

**National Advisory Committee on Institutional Quality and Integrity  
(NACIQI) S2013 Meeting  
Remarks of Dr. Martha Kanter  
Arlington Hyatt, Arlington, VA  
Thursday, June 6, 2013, 1:15-2:15 p.m.**

**Introduction**

Thank you, Jamie, for the warm welcome. It's a pleasure to join you all today, and, after my remarks, I'm especially looking forward to our conversation and hearing your thoughts and perspectives. I'd like to open with brief highlights from the Administration's priorities for the second term, emphasizing President Obama's special call, in this year's State of the Union address, adding a sharper focus on value and affordability to our quality initiatives in postsecondary education. I'll conclude my remarks with an important announcement about steps we're taking to improve the recognition process and reduce burden.

But first, I want to emphasize the vital role of NACIQI and our accrediting agencies, and to thank you all for what you are doing to help us rethink and strengthen America's postsecondary education system for the 21<sup>st</sup> Century. Accreditation for the purpose of assuring that our nation's undergraduate and graduate students receive a high-quality education is an issue of the utmost importance to all of us at the federal, state and institutional levels – and – of course, to the students themselves.

Secretary Duncan and I care deeply about student learning, institutional quality and performance, and ensuring that we are being good stewards of federal resources through public accountability and transparency. We are working on many levels to encourage colleges and universities to leverage the high-impact practices that enable world-class

results in student and institutional performance. Innovative thinking, a spirit of collaboration, a commitment to shared responsibility, and bold action from all of us will be necessary to meet the President's goal of producing the world's best educated, most competitive workforce.

The comprehensive report that NACIQI provided in 2012, fulfilling your charge to advise Secretary Duncan on the reauthorization of the Higher Education Act, was an important contribution to this effort. The report examined our current system of recognition, accreditation, and student aid eligibility, and included the perspectives of a very broad base of experts and stakeholders. As we are already in initial conversations about the core elements of the reauthorization, your report is an important source document to inform the national conversation about quality, value, affordability and a host of other issues that will help chart the future of our nation's postsecondary education system.

### **A Word About How We Got Here**

To frame today's discussion, I'd like to mention the practical considerations that led to the distinct but complementary roles the federal government, states, and the accrediting agencies now play. It's important to recall why Congress gave accrediting agencies this gatekeeper role sixty years ago. The G.I. Bill of 1944 allowed veterans to use their education benefits virtually anywhere and many enrolled in substandard institutions that provided them with little or no education. As a result, accredited status was used as a criterion for identifying institution that students could attend using funds from the second GI Bill in 1952. While there are some well-

founded concerns about the variations in the quality of education offered by accredited institutions – concerns for which we all bear some responsibility, and which we’re all deeply committed to addressing – it’s clear that the voluntary system of accreditation has enabled a deepening focus on quality and student learning over the years, especially over the past 2 decades

Yet it’s also the case that all these years later, the concern about substandard institutions has not gone away. We continue to see the need for the federal government to work with accreditors and states as the triad of partners to assure quality, each with our own responsibilities and authorities. While the federal government is not positioned to make fine-grained determinations about academic quality– and I’m certain no one here advocates that we do! --we nonetheless have the responsibility and charge to work within our distributed system to encourage a conversation—and more importantly, action—on improving postsecondary learning and institutional outcomes, to safeguard the public’s investments and to protect consumers from unintended consequences of providers who do not deliver what they promise. The accreditation community plays a vital role. And there is also a significant role for state governments in their work with institutions to increase access, affordability, quality and completion, to protect consumers, and to investigate and resolve complaints. In addition, given the dramatic growth in online programs and the need to ensure a state authorization mechanism, states have a further responsibility to uphold their authorities and responsibilities. It is the strength of executing our independent and shared responsibilities that allows the federal government, states and accreditors to support a dynamic and strong postsecondary system of diverse institutions.

## **Announcement of Plan to Initiate a Focused Review Process**

Toward this end, I would like to announce today the Department's effort to improve the current system of recognition by focusing the process by which we review agencies. Moving forward, for agencies seeking renewal of recognition that are fully compliant with the criteria, the Department will select from among the existing criteria those it deems most relevant to demonstrating quality and target its reviews for renewal of recognition by focusing on a limited number of criteria in more depth. We think this is a first step to being responsive to NACIQI's recommendation to make the process "less intrusive, less prescriptive, less costly, and less granular, while maintaining the essential quality controls of gatekeeping" (NACIQI recommendation #12).

Department staff will give you more detail about our plans, but we intend to reduce the number of criteria on which most agencies must provide documentation from 93 down to about 25. We are initiating this process because we believe that more information is not always better and we are confident that we can focus our reviews on more relevant information in sufficient depth and substantially reduce the burden on accreditors, NACIQI and the federal government. In the end, we think that this will be a better process for evaluating accrediting agencies and will give us an experience base from which to propose statutory changes that will ultimately lead to higher quality institutions that deliver better outcomes for students.

## **The President's Call and Encouraging a Broader Conversation**

In the President's second term, this Administration will continue to implement his plan for the federal government to share responsibility –with states, postsecondary institutions, and students and families – for advancing higher education access, affordability, quality and completion.

And, as you know, earlier this year the President explicitly called on Congress to either: add value and affordability measures to the current accreditation system; or to set up an alternative to accreditation that provides a path for new providers to access student financial aid, based upon rigorous performance standards.

Within this framework, the Department is eager to engage in a broader conversation with the entire community who care about postsecondary education about ways to increase quality in the system and strengthen the accreditation process through the reauthorization of the Higher Education Act. The time is ripe for this discussion, with a growing focus on student outcomes and learning in general, in light of innovations that are changing the nature of what we have understood about learning for centuries.

The College Scorecard that we released last year (which is a 1.0 version and on which we invite your comments and input) highlights the wide performance variation among colleges and universities across our nation on the indicators we have published. While we have some of the world's best institutions, we also have many that are of poor quality, with outcomes that give their incoming students little chance of leaving with the postsecondary credentials or training that they intended to earn—and that is so vital in today's society and economy. We see that these poor-performing institutions are found in all parts of the country and include

institutions accredited by regional and national accrediting agencies. We will welcome your thoughts on how we can work together to most effectively identify these institutions and to help them improve student outcomes, to protect the federal, state and consumer investments that seek to yield successful graduates for a prosperous and civically engaged nation, or in the worst cases deny them accreditation and Title IV access.

Overall, following the President's lead, we want to focus our conversation on value and affordability. If we define value as high quality at an affordable cost, how can we help to ensure that we achieve it? Most importantly, since that determination is largely made by individuals and families, how can we help make their choices clearer? We are looking to you to help us to define and measure these terms, including "quality," "value," and "affordability" in ways that honor and preserve the diversity of our postsecondary landscape, yet hold all of us accountable for their outcomes and improvement.

On these and other issues, our Department is interested in convening and facilitating these important discussions with our partners and stakeholders, and we look forward to leveraging the results of these conversations to inform the reauthorization of the Higher Education Act, in the months ahead.

To support these conversations, there may be data points that would be helpful to both accrediting agencies and the public. The Department collects significant amounts of information about institutions, which may allow accrediting agencies to get a more complete picture of institutional performance. As part of our greater transparency initiatives, the Department will work to make these data more easily available to NACIQI,

accrediting agencies and the public. This will provide NACIQI with a more comprehensive view of the universe of institutions approved by each accrediting agency and allow the members of the public, organizations and stakeholders to conduct their own analyses and make decisions about accreditator and institutional quality using all available data. These data could include graduation rates, net price, cohort default rates, Title IV aid volume, financial stability scores, and earnings, though I would certainly be interested in your thoughts about these and other data sets that would be helpful and appropriate for gauging institutional quality.

And, even as we work together to develop sustainable solutions to these questions, there are some immediate steps we can take to pilot specific approaches, create incentives for innovation, and identify the strongest models in the field to validate affordability and value.

### **Supporting Innovation**

An expanded conversation about quality is also particularly relevant in this time of rapid innovation and change in postsecondary education. There is significant buzz about MOOCs, online and hybrid learning, and changing faculty roles. As we enter this era of change, conversation about how to acknowledge, measure and account for quality given the changing context and conditions of postsecondary education is imperative—and again something that will require the best thinking of our most knowledgeable stakeholders.

Let me share with you just a few of the innovative efforts we have underway, or on the horizon, that have the potential enrich our conversation and add momentum to our efforts.

### ***Competency-based education and direct assessment***

The first is supporting and encouraging competency-based education. Many people are aware of the limitations of the current credit hour definition, and we now have a few institutions that are innovating in their efforts to measure student progress based on direct assessment of student learning. As you know, this process requires approval of both the institution's accreditor and the Department of Education, and we see this collaboration as a way to both support and encourage innovation, while ensuring quality in these innovative programs. We want to advance the dialogue about how to support these types of innovations.

### ***The First in the World Fund***

Another way we would like to support innovation is through a First in the World fund. In his FY 2014 budget proposal, the President has proposed a \$260 million [dollar] "First in the World" competition, to develop, evaluate, and scale innovative practices to increase college access, affordability and success, and validate new learning models that produce high completion rates. We're confident that this new initiative could be an important means to help spur innovation with "rigorous performance standards."

More specifically, to improve student outcomes, we want to encourage institutions and other higher education stakeholders to identify innovative solutions to address the completion challenge and improve higher education productivity, build evidence of what works through rigorous evaluations, and scale up and disseminate those strategies that prove most successful. The initiative would be composed of three parts:

This first is a competitive program based on our successful “Investing in Innovation” – or i3 - grants for K-12. Our new effort would build evidence of what works through rigorous evaluations, and scale up and disseminate those proven access and completion strategies, with a special focus on low income, minority and first-generation college students.

The second part we’ve outlined is a competition to test new quality validation systems that can identify appropriate competencies, next-generation assessments, and curricula for high-need fields. This would support the creation and scaling of innovative, lower-cost providers by giving them tangible student learning benchmarks and goals to work toward.

As the third part of First in the World, we’d implement a “pay for success” program tied to these new validation systems to reward all types of providers that can successfully prepare students for free or substantially lower-cost two-year degrees coupled with a rigorous demonstration of learning.

In particular, developing the quality validation system and the pay-for-success model will require the engagement of the postsecondary community, including accreditors. New technologies offer the potential to understand and assess learning in powerful ways. These ongoing formative assessments offer the potential to personalize and customize learning on an ongoing basis and in real time. Further, robust assessments and judgments that can demonstrate the full extent of student learning—including skills and capacities like critical thinking, creativity, or tenacity—would give us new ways to answer the question, “What are our students learning?” “What can they do?”

The accreditation community has developed a rich information base and expertise about student learning outcomes. Help us think through and take leadership in the development of these processes, strategies, indicators and metrics to help us define and improve quality. We look forward to further conversations about how to assess and validate quality—and to pay for success when there is evidence of it. The Administration is eager to help and accelerate development in this area, and the President’s First in the World fund is one way that can make this happen. New measures, robust evidence of quality, validation systems, and pay-for-success models would give us the research base that could lay the groundwork for an alternative system of the kind the President described.

## **Closing**

Let me close with a few final comments. Our national agenda, and our “North Star”, the President’s completion goal, are – admittedly – ambitious. This Administration has made significant investments in federal student aid, world-class research, college access and completion strategies, and community colleges. Through the second term, this Administration will continue to place a strong priority on methods to improve quality, accelerate achievement and increase opportunities for all of America’s diverse students to succeed in today’s knowledge economy, and engage productively in the democratic endeavors of our communities.

Improving quality and recognizing and rewarding value and affordability will require our best thinking, collectively. We need your help to achieve the necessary cultural and operational shifts in accreditation processes. We need your help to build the widespread commitment and

implement the lasting changes that will move all of our institutions toward a vision of excellence and equity that can truly make this nation “first in the world” for generations to come!

I appreciate the opportunity to share these updates and reflections with you. And now, I’d love to hear your thoughts and take your questions.