September 1, 2015

To: All College Presidents, Superintendents, and Chancellors

From: Barbara A. Beno

Re: Reauthorization of the Higher Education Act Progress

My purpose in writing is to provide you information on the reauthorization process and to alert you to some of the topics under serious discussion as they relate to accreditation. These include possible changes in requirements of accreditors, a possible increased focus on metrics of institutional performance, the possibility of a reduction in federal regulations regarding substantive change reviews (currently quite burdensome), and a discussion of reducing overall federal regulations of accreditors (which would impact somewhat the requirements of what accreditors “do” to institutions).

Over the last few months, regional accreditors including the Accrediting Commission for Community and Junior Colleges (ACCJC) have participated in a number of meetings with the staff of members of Congress, have had individual meetings with the Members themselves, including Senator Lamar Alexander, and had a private hearing/discussion with the majority leaders in the House of Representatives about accreditation and quality assurance issues. Dr. Barbara Gellman-Danley (President, Higher Learning Commission) testified this summer at a U.S. Senate Committee on Health, Education, Labor & Pensions (HELP) Hearing on the work of regional accreditors.

The Senate staff is hoping to develop bills concerning accreditation this fall, and the Council of Regional Accrediting Commissions (C-RAC) will continue its conversations around this legislation. A number of challenges before Congress this fall on issues other than higher education will likely delay reauthorization, possibly to as late as 2017, but ideas are being crystallized and the language of proposed bills is being drafted.

There are a number of areas in which changes to regulations are being seriously discussed:

First, it appears that after a few years of criticism of the existing accreditation system by U.S. Department of Education (USDE) officials, members of Congress and journalists, there is a declining interest in severing the link between financial aid and accreditation, or eliminating accreditation’s role in gatekeeping for financial aid. Senator Alexander (Senate HELP Committee Chair) said this summer that neither Congress nor the USDE could provide adequate oversight for higher education quality and improvement, only the accreditors can. So, accreditation is likely to remain the gatekeeper for federal funds in the next reauthorization.
Second, there is an interest in possibly reducing federal regulation of accreditors, particularly in some of the areas of 34 CFR Section 602. This section lists the ten areas about which accreditors must have standards for institutions. There is also an interest in listening to accreditors’ request that the regulations about Substantive Change be reduced and accreditors given more discretion to “trust” institutions in their implementation of new programs. Discussions are continuing on what regulations might be reduced or eliminated.

Third, there is an increased focus on substandard institutions, and sentiment that accreditors should do more to remove the accreditation from substandard schools in order to provide greater consumer protection and to protect federal student aid funds. The case of Corinthian Colleges, wherein federal slowing of reimbursement to the institution of student aid funds created significant financial crisis, and subsequent closure of the institution, has generated a good deal of interest in what accreditors do to monitor financial conditions of institutions. “Substandard institutions” is increasingly being defined in discussion practice as those institutions with high loan default rates and low graduation rates, so there is increased likelihood that the reauthorization may include some new requirements about accreditors setting bright line indicators for both metrics. Notwithstanding the complexity of calculating a valid “graduation rate” for community colleges, the discussions with Congress tend to be around simple metrics as used in USDE databases. The Wall Street Journal used federal lists of institutional performance on simple indicators in its articles critiquing accreditation in the last few months.

Fourth, there is an increased interest in asking accreditors to do more to examine “student learning”, particularly the learning outcomes of programs. Given all the discussion about the “value” or return on investment for degrees and certificates, the nation’s interest in increasing the quality of the nation’s labor force, and the impacts of higher education on socioeconomic mobility, much discussion has focused on the programs that students enroll in, the clarity of the learning outcomes student can expect, and the public’s interest in high quality programs.

Fifth, the Congress sees the job of accreditors as providing accountability and transparency to the public. It is interested in accreditors and institutions providing more data to the public on institutional performance indicators, and in providing public access to the results of accreditation – the accreditation decision, the evaluation reports or summaries of the reports’ findings.

A long article about accreditation in Inside Higher Education, September 1, 2015 entitled “No Love, But No Alternative”, by Doug Lederman, provides a very ample discussion of the historical relationship between our peer review system and federal law and regulation. I highly recommend it to you for perspective on the changing role of accreditation. It can be found at https://www.insidehighered.com/news/2015/09/01/accreditation-will-change-survive.