognize you for any new schools that you accredit.

We are not going to recognize your approval of additional substantive changes to the institutions you accredit. Those are some of the things that we have come up with in the past.

MS. STUDLEY: Thank you.

CHAIR STAPLES: Any further discussion about --

Yes, Kay.

MS. GILCHER: I just wanted to add something which may be obvious but to point it out that you also could say that you are
continuing with the compliance report and specify different subset of the criteria that we have said they are out of compliance with or different criteria you are not required to say as identified in the staff report.

CHAIR STAPLES: Frank.

MR. WU: So in this particular instance I have a question. Do we want to signal to this agency that we take some of the staff's concerns more seriously than perhaps the agency takes them? Has that already been signals by the discussion or is it worth in some way saying that more formally?

CHAIR STAPLES: That is the Committee's prerogative. I mean, I think if the motion doesn't have that in it now, if anybody wanted to add some language, you are certainly free to propose that.

MR. WU: I'll add one thing that staff pointed out which is not specific to this agency but in general I'm not sure that it's appropriate for us to authorize an agency
to do certain things on the understanding that
the agency is reluctant to do it right now but
we are giving them the authority.

That just doesn't seem to me a
great way to proceed because if we give them
the authority and they have it for X number of
years such as with respect to med schools and
so on, even if now they are expressing they
are hesitant to do that now, that in no way is
binding.

After the fact will be really hard
to correct if we or our successors are sitting
here five years from now and it turns out that
they got less reluctant 18 months from now.
That isn't phrased formally to go into the
motion but I wonder if that thought has any
support among my colleagues.

MR. PEPICELLO: I guess my
response would be assuming good intent on the
part of the agency that I'm not sure I'd be
willing to make a judgment at this point that
they definitely didn't take some things as
seriously as the staff or the rest of us.

I think part of what goes on in this discussion is informing the agency of the broader context and some of the specifics. I think whether or not they take things seriously or not will be discovered in the compliance report.

MR. WU: Right. I should be more clear. What I'm saying is with respect to what they want to do, maybe we just take this up 12 months from now with respect to accrediting the doctoral programs.

I'm reluctant to say you may accredit these programs on their understanding that they are hesitant or reluctant to do so and won't start doing it at this time because my sense is once the authority has been granted, being reluctant or hesitant is not a legally binding category of any sort.

CHAIR STAPLES: I agree. I'm sorry. Go ahead.

MR. PEPICELLO: But wouldn't it be
the case then that the agency would have the opportunity in it compliance report to say we want to scale back? I think that might be the mechanism for that.

MR. WU: I'm fine with that.

CHAIR STAPLES: In fact, Steve when discussing it mentioned he had similar concerns about what the programs were so I think we've signaled that is an issue that might come back either in staff analysis or in our review in 12 months.

CHAIR STAPLES: Susan.

MS. PHILLIPS: Just clarify where I think the motion is and maybe I'm not understanding it correctly. The motion is saying make no decision about the expansion of scope. If that were accepted, the outcome would be there would be no authority to expand the scope.

If I understand, also the staff analysis was completely silent on the question of scope. I'm not fully sure I understand
what silence means.

MS. GILCHER: We are silent in terms of the recommendation itself. The first compliance issue is the issue of expansion of scope.

Having them not in compliance with the expansion of scope, having demonstrated compliance with what they are requesting as an expansion of scope, is implicit in our finding that they should not be given the expansion of scope at this time. The decision on that comes at the end of the compliance report.

CHAIR STAPLES: Bill, I think, in his motion is just building that in that we are going to not extend their recognition.

MR. PEPICELLO: Yeah, I discussed that with staff. As I read it in detail, I understood why they remain silent but I thought it's important that we put it in the motion so that it is clear to all of us going forward exactly what our intent is.

CHAIR STAPLES: Any further
discussion around the motion? Do people understand the motion?

Yes, Jamie.

MS. STUDLEY: I just wouldn't want it to do anything to press the agency to come forward regarding its expansion of scope. I think the important thing for us is that we are saying you as an agency are authorized to continue accrediting institutions. I pulled out my phone.

I have never used the calculator before and apparently it's got limited capacity so I could not multiply 800,000 students times Pell times federal loan eligibility. I just got some physics formula that was beyond my zeros, but it was a big number.

My concern is that they come into compliance or not and that we know that by the end of this year. I don't want that to get burdened by them thinking that they only have a year on the expansion of scope issue which
is they are entitled to seek that when they want to but I don't want it to get dragged along or jeopardize their attention to the other issues. That is not a signal, that's a statement.

If people read this motion to be consistent with what I've just said, then fine. It is a separate sentence but if it needs to say "if they want to continue to seek an expansion of scope," they can do that whenever they are entitled to do that but we are not pressing them to do that within 12 months.

What we want from them in 12 months is to finalize their -- to make it clear whether they meet our standards for continued approval as an accrediting agency, if others agree with me on that.

CHAIR STAPLES: Frank.

MR. WU: May I suggest a potential amendment that captures that which is at the end of this. The current text ", to such time
as the agency should submit said request." So the agency doesn't have to submit the request in 12 months, to such time as the agency should submit the request.

CHAIR STAPLES: At the end of the paragraph?

MR. SHIMELES: That's right. If this agency came back 12 months from now for renewal and 36 months from now, that would be okay. That is what Jamie wants to capture.

MS. STUDLEY: Never is also acceptable but sooner is acceptable, too, if they feel they can meet those criteria.

MS. NEAL: Can I ask staff is that possible they are not constrained in terms of the cycle in terms of the request they can make? They can come back at any time for just the scope issue?

MS. GILCHER: That's true.

CHAIR STAPLES: So that's an amendment that you're proposing, Frank?

MR. WU: It is a motion to amend.
CHAIR STAPLES: Is there a second to that?

MR. PEPICELLO: Second.

CHAIR STAPLES: Seconded by Bill.

Do we have that?

MS. LEWIS: Could you please repeat that?

MR. WU: I think I said at the end ", to such time that the agency submits said request for expansion of scope."

MS. LEWIS: One moment.

CHAIR STAPLES: Any discussion? I know we're not going yet but any discussion around the amendment? Okay. It's been moved and seconded. Can we proceed to vote on that? Do you want to wait until it's up there?

CHAIR STAPLES: Acceptable, Frank, the edit?

MR. SHIMELES: Yes.

CHAIR STAPLES: Bill, you were the seconder. Is that acceptable?

MR. PEPICELLO: Yes.
CHAIR STAPLES: Any further discussion around -- we are going to vote on the amendment first. Any further discussion around the amendment? If not, please all raise your hand in favor of the amendment.

So that is now the motion that is before us, amended motion. Any further discussion around the motion? If not, all in favor please raise your hand. Any opposed? The amendment and the motion carries as amended.

Because we are one session behind, we'll take a 15-minute break and then we will reconvene and then we will hear the Commission on Accrediting of the Association of Theological Schools that was normally scheduled for 11:15. We will hear them and that might allow us to get back on our schedule after lunch. Fifteen minutes we go get our lunch and come back and then proceed.

(Whereupon, at 12:34 p.m. off the record for lunch to reconvene at 1:00 p.m.)
CHAIR STAPLES: We will restart our review process with the Commission on Accrediting of the Association of Theological Schools.

Commission on Accrediting of the Association of Theological Schools

Bill and Frank primary readers.

Whatever your pleasure is.

MR. McCLAY: I will start. I can't help but note that the audience has cleared out for the discussion of theological schools. This is perhaps a commentary on American life but we will proceed. My computer is down here but I will refer to my memory.

The Commission on Accrediting of the Association of Theological Schools has been in the business of accrediting theological schools since 1952. It split off from the main organization at the time of the
last review by NACIQI in 2004.

The actual commission became an independent agency. As I said, the last review was in 2004 with an expansion of scope to include distance education which was granted. The action under consideration is petition for the renewal of recognition.

I wonder, the folks over there, if you could take your conversation elsewhere, please? Excuse me. Please refrain from having conversations while we are having a presentation. Thank you.

MR. McClay: The recommendation of staff has been to continue recognition for 12 months allowing time for the agency to come into compliance with regard to the numerous findings of staff.

Is Chuck not here? Oh, there you are. I looked in the wrong place for you. I think we should get Chuck up here as quickly as possible to kind of cut through and identify the things that are most worthy of
identification among the points at issue and maybe give us some sense of relative seriousness of the various points.

Chuck, if I may.

CHAIR STAPLES: Frank, do you want to defer until after Chuck's presentation?

MR. WU: I don't have anything to add other than --

CHAIR STAPLES: Microphone.

MR. WU: I have nothing to add other than in the last go-around distance ed was brought within their scope.

CHAIR STAPLES: Go ahead, Chuck.

MR. MULA: Good afternoon, Mr. Chair, again, and members of the Committee. I will be presenting a summary of the petition for continued recognition of the Commission on Accrediting of the Association of Theological Schools, hereafter referred to as ATS, or the agency.

The staff recommendation to the Senior Department Official for ATS is that he
continue the agency's recognition and require
ATS to come into compliance within 12 months
by submitting a report that demonstrates the
agency's compliance with issues identified in
the Department staff analysis.

This recommendation is based on my
review of the agency's petition, supporting
documentation, and the observation by staff of
a joint site visit conducted by ATS in the
Middle States at Wesley Theological Seminary
in Washington, D.C. on October 25 through 27
in 2010.

The review of the agency petition
found that there are outstanding issues that
the agency needs to address. I also found
that while most of the agency's policies
address the processes required by the
Secretary's criteria it did not provide
sufficient evidence of the application of a
number of the requirements.

These concerns fall primarily in
the area of this organizational and
administrative requirements, required standards in their application, and the agency's required operation policies and procedures.

Specifically, I found that ATS needs to demonstrate that it has and that it trains the required personnel on its evaluation policy and decision-making bodies. The agency also needs to provide adequate documentation demonstrating the application of a standard review process required by the criteria specifically cited in the staff's analysis.

And to also demonstrate that it has followed its own policies and procedures including the application of its new and revised standards, policies and procedures required by the regulations effective July 1, 2010.

We believe that these issues will not place its institutions or programs, its students or the financial aid they receive at
risk and that the agency can resolve the concerns I have identified and demonstrate its compliance with 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 he require a compliance report in 12 months on the issues identified in the staff report.

This concludes my report. I am available for any questions you may have.

Thank you.

Actually, Mr. Chair, as asked, I will make comment on the seriousness of the issues that were cited. It has been almost 11 years since it actually had its last review.

With the new regulations and the processes and procedures that have been required and because it did not get reviewed before NACIQI disbanded the first time, it's had a lot of catch up to do. Basically the
agency is in the process of doing that.

It has remained in continuance communication with staff as continue to ask for guidance on how to do this. The applications of their processes need to be demonstrated so that we can verify that, indeed, they are actually applying their own standards and procedures.

CHAIR STAPLES: Thank you. I want to make sure that both Frank and Bill, do you have anymore that you want to add before we get to the open questions.

Bill.

MR. McClay: Well, Chuck, you may have already said this. We had a conversation this morning before we began. I asked him basically what gives here when in the last evaluation they were given virtually a clean bill of health and then all of these things are adduced.

I think he has given the explanation for that, that it's the length of
time that's elapsed. It's the introduction of
new departmental accounting and accountability
procedures and data and not any sort of
latitude or lacking on the part of the agency
itself. I just wanted to emphasize that.

MR. MULA: That's correct.

CHAIR STAPLES: Thank you.

Arthur.

MR. ROTHKOPF: Just sort of
following up on the point just made. I'm
curious. How many -- is this a programmatic
or institutional accreditor and, I guess, how
many programs or institutions are currently
accredited and do you think they've got the
staff and the personnel to do the job?

MR. MULA: Great questions.
Actually, the exact number of institutions I'm
not real sure of. You might have to address
that. It's quite a few. They do have
adequate administrative financial capability
to do the accreditation function.

We reviewed their budget and their
financial statement that was audited. We reviewed the members, their resumes and qualifications to hold the positions that they have for their accreditation staff. We found them in compliance in an administrative and fiscal capacity.

CHAIR STAPLES: Bill.

MR. PEPICELLO: I have one question for you. There are a number of findings here, several pages worth. As I note on timelines here, some of these will probably not be addressed until February 2012, if I read this correctly. I guess my question is do you think there is enough time to address all these issues and have some documentation that things are implemented and moving along within 12 months?

MR. MULA: Actually, we have communicated with the agency our concerns and they know exactly what is needed to do and they have assured me that they will work with us in order to provide that documentation.
If we do find that there is a problem because of either a commission meeting or the inability to do a site visit where they have to have documentation to do that, then we will consider that and at that time we'll try to make some other kind of arrangements and we'll talk to leadership and our legal staff to see what we can do.

MR. WU: I just wanted to provide the answer. It's 204 institutions. One hundred and 39 of them are free standing schools so this agency is the gateway for 83 of the 139. The remaining 65 are part of a larger campus.

MR. ROTHKOPF: Thank you.

CHAIR STAPLES: Thank you, sir.

Any further questions for Chuck? Okay. I guess not at this time. Thank you.

Will the agency representatives please come forward.

MR. ALESHIRE: I'm Dan Aleshire and I'm the Executive Director and would like
just to make a couple of comments as we begin.  
I don't want to occupy too much time but want to say a few things.  

To my right is David Esterline who is a faculty member at McCormick Theological Seminary in Chicago who is chair of our board of commissioners. And to my left is William Miller, one of our accrediting staff members who prepared the petition and who has been attending to the changing scope of NACIQI's work and the Department work and the Secretary's resignation -- recognition. I can see where this is going.  

First and most importantly I want to assure NACIQI and the Department staff that the Commission on Accrediting of ATS will seek to comply with the criteria for recognition. We do need a year to get it all done. We actually need a year and two weeks but we'll take a year if we can get it from you.  

We need the two weeks because some of the changes are required changes to the
corporate by-laws and our members meet at the end of June next year. The first time they will have a chance to vote as a membership will be just slightly more than a year from now.

We have evaluated each of the concerns that have been raised and have developed a strategy for responding. First several policies will need to be initiated or changed by the Board of Commissioners.

We just finished our board meeting for spring last night and they will meet again in February so there is a work plan of what will be done between now and February with the task force of the board but it will be the February meeting before they will be able to take action and then we implement a number of things in the spring of '12 based on that action.

Second, there are some procedures and practices that we can put in place immediately and we are working on those at
this time. Then, as I mentioned, there are
some changes to corporate by-laws and
procedures which are the vote of the member
schools and will take us to the membership
meeting in June of '12 to get those votes
taken.

Secondly, if I may, just because
we represent a kind of boutique area of higher
education I would like to just say a few
things about the schools that ATS accredits.
You have heard the number of accredited
institutions.

As you also heard, about 70
percent are free standing, special purpose,
higher education institutions. The other 30
percent are educational units of colleges or
universities. About 15 percent are in Canada
and the rest of the U.S.

Of the U.S. freestanding schools
80 percent are duly accredited by the
Commission on Accrediting of ATS and a
regional agency so they could theoretically
use either of those agencies as their gatekeeper.

The typical theological school enrolls about 200 students in its various degree programs. It has about 15 to 20 full-time faculty equivalent, and an equal number of professional level administrators. The commission data, as best we can construct it, suggest that about 80 percent of the students who begin the Master of Divinity, which is the one program offered by all of our schools, complete it.

While the MDIV is generally offered as a three-year degree it takes students on average just over four years to complete it because of the small percentage who can go to seminary full-time.

On average these schools receive 25 percent of their income from gross tuition, about 38 percent of their income from individual and religious organizations, and 20 percent from endowment or long-term
investments. Then the other 17 comes from rent for student housing, rent on unused seminary facilities.

This past year ATS member schools spent on average $43,000 per full-time equivalent student and the average net tuition after grants and scholarships excluding loans paid by the student was about $9,500. This is not a tuition-driven community of schools. It's a contribution and endowment-driven community of schools.

We just reaffirmed the accreditation of almost 15 schools. We checked and of the seven who identified us as gatekeepers who were having their accreditation reaffirmed, the average default rate was 2.8 percent.

Third, I want to comment on the current process of review just briefly. I suppose the oldest joke in higher education is about the reason the faculty meeting went long. It went long because everything had
been said but not everybody had said it.

I'm old enough to remember when the joke was first told.

Very smart people in the higher education community have raised fundamentally important questions with very smart people in the Department and I don't presume to have more insight than has been shared, but this is the fourth comprehensive review of the commission's work that I have been involved in across the past 21 years.

If at some point after we have demonstrated compliance and the Secretary chooses to renew the commission's recognition for another five years, the prospect of a fifth comprehensive departmental review is a significant motivation for retirement.

The first review I did was in 1991 and then revised to 1992. I wrote that petition. The higher education was struggling with bad student default rate and a lot of changes were introduced in that most recent,
at that time, reauthorization of the Higher
Education Act and resulting regulations
because we were really trying as a community,
as a government, as independent accrediting
agencies and as schools to deal with that.

That has been addressed to some
extent. We are now in a different regulatory
environment and we are in a regulatory
environment that, as the word of the morning
was, it has a certain granularity to it. The
issue of granularity is not the issue.

Is the granularity covering the
right areas in infinite detail. Can the
closer watch of higher education by this lens
accomplish the social goals that are needed
for a more educated citizenry. I don't know
the answer to that question. I just thought I
would let you know I know the question.

We will comply. Some compliance
is going to make us better. We need to
demonstrate that our commissioners are trained
in issues related to distance education.
Currently the commission standards don't allow any degree that is offered by an ATS school to be granted solely by distance education models but more schools are implementing distance education as part of it.

Theological education has historically been very residential. Our commissioners need to get more informed for better decision making. We think that will make us a better agency.

Some compliance will not change the commission's work for the better or worse. It will require new systems of record keeping for issues that have not to this time occurred often in accredited theological education. We are post-baccalaureate schools.

There are some things that the regs call us to do that just don't occur much. We will invent the structures. We will move forward but they are not going to make us a better accrediting agency in that sense.

And there are some compliance
issues that we will comply with and with integrity but we have a concern that they will make us a less effective agency. For example, we need to change who are the public members on our commission.

We have historically gone to public members who we understood as sort of the consumers of the graduates of our schools, denominational officials, adjudicatory officials, persons who supervise the work of graduate.

The conclusion is that because we are an institutional accreditor of special purpose institutions we also fit the category, and I think it's appropriate for professional education, that means no ordained clergy could be considered for public members so that it eliminates from our public membership the constituency that is most closely connected to the work of the graduates of our schools.

We will make the change. We will find people who will contribute to the work of
the board of commissioners, but we think we will have lost something in the process.

It is going to take us a year.
The task force is under the Chair's appointment. It will begin work later this summer. Some of these will take a significant amount of work to revise documenting systems.

Some of the documentation is going to be complex it looks to us because we have to be able to document what we haven't done so we have to create a kind of documentary process that says we never had the occasion to do this.

Therefore, we didn't do it. That is a complex documentary issue. We appreciate the work as other agencies of the various staff who have worked with us, Steve Porcelli, for part of this review, and then Chuck Mula in the conclusion of the review. Thank you.

CHAIR STAPLES: Thank you. Any questions for the agency representatives?

Anne.
MS. NEAL: Given your wonderful institutional history here and longevity, as I have looked at various petitions this time around, it struck me that so many of them were dealing with the same criteria and different criteria than what I've seen in the past. There was for a while a major focus on student achievement.

This time around I'm seeing a lot on public members, complaints, conflict of interest. I just would be interested in your comments in terms of did the staff go in waves or does the focus go in predictable waves or unpredictable waves? How as an accreditor do you deal with the different emphases that appear to arise over time?

MR. ALESHIRE: As I mentioned, this is my fourth comprehensive petition. There is a bit of a phenomenon of the interpretation du jour that we experience. I think if one were to look at the work of our board of commissioners over 20 years its
interpretive frames have changed from time to time. That happens.

The Higher Education Act has been reauthorized several times. That has led to a new round of regulatory expectations. Then that leads to a new round of interpretation of regulatory expectations. There is a sense in which the focus on sort of the unidentified public person is interesting and new and I suppose that it reflects a concern that the industry can't be trusted.

We need external and so there is this sense. What occurs to me as an agency we need to have more people, for example, on our board who know less about these schools and then bring them up with a sufficient amount of training. The issue of more public is accompanied by more training.

Peer evaluation is an expertise-driven pattern of evaluation. I think that we assume that we were more in compliance than we were found to be but preachers find other sins
from time to time so we'll take our medicine.

I do think that there is -- I would say that many of the things we will do will make us a better agency. Many of the things we will do are just going to require work and energy and will do that with integrity, but in the end we won't be advancing the work of theological schools as they try to educate a generation of religious leaders anymore because we have responded to these areas.

MR. ROTHKOPF: Could I follow up and maybe it kind of leads to a discussion we're going to have in the next couple of days. Do your institutions as you go through the process of viewing your accreditation work, are they complaining about the burden and the question of whether the cost and efforts that go into the accreditation process are really worth while?

MR. ALESHIRE: I will respond, and if my colleagues want to respond, too. I want
them to feel free to.

A significant portion of ATS schools are financially stressed. They are small free-standing schools. They live close to the margin. We monitor that very carefully. They also have a way of out-performing their resources so they do more effective education than you would think they might given the resources they have.

They are always worried about expenses. They have always been willing to pay the cost of the accrediting dues and the accrediting fees. If they complained about it, they don't necessarily complain to the accrediting agency about it. We try to keep those as inexpensive as possible.

As I mentioned, students bear such a small percentage of the cost in the average theological school environment. They tend to be older students so their living expenses or their relocating of family to pursue theological education create expenses but I
don't think they associate that with the burden of accrediting.

We've moved from one staff member in accrediting, that was me in 1990, to four full-time professionals in accrediting now. I would attribute one of those positions to the changing regulatory environment. I would attribute two of them to the growth of the number of schools and the expansion of the programs they are offering. We are tracking more distance education. We are tracking more extension site education, etc.

I suppose for me the issue is not is it unduly expensive but is the expense gaining the best bang for the buck for the public good of what we want in an educated citizenry.

CHAIR STAPLES: Any other questions or comments? Okay. Thank you very much.

Chuck, did you want to respond to anything that was said? Okay. Which of our
primary readers --

Yes, Kay.

MS. GILCHER: I just wanted to clarify something about your two weeks. The date when the 12-month clock starts is the date where the Senior Department Official signs the letter. He has 90 days following this meeting to write that letter.

MR. ALESHIRE: Please encourage him to get out of a vacation if he can.

CHAIR STAPLES: Thank you, Kay. I think that's helpful.

Okay. Who might I recognize for a motion? Is it you, Bill?

MR. McCLAY: I'm just going to use the recommended language here. I move that NACIQI recommend that ATS's recognition be continued to permit the agency --

By the way, I think there should be a comma after continued there.

-- to be continued, to permit the agency an opportunity to within -- it says
here 12-month period. Should we make it 12 months and two weeks? Thirteen months maybe. We can talk about that.

-- bring itself into compliance with the criteria cited in the staff report and then submit for review 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'm not sure we need that last sentence.

CHAIR STAPLES: Thank you for that motion. Is there a second?

MR. ROTHKOPF: Second.

CHAIR STAPLES: Moved and seconded. Any comments or questions about the motion? Everyone can see it up there. Okay. No questions about the content of the motion. All in favor of the motion, please raise your hand. Any opposed? The motion carries.

Melissa.
MS. LEWIS: I would like to note for the record that Frederico Zaragoza joined us immediately following lunch and participated in the review of the Commission on Accrediting of the Association of Theological Schools. Arthur Keiser will be joining us later. Carolyn Williams is rejoining us as well. Thank you.

CHAIR STAPLES: Okay. Why don't we proceed right to the next agency, the Accrediting Bureau of Health Education Schools. Aron and Jamie are primary readers.

Accrediting Bureau of Health Education Schools

MR. SHIMELES: The Accrediting Bureau of Health Education Schools is a national institutional and programmatic accreditor.

It's current scope of recognition is the accreditation of private, post-secondary institutions in the United States offering predominately allied health education programs and the programmatic accreditation of
medical assistant, medical laboratory technician, and surgical technology programs leading to a certificate, diploma, associate of applied science, associate of occupational science, or academic associate degree including those offered via distance education.

The agency is requesting recognized scope that would include its accreditation of programs at the baccalaureate level.

ABHES accredits 211 institutions and 161 programs. The Secretary's recognition of the agency enables it accredited institutions to seek eligibility to participate in the student financial assistant programs administered by the Department of Education under Title IV of the HEA of 1965 as amended. Consequently, the agency must meet separate independent requirements established in the regulations.

And to move on to a little bit
about the recognition history. The agency received initial recognition in 1969 for its accreditation of private and public medical laboratory technician programs. The agency's recognition has been periodically reviewed. Continued recognition has been granted after each review.

In '74 the agency was granted an expansion of scope to include accreditation of medical assistant programs in the private sector. In '82 the agency was granted another expansion of scope with the accreditation of private post-secondary institutions offering allied health education.

In '95 it was granted expansion of scope to accredit institutions and programs leading to the associate of applied science and associate of occupational science degrees. In '98 the agency was granted an expansion of scope to accredit institutions offering predominately allied health education programs.
In ‘07 the agency was granted an expansion of scope to accredit institutions and programs leading to the academic associate degree and programs offered to be in distance education.

The last full review the agency was conducting in December of ‘04 NACIQI meeting at which the Committee recommended and the Secretary concurred the agency's recognition be reviewed for five years and that it send an interim report addressing issues identified in the staff analysis.

In addition, the Secretary granted the agency expansion of scope to include the accreditation of surgical technology programs. The interim report was reviewed during the June ’06 meeting with the Committee. The Secretary accepted the interim report.

In conjunction with the current review, the agency's renewal petition and supporting documentation, Department staff conducted a review on the agency in April 2011.
CHAIR STAPLES: Thank you.
Jamie, anything to add?
MS. STUDLEY: Nothing to add.
CHAIR STAPLES: Okay.

Elizabeth Daggett, you want to come forward.

MS. DAGGETT: Good afternoon, Mr. Chair, and members of the Committee. My name is Elizabeth Daggett and I am the member of the Accreditation Division staff that completed the review of the petition for re-recognition for ABHES.

The staff recommendation to the Senior Department Official for this agency is to grant the agency's request for an expansion of its scope of recognition to include its accreditation of baccalaureate degrees, continue the agency's current recognition, and require a compliance report in 12 months on issues identified in the staff report.

This recommendation is based on our review of the agency's petition, its
supporting documentation, and a file review at the agency's offices in April 2011. Our review of the agency's petition found that the agency is substantially in compliance with the criteria for recognition.

There are 12 outstanding issues that the agency needs to address in the recognition areas of organizational and administrative requirements, required standards and their application, and implementation of required operating policies and procedures.

In brief, the issues concern the agency's definition of a public member, commissioner and evaluator training, and documentation of a new report, substantive changes, and teach-out plans and agreements.

We believe that these remaining issues will not place the agency's institutions, programs, students or the financial aid they receive at risk and 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, the staff is recommending to the Senior Department Official to grant the agency's request for an expansion of its scope of recognition to include its accreditation of baccalaureate degrees, continue the agency's current recognition, and require a compliance report in 12 months on issues identified in the staff report. Thank you.

CHAIR STAPLES: Thank you. Any questions?

Okay. Seeing no questions, do we have any motions?

MS. STUDLEY: Do we have Representatives of the Agency?

CHAIR STAPLES: That's what I meant. I was just testing you. Very good catch, Jamie. Got too excited about moving forward, I guess.

Agency representatives, please
come forward.

MS. SWISHER: Nice test. Mr. Chair, committee, and members of the staff, my name is Linda Swisher and it is my pleasure to be here with you today and to represent ABHES as the commission chair. I would like the rest of my colleagues to introduce themselves and then we'll open it up for your questions and discussion.

DR. GIOFFRE: Good afternoon, everyone. My name Dr. Delores Gioffre and I am an ABHES member of the Committee on Degree Policies and Procedures. I'm very happy to be here today. Thank you.

MR. WHITE: I'm Michael White and I'm a member of the ABHES staff.

MS. MONEYMAKER: Hello. I'm Carol Moneymaker. I'm the executive director of ABHES. On behalf of the commission we found the review and the staff report to be very thorough, rigorous and fair, and we really do not see any problem coming into full
compliance within the 12-month period. We are here for any questions you may have.

CHAIR STAPLES: Are there any questions of the agency representatives?

Okay. I think you're all set.

Thank you very much.

Elizabeth, do you have any further comments? No?

Would someone care to make a motion?

MS. STUDLEY: Yes, I would be happy to make a motion. I think you're just in the post-lunch smooth process window. If you traveled here, I'm sure you have a subcommittee meeting this afternoon while you are together or you can celebrate.

The motion is in a slightly different format because of the recommendation related to scope so I will proceed to track the staff recommendation as the motion.

I move that the NACIQI recommend that ABHES' request for an expansion of scope
that would now include bachelor's degrees be granted and that the agency's recognition be continued to permit the agency an opportunity to with 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. If the recorder does not have that language, I will provide it to you.

CHAIR STAPLES: So that is the motion.

MR. ROTHKOPF: I'll second it.

CHAIR STAPLES: Made and seconded.

MS. STUDLEY: It is extensive but the content is to grant the expansion of scope to include bachelor's degrees and to carry forward for a 12-month period to get a compliance report through which time the
agency would be renewed. It will take a second to catch that.

CHAIR STAPLES: While it's being typed up, any discussion about the proposal, about the content of it? Okay. Why don't we just wait a minute so people can actually see that motion.

I apologize for an oversight. We have our first third party commenter and it is on this item. Before we proceed, Mr. Omar Franco.

Sit at the table and use the microphone, please. Go right ahead.

MR. FRANCO: Hi. My name is Omar Franco. I work for Becker and Poliakoff and I represent Dade Medical College. I just wanted to let you all know that we've been going around just talking to some congressional members and we have letters of support for full consideration of this request from Senators Menendez, Rubio, Nelson, and Congresswomen Debbie Masserman Schultz,
Frederica Wilson, and Congressman Mario Diaz-Balart to fully support the recommendations that have been given here.

I've given copies of those letters to staff but it was after the comment period so I just wanted you all to be fully aware of that.

CHAIR STAPLES: Okay. Thank you very much for coming today.

MR. FRANCO: Thank you.

CHAIR STAPLES: Do we have the motion? There it is. Can everybody see that or does it need to be read again? Okay. If there are no questions about the motion, then I would ask all in favor of the motion to please raise your hand. Any opposed? Motion carries. Thank you very much.

Okay. We'll now proceed to the Accreditation Commission for Acupuncture and Oriental Medicine. Bill Pepicello and Susan Phillips are the two readers.

Who is proceeding first? Susan.
Accreditation Commission for Acupuncture and Oriental Medicine

MS. PHILLIPS: The Accreditation Commission for Acupuncture and Oriental Medicine is a national programmatic and institutional accreditor currently accrediting and preaccrediting throughout the United States in first professional master's degree programs, professional master's level, certificate and diploma programs in acupuncture and Oriental medicine, as well as free-standing institutions and colleges of acupuncture for Oriental medicine that offers such programs.

They are requesting an expansion of recognized scope to include accreditation and pre-accreditation of professional post-graduate doctoral programs in acupuncture and in Oriental medicine.

They currently accredit three doctoral programs and have four additional programs in pre-accreditation status. In
addition, they accredit or pre-accredit programs in institutions in 21 different states, 47 of the agencies. Sixty-one accredited and candidate programs are in single purpose free-standing institutions of higher education.

Only the accredited free-standing institutions of acupuncture and Oriental medicine may use the agency's accreditation to establish eligibility to participate in student financial aid and other related programs under the Higher Education Act.

They were first recognized by the Secretary in 1988 for accreditation at the professional master's degree level in acupuncture. In 1992 the recognition was expanded to include accreditation of first professional master's degree and professional master's level certificate and diploma programs.

The last full review was in December 2005 and following that meeting the
Secretary granted the agency continued recognition for a period of five years and an expansion of scope at that time to include the agency's pre-accreditation candidacy status. Anything that you care to add, Bill?

Then I would turn to the staff.

CHAIR STAPLES: Okay. Rachael, go right ahead.

MS. SHULTZ: Good afternoon. I'm Rachael Schultz and I will be presenting information regarding the petition submitted by the Accreditation Commission for Acupuncture and Oriental Medicine, or ACAOM.

The staff recommendation to the Senior Department Official is to continue the agency's current recognition and grant the agency's request for an expansion of scope to include the accreditation and pre-accreditation of professional post-graduate doctoral programs in acupuncture and Oriental medicine while requiring the agency to submit
a report within 12 months that demonstrates the agency's compliance with the issues identified in the staff analysis.

This recommendation is based upon the staff review of the agency's petition and supporting documentation, as well as the file review in the agency's offices conducted on June 1, 2011. Our review of the agency's petition revealed outstanding issues in several areas of the criteria.

In particular, issues related to the area of Organizational and Administrative Requirements include the need for more information about the agency's site visitor pool and appeals panel pool including the pool members' qualifications, assignments, and training. More information is also needed regarding the agency's records retention policy and file management.

The issues related to the area of Required Standards and Their Application largely involve the need for more
documentation from the agency including more information on assessment criteria, the materials reviewed by the Commission during the decision-making process, information on Commission training and the Commission review process, and information on the standards review process.

Issues related to three findings in the staff analysis in this area were further underscored during the file review at the agency's offices that was conducted last week. The agency must provide additional information and documentation regarding its annual reports, follow-up actions, and timelines.

It should be noted that the agency is operating with a relatively new staff but has kept open communications with ED staff during this transition and is making progress in researching and providing the needed documentation.

The majority of issues related to
the area of Required Operating Policies and
Procedures involve the need for policy
revisions and additional documentation in the
areas of substantive change, review of
complaints, changes in institutional
ownership, teach-out plans, submission of
information to ED and other agencies, and the
appeals panel process.

Since many of these issues involve
slight policy modifications or the need for
additional documentation, and because we have
received no record of complaints or concerns
regarding this agency, we believe that these
issues will not place ACAOM's institutions,
program, students, or the financial aid they
receive at risk and 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 ACAOM's recognition be
continued, that its expansion of scope be
granted, and that the agency submit a
compliance report in twelve months on the
issues identified in the staff report. Thank
you.

CHAIR STAPLES: Thank you very
much.

Any questions?

Would the Representatives of the
Agency like to come forward?

MR. McKENZIE: Thank you, Mr.
Chair and members of the Committee. Thank
you, Rachael.

My name is Mark McKenzie. I'm the
current Chair of the Commission. I am dean of
the College for Acupuncture and Oriental
Medicine, Northwestern Health Sciences
University in Minneapolis. I've been a
commissioner for three years. I took over as
chair in February of this year.

I'm going to go ahead and let our
Interim Executive Director introduce himself.
MR. GODING: My name is William Goding. I am the Interim Executive Director, a position I've held for approximately 10 months. We would just like to start by thanking the staff for its thorough review which helped us tremendously in guiding us to what we need to do to come in compliance.

We are working aggressively to do that and we are confident that we will be in full compliance in 12 months. We would be happy to respond to any of your questions.

CHAIR STAPLES: Thank you. Are there any questions? Bill, Susan, anybody else?

Okay. I guess that's all we have for you. Thank you.

Is there a motion?

MS. PHILLIPS: I would move that NACIQI recommend that the agency's current recognition be continued and to require the agency to come into compliance within 12 months and submit its compliance report that
demonstrates compliance with the issues identified in the staff report.

I would further move that its request for expansion of scope of recognition to include its accreditation and pre-accreditation of professional post-graduate doctoral programs in Acupuncture and Oriental Medicine (DAOM) be granted.

CHAIR STAPLES: Is there a second?

MR. PEPICELLO: Second.

CHAIR STAPLES: It's been moved and seconded. We'll wait one minute until that comes up.

Okay. The motion is up there. Can everybody see it? It's not finished.

The motion is before us. Any questions about it? Can people see it who need to see it?

Susan, maybe you should repeat it just because it's been a couple of minutes to make sure everyone understands what we're doing.
I would move that NACIQI recommend that the ACAOM's recognition be continued and to require the agency to come into compliance within 12 months and submit its compliance report that demonstrates the agency's compliance with the issues identified in the staff report.

I would further move that its request for expansion of scope of recognition to include its accreditation and pre-accreditation of professional post-graduate doctoral programs in Acupuncture and Oriental Medicine (DAOM) be granted.

CHAIR STAPLES: Thank you. Anymore discussion, or any discussion, about the motion? Seeing none, all in favor please raise your hand. Any opposed? Motion carries. Thank you very much.

We are now going to take a 15-minute break and we will be back at that point.

(Whereupon, at 1:56 p.m. off the
CHAIR STAPLES: I would call the meeting back to order and invite or begin the discussion of the American Osteopathic Association, Commission on Osteopathic College Accreditation petition for renewal of recognition. At this time I would like to recognize Carolyn Williams.

American Osteopathic Association, Commission on Osteopathic College Accreditation

MS. WILLIAMS: Thank you. In terms of background, the agency is, as was indicated, the Commission on Osteopathic College Accreditation and the American Osteopathic Association.

The Commission on Osteopathic College Accreditation is a standing committee of the American Osteopathic Association. The COCA currently accredits 23 osteopathic colleges of medicine and provisionally accredits another three.

Because these osteopathic medical
education programs may be offered in either free-standing institutions offering only these programs or in larger institutions offering other educational programs, the agency is considered both an institutional and a programmatic accreditor.

Of the 26 colleges of osteopathic medicine accredited or provisionally accredited by the agency three are located in free-standing institutions. The agency is up for renewal of recognition.

In terms of history, the agency as previously configured was first recognized by the U.S. Commission of Education in 1952 and has received periodic renewal of recognition since then.

The agency was last reviewed for continued accreditation in 2005. In 2006 the Secretary granted continued recognition to the agency for a period of five years and granted it a waiver of the separate and independent requirements. An interim report was submitted
in 2007 and at that time it was granted acceptance and renewed.

I think our staff person, Jennifer, is going to fill in the rest.

CHAIR STAPLES: Go right ahead, Jennifer.

MS. HONG-SILWANY: Good afternoon, Mr. Chair, and Committee members. My name is Jennifer Hong-Silwany. I'll be providing a summary of the staff recommendation for the American Osteopathic Association, Commission on Osteopathic College Accreditation.

The staff recommendation to the Senior Department Official is to renew the agency's recognition for a period of five years for its accreditation and pre-accreditation, or the agency's equivalent of provisional accreditation, throughout the United States of free-standing public and private non-profit institutions of osteopathic medicine and programs leading to the degree of doctor of osteopathy or doctor of osteopathic
This recommendation is based on our review of the agency's petition, supporting documentation, and an observation of a decision-making meeting on April 30th through May 1st 2011 in Chicago, Illinois.

Our review of the agency's petition found that the agency is now fully in compliance with the criteria for recognition. The issues identified in the draft staff analysis were fully addressed and documented in the agency's response to the draft staff report.

Therefore, as I stated earlier, we are recommending to the Senior Department Official that the agency's recognition be renewed for a period of five years. Thank you.

CHAIR STAPLES: Thank you. Any questions for Jennifer? Seeing none, will the Representatives of the Agency please come forward?
MR. VEIT: Good afternoon, Mr. Chairman.

CHAIR STAPLES: Good afternoon.

MR. VEIT: My name is Ken Veit and I am the current Chair of the Commission of Osteopathic Medical School Accreditation. I've been the chair for approximately one year. I sat on the commission for a prior six years.

My day job is I am the provost and dean of Philadelphia College of Osteopathic Medicine. The job that I take most pride in is I am an osteopathic family physician. I have participated over many, many years in review processes and I'm very proud to be the chair of an entity that I believe strongly in and our colleges also believe strongly in.

At this time I would like to turn it over to Andrea.

MS. WILLIAMS: I'm Andrea Williams and I am the Assistant Secretary of the COCA.

MR. MISKOWICZ-RETZ: Good
afternoon, Mr. Chair, Mr. Vice Chair, and members of the Committee. I'm Konrad Miskowicz-Retz. I am the Secretary to the Commission. I am the Director of the Department of Accreditation at the American Osteopathic Association.

We appreciate this opportunity to be here before you this afternoon. This is the third petition that I have submitted and I can say that we have found each time we've gone through the process that it has been a process that has helped us to strengthen our program. We've learned something from it each time we go through it. Certainly I can also say that we accept the findings of the staff analysis.

We would be happy to answer any questions.

CHAIR STAPLES: Are there any questions?

Arthur.

MR. ROTHKOPF: Yes. I would be
interested in your reaction to this. We've seen a fair number of organizations come before us today. You probably were sitting through most of those, or many of them. Many have had great difficulty in meeting these requirements and sometimes a long laundry list of requirements not met.

You all seem to have met them. What is the message here? Why are you able to do it and others are struggling and have five, 10, 15 items that they've got to deal with and come back to us in a year?

MR. MISKOWICZ-RETZ: Well, Mr. Vice Chair, I think there are a couple of points here. No. 1, we have a very great deal of respect for the democratic process in this country that gives us statutes and regulations. We fully accept that once regulations are issued, they are regulations that apply -- in the case of accrediting agencies, of course -- that are regulations that we will fully meet.
The second one is one that I think may sound a little bit tired but really you have to live this every day. You have to always be looking at how can you make your programs better. In some cases that is a matter of documentation admittedly, the documentation you keep.

In other cases it's also a matter of following what's going on with the external publics around you. What's going on with the Congress. This is certainly an area, higher education accreditation, that is a very active one today in the Congress.

What's going on with the Department of Education. We heard a talk earlier this morning about granularity. As I've told my colleges, I remember the days when you had the Higher Ed Act, the authorization, you had one set of regs, and you waited for the next reauthorization. That's not where we're at today.

Today you have to keep yourself
attuned to what's going on around you so that you're not always in a reactionary mode when it comes to good accreditation practice but that you can be proactive and respond and stay ahead of where you think things are going.

MR. ROTHKOPF: Thank you.

MS. STUDLEY: Speaking of where things are going, I noticed that you accredit 23 colleges and provisionally accredit another six -- six?

PARTICIPANT: It's 23 and three. I was corrected in my notes.

MS. STUDLEY: Oh, then it has changed since the documentation that we received. If it was six, I was going to ask whether that reflects new entrants because it's an unusual balance. If it's three, then my question is off the table.

MR. MISKOWICZ-RETZ: We had going into the Commission last meeting 20 fully accredit and six provisional. Three of those moved from the provisional, or the federal
career accreditation, over to the accredited
so there was not a net gain by those actions
but rather a movement.

MS. STUDLEY: So 20 and 6 becomes

23 and three.

MR. MISKOWICZ-RETZ: And three,
yes.

MS. STUDLEY: Okay. So while the
provisionally accredit knew, and maybe it's a
different term if somebody slides out of
accreditation after being fully accredited.

MR. MISKOWICZ-RETZ: I understand
your question. The provisionally accredited
schools are schools that are in the
development phase.

They have not yet graduated their
first class of students but they have been
evaluated over all of the standards before
they are allowed to take students and then
they are evaluated annually with annual
reports and annual site visits until they
graduate the first class and that is the time
at which a decision on accreditation is made. Accreditation is for a seven-year period of continuing review.

MS. STUDLEY: Is this a rising pattern? Are there more schools coming into your field at a higher rate than in the past?

MR. MISKOWICZ-RETZ: Like all of the other healthcare professions that I am aware of there is an intense interest in attempting to meet the healthcare needs of this country by making sure that there are adequate numbers of students who are being educated.

We are right now working with additional schools at the level prior to provisional accreditation. We have one school in our pre-accreditation. Then we have a couple other applicants who are seeking to be evaluated for pre-accreditation.

MS. STUDLEY: And do you have a number for the number of students covered by the accreditations that you grant?
MR. MISKOWICZ-RETZ: Right now in this current year I believe our authorized class size is about 5,000 to 5,100 students so if you multiply that out by four it's a little bit over 20,000 students total in the osteopathic colleges.

MS. STUDLEY: Thank you.

CHAIR STAPLES: Any other questions?

Yes, Anne.

MS. NEAL: The question I asked of some others. How big is your budget and your staff and do you ask your institutions to quantify what they spend in terms of their accreditation process; FTEs, hours, duplication, etc., in terms of the cost to them?

MR. MISKOWICZ-RETZ: With regard to the last question, we do not ask for that information. With regards to our budget, our budget is approximately 1 to 1.1 million dollars. We have six full-time staff.
MS. NEAL: Thank you.

CHAIR STAPLES: Any other questions? Okay. Thank you very much.

We have a third-party commenter, Dr. Massood Jallali.

Good afternoon. Turn your microphone on. Just so you are aware, we have a three-minute time limit for third-party commenters. I know that's a tight time frame but maybe you can highlight your remarks in three minutes.

DR. JALLALI: Good afternoon. Again, as I said, I think this time I'm in the right place at the right time. I believe my written comments clearly speak that this agency paints a rosy picture of doing a wonderful job. As a matter of fact, this agency is the most corrupt incompetent agency that is out there.

This is an agency that was trusted by the United States Government and this Committee to do the job and the criteria of
that job was clearly made under Section 602, subpart B and numerous subsections. This agency failed to do the job that it was supposed to do.

It was suppose to monitor the universities and colleges that are certified and give them basically license to participate in Title IV of Higher Education Act. By doing so, as you all heard today, there are almost 26 colleges. That is almost 20,000 students. Each student attending those schools cost about $50,000 a year.

That is close to a billion dollars that this institution oversees. This billion dollars comes from the taxpayers and from the government but, yet, they don't even spend the time to monitor their universities' procedures and policies when it comes to substantive change and class size change which clearly in the CFR 34 Section 602.22 states any substantive change, any class size change must be first given approval by the agency.
I attended NOVA Southeastern University in 1998. That university unilaterally changed the graduation requirement without telling me and submitting fraudulent student loans in my behalf and receiving. Then in 2002 notifying me that, "Now we have changed your graduation requirement."

Where was this agency when I filed a complaint and I said to them, "According to your policy and standards and procedures this university is violating those standards and procedures that you guys accredited." They did nothing. Nothing. As a matter of fact, they did the opposite. They supported the university.

Mr. Konrad Miskowicz he gave a deposition in behalf of the university in the legal litigation that I had with the university that I want a jury verdict on. Nevertheless, business is not going to be as usual for them because I have recently filed
what is called a related complaint which was
under seal.

The United States Government and
Justice Department had 60 days to review the
merit of that complaint. After the United
States Government and Department of Justice
reviewed that complaint, it found my complaint
had enough merit to allow me to file --

CHAIR STAPLES: Excuse me, Dr. Massood. You have exceeded your time. Also,
I think it's important that you wrap up and
you can make your closing comments to the
standards that we're looking at today and
whether the agency meets those standards. I
think the details of your particular complaint
are not relevant for us.

DR. JALLALI: My statement is that
they have violated the standards called
insuring consistent decision making. While
the agency was asking in their own standard
that passing NBOME Part II is only required
for the entering class of 2004-2005. My
school, NOVA Southeastern University, imposed on me way before that entering class comes in.

Second, 602.19, monitoring the accreditations. We told them in the complaint that NOVA is not complying. They did nothing.

Section 602.20, enforcement of standard. They have the job and duty. As I said, it is a billion dollars a year business that these people oversee. They did nothing.

Also, at the same time 602.22, substantive change. In their own policy and procedure it requires university to obtain approval before they add or subtract classes or courses, or asking that the National Board of Osteopathic Medical Examiners become as part of graduation requirement.

That is a significant substantive change. Now I left with no degree, almost a couple hundred thousand dollars owed to U.S. Government because they failed to do their job.

CHAIR STAPLES: Thank you very
much for your testimony.

DR. JALLALI: Thank you.

CHAIR STAPLES: Appreciate that.

Now there is an opportunity for the agency, if they choose, to respond to the third-party presentation.

MR. MISKOWICZ-RETZ: Thank you, Mr. Chair. We have given you a detailed written response to the third-party comments. I don't know if all the commissioners receive that or just the primary readers receive that. Does everyone receive that?

CHAIR STAPLES: It's available to all of us.

MR. MISKOWICZ-RETZ: Everyone has the availability of that. In that one we describe in detail the handling of the original complaint that was filed by the commenter, I believe, the end of year 2005 to 2006. At that time we looked at the complaint that had been made. It was reviewed independently by a subcommittee. You have
before you the complete file of the review of that complaint.

Since that time there has also been a variety of litigation involved regarding this matter. As we mentioned in our detailed comments, which are found in the supplemental narrative to this complaint, the third-party commenter does have an active legal complaint with the American Osteopathic Association at this time.

I would point out that the key point, I believe, that the commenter is trying to make and made in his original complaint in 2006 was around the issue of the fact that the NOVA Southeastern University College of Osteopathic Medicine had changed its graduation requirements to require not only taking but passing Part II of the National Board of Osteopathic Medicine COMLEX Examinations.

The commenter is correct in pointing out that this was done prior to it
being a requirement for all of the colleges of osteopathic medicine. This was a requirement that was under change at that time. It was announced and was one that did not go into effect for a couple years after that time.

This matter was brought before the Department of Education, I believe in early 2007. You have in your materials the letter of response that came from the U.S. Department of Education pointing out that it was certainly within a college's purview to have standards that exceeded the standards of its accrediting agency.

It was also pointed out by the Department of Education at that time that they were supportive of increasing the standards for graduation in colleges of osteopathic medicine.

You heard in the oral comments today some concerns about monitoring of substantive change and of class size change. Both of these are well covered in our original
petition and in the petition materials.

With respect to class size change, unlike many other accrediting agencies we have considered this a substantive change since the time that accrediting agencies were required to monitor substantive changes. We have an extensive procedure for monitoring the sizes of the classes at our schools and for also monitoring requests for changes in the class size increase.

It is stated that the accrediting agency, that is the AOA-COCA, did nothing with response to the original complaint. As you see in the materials we provided to you, the complaint was handled. The complaint was processed.

The findings at that time were that there was no evidence that the college was in violation of any standards of accreditation by raising its standards for accreditation to include the passing of the Part II exams.
If you look through the record that we have provided you with, you will find that the college provided a very detailed explanation of how this was handled with regard to the third-party commenter.

If you look also through the records, particularly of the findings of the State of Florida Appellate Court, you will see that they essentially found as facts the same facts upon which the AOA-COCA relied upon when it evaluated the initial complaint.

With that, I would be happy to answer questions, Mr. Chair.

CHAIR STAPLES: Thank you. Are there any questions? Doesn't appear so. Thank you very much.

Jennifer, do you have any additional comments? Okay.

Carolyn, any comments or a motion, whatever you choose.

MS. WILLIAMS: Ready for a motion.

I move that the NACIQI recommend that AOA-
COCA requested renewal of recognition with its current scope of recognition be granted for a period of five years based on the agency's compliance with the Secretary's criteria of recognition.

CHAIR STAPLES: Is there a second for that motion?

MR. ROTHKOPF: Second.

CHAIR STAPLES: It's been moved and seconded. Any comments or discussion? Is the motion up there for everyone to see it? Okay. No further discussion. Then all in favor of the motion please raise your hand. All opposed? The motion carries.

Thank you and that completes our agency reviews for today.

Melissa, do you have any -- we do have continued discussion among ourselves but that is the finishing of our public portion.

MS. LEWIS: No. I would just like to remind everyone that tomorrow's session starts at 8:30 in the morning. The first half
of the day will be a typical NACIQI meeting where we review agencies for recognition. Then starting at noon we'll turn our attention to the reauthorization of the Higher Education Act and of the Secretary's -- the Committee's recommendations concerning that.

CHAIR STAPLES: Do you want to mention what we're doing next? We may have to take a break because we may not have Marcella here yet. She's coming at 3:00?

MS. LEWIS: Right. For the audience's information, as well as the members, the rest of the day will be spent giving the members their annual required ethics training. It's an administrative session so that everyone will feel comfortable asking questions. Thank you very much and we look forward to seeing you tomorrow.

CHAIR STAPLES: Thank you very much as well. We'll take a break until 3:00 when we hope Marcella will be here for that.

PARTICIPANT: She's here.
CHAIR STAPLES: Okay. We'll take about a 15-minute break.

(Whereupon, the recorded proceedings went off the record at 2:47 p.m.)