
NACIQI Draft Final Report

Higher Education Accreditation Reauthorization Policy Recommendations

February 8, 2012

In September 2010, the National Advisory Committee on Institutional Quality and Integrity (NACIQI) received a broad charge to provide advice to the Secretary of Education on the reauthorization of the Higher Education Act. The NACIQI responded to this charge by undertaking an extended dialogue about the current system of recognition, accreditation, and student aid eligibility.

In framing the issues for this dialogue, we noted that the current system of recognition, accreditation, and student aid eligibility draws on a variety of players, definitions, and processes. There are many actors--federal, state, professional/trade/membership organizations, and the public—all of whom play varying roles and have varying interests. Common across all is the understanding that a well-educated citizenry promotes individual and community well-being, economic competitiveness and workforce development, and civic participation. Also common is an interest in assisting individuals in making informed post-secondary educational choices, in consumer protection, and in the continuing improvement of education and the institutions that provide it. However, there are both commonalities and divergences among notions of “quality assurance,” “continuous improvement,” and “compliance.” There is confusion and incomplete overlap about compliance with regulation versus accreditation via peer review. And there is tension among notions of gatekeeping for student aid eligibility, mechanisms of public accountability, and notions of accreditation as a broader quality improvement and assurance process. This complex system has been admirable in many ways in addressing the needs of quality assurance in a dynamic and diverse environment. However, new challenges and the multiplicity of actors and issues pose a number of tensions, points of confusion, and areas of overlap.

We considered a diverse range of topics in our deliberations and benefited from comments from federal and state actors, from accreditors, from beneficiaries of quality in higher education, and from accredited institutions, including perspectives from experts in education, policy, business, government, and beyond. We agreed to focus on three main areas – the triad of actors in educational quality assurance; the scope, alignment, and accountability of accreditation activity; and regulatory burden and data needs. Our present focus in these three areas should not be taken to mean that there are not many additional areas of importance that merit policy evaluation. Following due consideration – including public hearings, written comment, and extensive discussion -- this document provides our recommendations in these three areas in response to the Secretary’s invitation.

The linkage of accreditation and eligibility for federal funds

Common across the areas selected for consideration is the tension among notions of gate-keeping for institutional eligibility for student aid, mechanisms of public accountability, and notions of accreditation as a broader quality improvement and assurance process. With a substantial federal investment in education (over \$175 billion available in Title IV funding for student aid in 2011), the federal process for determining aid eligibility has, to date, included institutional or program accreditation as its assurance of the quality of the education endeavors to which federal funds might be directed.

A critical issue concerns the extent to which accreditation serves, and should continue to serve, a gatekeeping function for the determination of eligibility of federal funds. Deliberations on this issue covered a range of views, and concluded with the recommendation to retain accreditation in the institutional eligibility process.

In arriving at this recommendation, we considered the determination of educational quality, the role of the federal government in educational determination, and matters of accountability:

The accreditation system serves as a critical element in providing information about academic quality to satisfy the federal interest in assuring the appropriate use of federal funds. While this service may not have been envisioned at the origin of accrediting agencies, accreditation nonetheless provides a valuable function in this process, and is uniquely appropriate for that function. Accreditors are the most experienced source of information about academic quality and should continue to establish and assure consistency with academic quality standards in the determination of eligibility. Compliance with academic regulations, standards, and expectations requires the involvement of academic specialists, who apply broad general understandings to local conditions. As a corollary, it is noted that accreditation attracts and deploys extraordinary academic talent in the service of quality assurance, and does so in a cost-effective manner.

There is value in sustaining the determination of quality as a non-governmental function. In this, we note that a strength of American higher education has been its freedom from federal determination of institutional quality and self-improvement processes. The responsibility for evaluating how well an institution is accomplishing its educational work can and should rest exclusively with the institutions and/or the accrediting bodies. With accreditation being a system of self-regulation, the involvement of member institutions in the process of establishing the standards and then applying them in volunteer peer review, accreditors also promote understanding of the expectations and buy-in for the standards and policies.

While some may consider that accreditation has not been sufficiently publicly accountable, it is notable that, as a function of its engagement in the federal aid eligibility process, the accreditation system has moved in the direction of greater accountability by including, among other provisions, requirements that a portion of accreditation commissioners be members of the public.

Ultimately, all regulation in an enterprise as complex and diverse as American higher education is self-regulation, and it is necessary that member institutions be sufficiently involved and invested in understanding the issues, arriving at self-regulatory solutions, and establishing principles to ensure institutional compliance.

In making the recommendation to retain the link between accreditation and aid eligibility, we recognize that this is a time of considerable focus on quality in higher education, with emerging areas of serious concern about value, standards, outcomes, cost, transparency, and accountability. Accreditors and their various constituencies must confront these challenges vigorously and do so in ways that continue to offer significant value and rigor in quality assurance. Their effort must also be considered in light of the full array of actors and processes with responsibilities for determining and enforcing quality standards.

As a consequence, accompanying our recommendation to retain the link between accreditation and aid eligibility are a number of additional observations and recommendations. We begin with consideration of the context of the triad of actors involved in quality assurance, offer some perspective on the roles, functions, and opportunities for change for each, examine the essential data by which quality is determined, and close with suggestions about the role of NACIQI itself.

The “Triad” of actors in educational quality assurance

With three main actors (federal, state, and accreditor) in the complex and evolving quality assurance enterprise, the responsibilities of the members of this triad understandably are not fully clear. There are both overlaps in responsibilities and gaps where necessary responsibilities are not fully covered. Our recommendations include the following:

1. Clarify and articulate common understandings about the responsibilities of each member of the triad.
2. Coordinate/increase communication among actors to achieve greater commonality across the quality assurance/eligibility enterprise. Increased communication among the members of the triad may identify common concerns and shareable data.
3. Encourage the states’ engagement with consumer protection and investigation, whether within or outside the processes of accreditation.

The federal and state roles in quality assurance

In addition to its shared interest in educational quality, consumer protection, and assisting consumers in making post-secondary education choices, the federal role in accreditation includes the assurance that taxpayer funds are only used for acceptable educational activities. This assurance cannot be satisfied by evaluation of financial stability/compliance data alone but must include both financial and quality considerations.

The federal member of the triad could be expected not only to set expectations for the elements for which it is responsible, but also to convene and promote communication and collaboration across the triad.

Among states, there is considerable variability in the responsibilities that different states assume, yielding uneven coverage of those areas of responsibility specifically allocated to states. The inconsistency of state approaches also renders some institutions triply-monitored, while others are actively monitored only by the federal and accrediting members of the triad. Our recommendations concerning the state role include:

4. Determine what mechanisms will best insure that critical quality assurance/eligibility expectations are met across institutions and agencies nationwide.
5. Draw on the convening capacity and function of the federal level to develop models for triad articulation and to promote greater engagement and consistency across states.

States' historic and justifiable responsibility for educational quality and protection of their citizens, might well be promoted through focused state attention to their areas of traditional expertise, especially consumer protection and pursuit of fraud and misleading commercial promotion. At the same time, the presumption that state boundaries define the delivery and oversight of education may in some respects be inconsistent with the newer methods of education that are not tied to land boundaries, and the multiplicity and inconsistency of state regulation may hamper both effective application of quality standards and educational diversity and innovation. Our recommendations in this regard include:

6. Evaluate whether the diversity of state regulation across the country might be shaped to incorporate recognition of the growth of cross-state (and, indeed, cross-nation) educational activity.
7. Encourage state effort to assure the adequacy of consumer information and the accountability of institutions and programs providing education within the state. State experiences and "best practices" would be a useful topic of conversation in a federally-convened process, as would the development of a common understanding of a minimum level of consumer protection.

The role and scope of accreditors

As accreditation agencies continue to play an essential role in the determination of eligibility for Title IV funding, it will be important to address the challenges that follow. Accreditors accept the responsibility of demonstrating adequate rigor in accountability to assure that all accredited institutions meet reasonable standards of educational performance and that unacceptably weak institutions are not eligible for student aid. While the peer review nature of accreditation is well suited to the development and improvement process, accreditation is also in some ways challenged by the responsibilities of the gatekeeping or policing aspects of its functions. Although accreditors stand prepared to carry out these gatekeeping functions and to manage the inherent tensions, the potential for risk and legal action associated with application of rigorous standards may be greater than a single accreditor is prepared to sustain. Our recommendation here is:

8. Explore either assigning the more risky, litigation-prone elements of the gatekeeping function to a different quarter (e.g., a more independent entity or process created by accreditors collectively) or providing resources and/or indemnification to accreditors to reduce the legal risk and burden (not from the Federal Government). This would extend beyond the provision for initial arbitration already in statute.

Just as the accreditation system did not originate with the intent to serve federal student aid eligibility functions, it also did not originate in the context of educational diversity and reach that exists today. The regional foundations of some accreditor organization may be due for re-assessment by those entities as the diversity of educational activities and missions have expanded within a region, and as educational activity and mission increasingly span regional and national boundaries.

Of note is that the regional commissions have accredited under one tent, research universities, state colleges, liberal arts institutions, community colleges, and special purpose institutions. This system keeps these very different institutions accountable to a single set of standards within each region, promoting mobility for transfer students, and students seeking a higher degree, as well as reasonable consistency for the various degree levels. Our recommendation in this regard includes:

9. Encourage a dialogue within the accreditation community about the structure and organization of the accreditation enterprise. The diversity of educational activity and mission today may call for a system of accreditation that is aligned more closely with mission or sector or other educationally relevant variable, than with geography. This dialogue may also afford institutions greater opportunity to choose among accreditors.

Currently, it appears that both federal and accreditor participants in the quality assurance enterprise are relatively undifferentiated in their reviews. That is, the same level of scrutiny and intensity of review is given to accreditors and institutions with longstanding competent

performance on quality indicators as is given to those that might be fragile, unstable, low-performing, rapidly expanding or changing, or newly-approved. Our recommendations concerning flexibility and nuance in the review process include:

10. Afford the federal and accreditor participants greater opportunity and encourage them to distinguish among applicants with more varied levels and durations of review, such that the greater review effort is addressed to accreditors and institutions that present greater potential cause for concern and those whose circumstance may call for additional, supplemental, or heightened review. Ensure that such distinctions do not engender discriminatory action nor arise from the application of differential standards.
11. Afford accreditors greater opportunity and encourage them to design systems for expedited review.
12. Afford accreditors greater opportunity to offer more gradations in their accreditation decisions.

Taken as a whole, the accreditation process should be measured by reasonable cost-benefit standards, in which regulatory obligations, effort and cost are consistent with the results in terms of important protections and quality control. Some current requirements are essential to allow accreditors to evaluate institutional or program quality, while others may be seen as unnecessarily intrusive, prescriptive, and granular in ways that may not advance system goals nor match institutional priorities, and as costly in resources such as time, funds, and opportunity. Here, our recommendation is:

13. Undertake substantial modification to the existing statutory and regulatory criteria, and their application, to make them where possible less intrusive, prescriptive, costly, and granular while maintaining the essential quality controls of gatekeeping.

Data as an essential tool in quality assurance

While it is clear that data must be the basis on which decisions are made, there is concern that the quality assurance enterprise collects more and different data than is necessary for quality review. The usefulness of the collected data to consumers, institutions, accrediting authorities, or the federal government has been questioned, especially given the inconsistency among definitions that limit data comparability and policy reliance. While some data may be useful to some parties, the burden of acquiring that data may be too high for its utility, the data are not available to consumers in a manner that is useful to them, or both. Our recommendations concerning data include:

14. Reconsider data that are collected by all accreditation, state, and federal agencies. In this reconsideration, evaluate the costs of data collection relative to its utility and appropriate use.

15. Wherever possible and of value, share data provided to and analysis conducted by the federal government (e.g., regarding institutional financial responsibility) to assist accreditors in reviews
16. From the above reconsideration of data, costs and benefits, define a specific set of data that is needed as a minimum to address (a) federal interest and/or (b) institutional improvement. This would entail:
 - (1) Developing a set of consistent definitions and appropriate metrics for use in the accreditation process. Achieving convergence of agreement about definitions may—without altering the state regulatory authority or interest—assist states in becoming more aligned in their regulations and thereby provide institutions whose activity crosses borders with fewer divergent data demands.
 - (2) Insuring that this data is accurate and meaningful, and consistent across institutions, without specifying minimum thresholds to be applied across all institutions. All data requirements should account for distance education modalities.
 - (3) The specific set of minimum data would not preclude accreditors from requiring data appropriate for their philosophy and specialty. Accrediting agencies can and should consider what additional data is needed for the function of continuous institutional improvement. However, additional requirements for data collection should be developed with an assessment of its burdens and sufficient lead time for the data to be compiled.
17. A data set with common definitions might beneficially include data on such outcomes as completion/graduation, licensure or job placement (where appropriate), and/or other indices of career progress. Note that this consideration does not include specification of student learning outcome measures, nor of uniform thresholds on any measure to be applied across all institutions.
18. The accuracy of data is so central to eligibility and to consumer decisions that it may be appropriate for critical data elements to be independently audited under specified circumstances. It may also be appropriate to review the penalties for submission of fraudulent, inaccurate, or misleading data.
19. Some types of data may require that systems be developed in order to compile the information in a manner that protects privacy of individuals appropriately. Recognizing the controversy concerning national unit record systems, further consideration could be directed to how completion (graduation) data might be gathered in a privacy-protected manner.
20. Explore and implement how the Integrated Postsecondary Education Data System (IPEDS) data could be made more accurate, timely, and useful.

Data in service of public and consumer information

To address the concern about lack of transparency in the accreditation process, data collected for accreditation by accrediting agencies should be available to the public by both the institution and the accrediting agency in a format that is consistent, meaningful, and perhaps prescribed. It is a reasonable goal is to afford students and the general public the opportunity to make accurate comparisons based on facts. Our recommendations in this regard include:

21. Make accreditation reports about institutions available to the public. Further discussion is needed about what reports to include, and about how to increase information and transparency while sustaining other critical values in the accreditation process
22. Increase the number of knowledgeable public members on accreditation decision making boards.

The role of the NACIQI as a federal advisory body

We want to be sure that this body and our activities add value to the recognition process, exercising independent judgment and addressing significant priority issues. Further, we have the opportunity to provide greater leadership and perspective on the design and effectiveness of the accreditation and quality assurance process. The occasion of agency review for recognition provides us and the accreditation community the opportunity to be better informed about the shifts, challenges, successes, and good practices of the various parts of the quality assurance enterprise. Our recommendations for the role of NACIQI include:

23. Expect NACIQI to ask accreditors to report on the performance of the universe of institutions/programs they accredit.
24. Continue to expect NACIQI to play a role in system review, monitoring, dialogue and exchange, and policy analysis and recommendations to advise the Secretary. This role could include developing standards to meet changing realities in education, identifying needed flexibility in accreditation standards, and assessing system wide outcomes and consistency.
25. Just as our recommendations provide the basis for greater nuance or gradation in the accreditation determination of institutions and programs, so too might NACIQI consider greater nuance or gradation—indicating a range that includes both honors and caution—in the recognition determination regarding accreditation agencies.