United States Government Accountability Office

Report to Congressional Requesters

December 2017

HIGHER EDUCATION

Expert Views of U.S. Accreditation

Accessible Version

GAO-18-5

December 2017

HIGHER EDUCATION

Expert Views of U.S. Accreditation

GAO Highlights

Highlights of GAO-18-5, a report to congressional requesters

Why GAO Did This Study

Education provided more than $125 billion in federal student aid funds in fiscal year 2016 to help students pay for higher education. To participate in federal student aid programs, postsecondary schools must be accredited by an accrediting agency recognized by Education. Accreditors work with Education to oversee participating schools and play a critical role in assessing academic quality. GAO was asked to review the U.S. accreditation system's oversight of academic quality.

This report examines (1) the strengths and challenges of the current U.S. accreditation system in overseeing the academic quality of schools, and (2) potential approaches for improving the U.S. accreditation system's oversight of academic quality. GAO convened a roundtable of 18 experts with the help of the National Academies of Sciences, Engineering, and Medicine, a nonprofit agency whose mission includes informing public policy decisions, and surveyed the experts before and after the roundtable meeting. GAO also conducted a literature review, reviewed relevant federal laws and regulations and Education documents, and interviewed Education officials and higher education stakeholders, including academic researchers.

In its comments, Education stated that it is reviewing the report carefully as it works to improve postsecondary education opportunities for students and its role in the accreditation process.

View GAO-18-5. For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov.

What GAO Found

The U.S. accreditation system—which helps to ensure that schools provide students with a quality education—has some key strengths, according to many of the experts GAO convened in a roundtable on the issue, as well as what was reported in literature GAO reviewed and interviews it conducted. Specifically, experts said the structure of the accreditation system, which includes nongovernmental accrediting agencies recognized by the Department of Education (Education), allows for accreditor reviews that are tailored to various school types, from medical to cosmetology schools. Experts also said the use of peer review by academic faculty and administrators offers the relevant expertise to assess academic quality and provide schools with feedback for improvement.

However, some experts, literature GAO reviewed, and interviews identified challenges with the accreditation system's oversight of academic quality. For example, some experts and literature stated that accreditors may be hesitant to terminate schools' accreditation when they identify issues because such action would adversely affect schools' eligibility for federal student aid programs, potentially leading to school closure. Many experts also said the accreditation system may not provide useful information to students about academic quality. Further, most experts and literature identified challenges with how to effectively define and measure academic quality. For example, experts said it can be difficult for accreditors to measure academic quality in fields without quantifiable outcomes, such as pass rates for professional licensing exams.

Potential approaches to improve the U.S. accreditation system's oversight of academic quality range from modifying accreditors' and Education's current roles to restructuring the current system, based on experts and GAO's literature review. While experts cautioned that there could be potential disadvantages to these approaches, the proposals for addressing oversight challenges included:

- **Modifying oversight roles and responsibilities:** Some experts suggested clarifying or redefining responsibilities, including those of accreditors and Education; providing protections for accreditors from legal action by schools; and allowing Education to set and enforce accreditation standards for student achievement.
- **Strengthening communication and transparency:** Some experts proposed sharing more accreditor information to help students, policymakers, and the public make informed decisions on investments in higher education.
- **Using academic quality measures and expanding accreditation options:** Some experts proposed increasing accreditors' focus on student outcomes in assessments of academic quality. A few experts proposed adding an accreditation category that would allow a school to maintain its federal student aid eligibility at a reduced level while making improvements.
- **Changing the structure of the accreditation system:** GAO identified four approaches in the literature—three of which were developed by roundtable experts—to establish new entities to set standards for assessing schools' academic quality. These approaches differ in how they assign oversight responsibilities, such as assessments and monitoring.

Contents

Tables

Figures

Abbreviations

Education	Department of Education
Higher Education Act	Higher Education Act of 1965, as amended
National Academies	National Academies of Sciences, Engineering, and Medicine
NACIQI	National Advisory Committee on Institutional Quality and Integrity

U.S. GOVERNMENT ACCOUNTABILITY OFFICE
441 G St. N.W.
Washington, DC 20548

December 22, 2017

The Honorable Rosa DeLauro
Ranking Member
Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
Committee on Appropriations
House of Representatives

The Honorable Richard Durbin
United States Senate
The Honorable Brian Schatz
United States Senate

In fiscal year 2016, the Department of Education (Education) provided over $125 billion in assistance to help more than 13 million students pursue higher education. These funds were provided to students and families through federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended (Higher Education Act).[1] To help ensure that postsecondary schools with access to federal student aid provide a quality education to students, the Higher Education Act requires schools to be accredited by entities recognized by Education as reliable authorities on assessing academic quality. These recognized accreditors must regularly assess the schools they accredit using standards covering areas specified by the Higher Education Act, and take actions, such as issuing sanctions, when schools do not meet the standards that accreditors establish for them. Education provides oversight of federal funds by monitoring schools' compliance with federal student aid requirements and collecting data on student outcomes and school finances.

[1]Title IV of the Higher Education Act is codified at 20 U.S.C. §§ 1070 – 1099d. In order to participate in federal student aid programs authorized under Title IV (referred to in this report as "federal student aid programs"), schools must meet the act's definition of an institution of higher education, which provides, in part, that in addition to being accredited, such schools must be authorized to provide postsecondary education by the state in which they are located. Schools must also be determined to be eligible and certified by Education as meeting certain administrative capability and financial responsibility requirements. In this report, we use the term "school" or "postsecondary schools" to refer to an institution of higher education.

Recent school closures have displaced tens of thousands of students and resulted in hundreds of millions of dollars in financial losses for the federal government.[2] Policymakers and other key stakeholders have raised questions about how effectively the U.S. accreditation system ensures academic quality at schools and protects students' and taxpayers' investment in higher education.[3] In addition, in our December 2014 report we found that, on average, accreditors were no more likely to take action against schools with weaker student outcomes—measures that Education and researchers consider important indicators of educational quality, such as graduation and retention rates—than schools with stronger student outcomes.[4]

In light of these issues, you asked us to review the U.S. accreditation system's oversight of academic quality.[5] This report examines (1) the strengths and challenges of the current U.S. accreditation system in overseeing the academic quality of schools, and (2) potential approaches for improving the U.S. accreditation system's oversight of academic quality.

[2]In April 2015, Corinthian Colleges Inc. permanently shut down all operations. The company had more than 100 schools nationwide at its peak, with total enrollments of approximately 72,000 students who annually received about $1.4 billion in federal student aid. According to a report by Education's Office of Inspector General, the company ceased operations after Education placed it on an increased level of financial oversight because of its failure to address concerns about its practices, including falsifying job placement data presented to students. In September 2016, ITT Educational Services Inc. ceased all company operations, including online and classroom-based instruction, at 136 locations that enrolled approximately 35,000 students across the country. According to Education, ITT Educational Services Inc. reported about $850 million in total revenue in 2015, roughly $580 million of which was sourced from federal aid dollars. Education reported that this closure occurred after Education increased financial oversight measures due to significant concerns about the company's non-compliance with its accreditor's standards, financial viability, and ability to serve students, among other reasons.

[3]In this report, we use the phrase "U.S. higher education accreditation system" broadly to describe the accreditation oversight bodies and processes used as part of determining schools' eligibility to participate in federal student aid programs. This includes the activities of accreditors to accredit schools and the activities of Education to recognize accreditors. Accreditation is one component of oversight of higher education in the United States, for which Education, accreditors, and states all share some responsibility.

[4]GAO, *Higher Education: Education Should Strengthen Oversight of Schools and Accreditors,* GAO-15-59 (Washington, D.C.: Dec. 22, 2014). Education defines retention rates as the percent of first-time degree/certificate-seeking students who enrolled in one school year and either successfully completed their program or re-enrolled in the next fall.

[5]In this report, we generally focus on academic quality as it relates to student achievement (also known as student outcomes).

To address our objectives, we used a variety of data collection methods to obtain diverse perspectives on the current U.S. accreditation system and approaches for improving it. We worked with the National Academies of Sciences, Engineering, and Medicine (National Academies) to convene a roundtable of 18 experts to discuss the strengths and challenges of the current accreditation system's oversight of academic quality, and potential approaches for improvement.[6] These experts represented a broad spectrum of views and backgrounds from Education, policy organizations, academia, and other key higher education stakeholder groups, including associations and those representing accreditors, public and private 2- and 4-year schools, state higher education officials, and students.[7] We selected experts based on their experience and knowledge of higher education accreditation issues, and recommendations from the National Academies. To inform our discussion, we surveyed experts prior to the roundtable and quantified their responses to questions related to key accreditation strengths, challenges, and potential approaches to improve the U.S. accreditation system's oversight of academic quality. We also surveyed experts after the roundtable to collect additional information on the approaches identified during the roundtable and the survey conducted before the roundtable.[8] Further, we interviewed Education officials and other higher education stakeholders to obtain additional perspectives on key accreditation issues. We also conducted a literature review of publications published from January 2015 to June 2016 to gather additional information on the strengths and challenges of the current

[6]The National Academies is a private, nonprofit organization whose mission is to provide independent, objective analysis and advice to the nation and conduct other activities to solve complex problems and inform public policy decisions. Our meeting of experts was planned and convened with the assistance of the National Academies to better ensure that a breadth of expertise was brought to bear in its preparation. However, all final decisions regarding meeting substance and expert participation are the responsibility of GAO.

[7]See appendix II for the list of experts who participated in our roundtable. We invited an association representing career postsecondary schools primarily in the for-profit sector to participate in the expert roundtable. The association declined to participate in the expert roundtable and related pre- and post-roundtable surveys; however, two representatives participated in an interview. Similarly, we invited an organization conducting projects related to higher education accreditation to participate in the expert roundtable. The organization was unable to participate in the roundtable; however, a representative participated in an interview and completed the pre- and post- roundtable surveys.

[8]In this report, we refer to the survey we provided to experts prior to the roundtable as the "pre-roundtable survey" and the survey we provided to experts after the roundtable as the "post-roundtable survey."

accreditation system, as well as approaches to improve it.[9] In addition, we asked roundtable experts and other stakeholders we interviewed for recommendations on relevant research. We also reviewed relevant federal laws and regulations, and Education's relevant policies, guidance, and reports. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the potential approaches discussed in this report. Our study methods are summarized in greater detail in appendix I.

We conducted this performance audit from March 2016 to December 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Accreditation Process and Oversight Entities

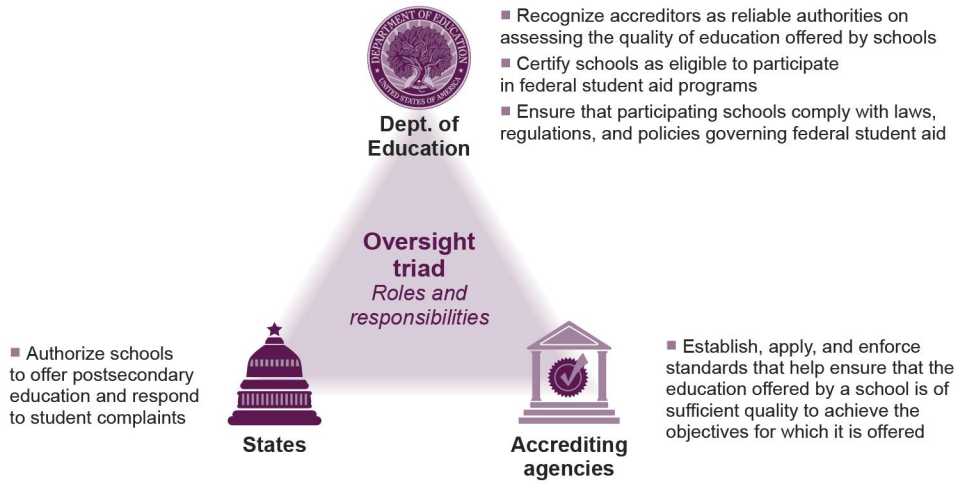
The primary purpose of accreditation is to help ensure that schools provide a quality education to students. While accreditation first arose in the United States as a means of ensuring academic quality through a nongovernmental peer review process, over time the process evolved and it currently serves as one of the bases for determining a school's eligibility to participate in federal student aid programs. Accrediting agencies (or accreditors)—generally nongovernmental, nonprofit entities—work with Education and states as part of the "triad" that oversees postsecondary schools participating in federal student aid programs authorized under Title IV of the Higher Education Act (see fig. 1). The roles and responsibilities of the triad are intertwined under the Higher Education Act. Accreditors oversee academic quality at schools by applying and enforcing standards for the schools they accredit.[10] State

[9]In this report, we use the term "paper" to refer to the wide range of accreditation research and policy papers we reviewed. These papers included published papers by academic researchers, policy institutes and other organizations, and associations. See appendix III for a list of the papers we reviewed.

[10]20 U.S.C. § 1099b.

agencies are generally responsible for licensing or authorizing schools to operate within their state.[11] Education certifies schools' eligibility to participate in federal student aid programs, and recognizes accreditors it determines to be reliable authorities on assessing academic quality.[12]

Figure 1: Roles and Responsibilities of Members of the Higher Education Oversight Triad



Source: GAO analysis of relevant federal laws and regulations. | GAO-18-5

The Higher Education Act and Education's regulations require accreditors to meet certain criteria and have certain operating procedures in place to be "recognized" by Education as reliable authorities on assessing academic quality.[13] Accreditors must have their recognition renewed by Education at least every 5 years.[14] To recognize an accrediting agency, Education officials and the independent National Advisory Committee on

[11]20 U.S.C. § 1099a. In some cases, state agencies may also be approved by Education to accredit schools.

[12]20 U.S.C. §§ 1099b, 1099c. Education also monitors compliance with federal student aid program requirements.

[13]20 U.S.C. § 1099b(a), (c); 34 C.F.R. pt. 602. Education is required to publish a list of accrediting agencies that the Secretary recognizes as reliable authorities on the quality of education or training provided by the schools they accredit. 20 U.S.C. § 1001(c).

[14]20 U.S.C. § 1099b(d).

Areas in Which Accreditors Are Required to Have Standards

1. Success with respect to student achievement (standards may be established by the school and differ according to its mission)
2. Curricula
3. Faculty
4. Facilities, equipment, and supplies
5. Fiscal and administrative capacity
6. Student support services
7. Recruiting and admissions practices
8. Measures of program length and objectives
9. Student complaints
10. Compliance with federal student aid program responsibilities

Source: 20 U.S.C. § 1099b(a)(5). | GAO-18-5

Institutional Quality and Integrity (NACIQI), which advises the Secretary of Education on accreditation issues, must, among other responsibilities:[15]

- review and assess accreditors' compliance with Education's recognition criteria, including standards, policies, and procedures in areas required by statute;
- evaluate whether accreditors apply their own standards, policies, and procedures when they accredit schools; and
- each make recommendations on whether and for how long an accreditor should be re-recognized to Education's Senior Department Official who is designated to make the decision regarding recognition.[16]

The Higher Education Act identifies specific areas—such as student achievement and curricula—in which recognized accreditors must have standards (see sidebar).[17] The standards must respect the stated mission of the school, and accreditors are required to assess schools' compliance with these standards to ensure the courses or programs offered are of sufficient quality to achieve their stated objectives.[18] The specific standards that accreditors develop in these areas can differ, and accreditors may also establish additional standards in areas not required by law.[19] For example, accreditors may evaluate schools based on governance, which helps ensure that the board, the school administration, and the faculty each have responsibilities according to their expertise and

[15]NACIQI advises the Secretary of Education on matters related to postsecondary accreditation and the eligibility and certification process for postsecondary schools to participate in federal student aid programs. NACIQI is comprised of 18 members. The Secretary of Education appoints six members, and the majority and minority leaders of both the House of Representatives and the Senate each appoint three members. NACIQI members are appointed on the basis of their technical qualifications, professional standing, and demonstrated knowledge in the fields of accreditation and administration in higher education. 20 U.S.C. § 1011c.

[16]In the event of an administrative appeal, the Secretary of Education makes the final recognition decision.

[17]20 U.S.C. § 1099b(a)(5). The Higher Education Act does not dictate the specific content of accreditors' standards and prohibits Education from developing regulations with respect to these standards. It also prohibits Education from establishing criteria that specify, define, or prescribe standards for accreditors to use to assess any school's success with respect to student achievement. 20 U.S.C. § 1099b(g),(o).

[18]20 U.S.C. § 1099b(a)(4)(A).

[19]20 U.S.C. § 1099b(g).

function. If Education finds issues with an accreditor's standards or its application of them during the recognition or re-recognition process, Education may choose to recognize the accreditor for a limited time, or reject the accreditor's application for recognition or re-recognition.[20] According to Education, terminating an accreditor's recognition is unusual. In the last 5 years, Education officials reported that one accreditor has had its accreditation terminated.[21]

In general, Education recognizes three types of accreditors—regional, national, and programmatic—that are responsible for assessing the academic quality of schools and programs.[22] Based on Education's data, regional accreditors accredit mostly nonprofit and public schools, while national accreditors generally accredit for-profit schools (see fig. 2). Programmatic accreditors generally accredit specific programs within schools, such as a school's law program.[23] As of June 2017, over half of all 5,234 accredited schools were accredited by regional accreditors, while the remaining schools were accredited by national and programmatic accreditors.

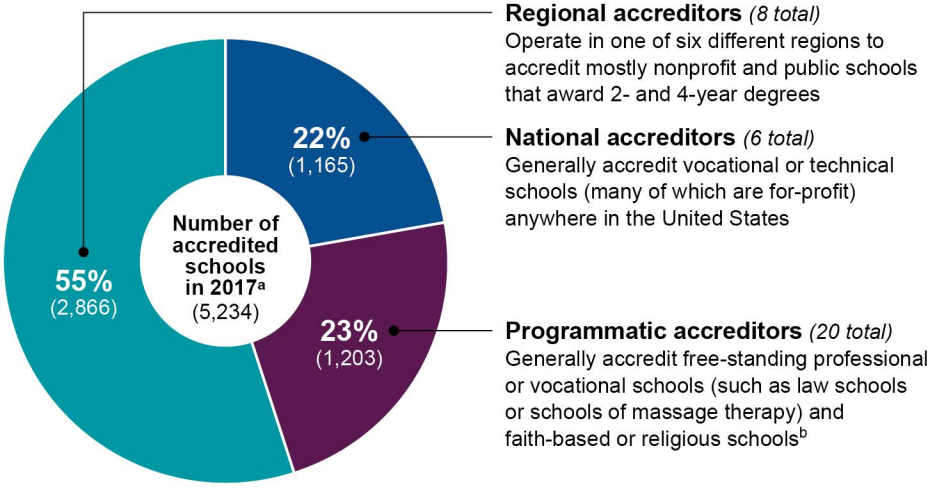
[20]20 U.S.C. § 1099b(l). Education's regulations also establish an appeal process. 34 C.F.R. §§ 602.37-602.38.

[21]In September 2016, Education withdrew its recognition of the Accrediting Council for Independent Colleges and Schools, which was responsible for accrediting primarily for-profit schools with approximately 900 campuses in 47 states and Puerto Rico. Education found violations of multiple regulatory criteria, including some related to the application and enforcement of the accreditor's standards. The accreditor appealed the decision to withdraw its recognition to the Secretary of Education; however, the appeal was denied in December 2016. The accreditor subsequently appealed the decision in federal court, and that litigation is currently pending. Schools accredited by this accreditor may continue participating in federal student aid programs for up to 18 months, to allow them to seek accreditation from another accreditor recognized by Education and remain eligible for federal student aid.

[22]Education also recognizes certain state agencies as accreditors. See, e.g., 34 C.F.R. pt. 603. However, for the purposes of this report, we focus on regional, national, and programmatic accreditors and excluded from our analysis any state agencies that have been recognized as accreditors. Additionally, Education refers to some accreditors as "specialized" accreditors, such as those that accredit faith-based and religious schools. For the purposes of this report, we generally include specialized accreditors in our discussion of programmatic accreditors.

[23]Education also recognizes some programmatic accreditors to accredit schools for Title IV eligibility purposes, including free-standing professional or vocational schools (such as law schools or schools of massage therapy), and certain educational programs in non-educational settings, such as hospitals.

Figure 2: Types of Accrediting Agencies Recognized by the Department of Education and Their Postsecondary School Membership, as of June 2017



Source: GAO analysis of U.S. Department of Education's accreditor dashboard data file. | GAO-18-5

Note: The figure includes the regional, national, and programmatic accreditors recognized by the Department of Education (Education) as reliable authorities on assessing the academic quality of schools, and the 5,234 schools that were accredited by these recognized accreditors as of June 2017. The Accrediting Council for Independent Colleges and Schools is included in Education's June 2017 data as a national accreditor. In September 2016, Education withdrew its recognition of this accreditor, and an appeal of Education's decision is currently pending in federal court. Education refers to some accreditors as "specialized" accreditors, such as those that accredit faith-based and religious schools. GAO included these specialized accreditors in the programmatic accreditor category in the figure. Also, Education recognizes certain state agencies as accreditors; however, these agencies are not included in the figure.

[a]Accreditors assess different types of schools, including: (1) public schools—operated and funded by state or local governments; (2) nonprofit schools—owned and operated by nonprofit organizations whose net earnings do not benefit any shareholder or individual; and (3) for-profit schools—privately owned, and net earnings can benefit shareholders or individuals.

[b]This figure shows the number of schools accredited by programmatic accreditors for Title IV eligibility purposes. These can include free-standing professional or vocational schools, certain educational programs in non-educational settings, such as hospitals, and faith-based schools. Programmatic accreditors that only accredit specific programs within schools are not included in this figure.

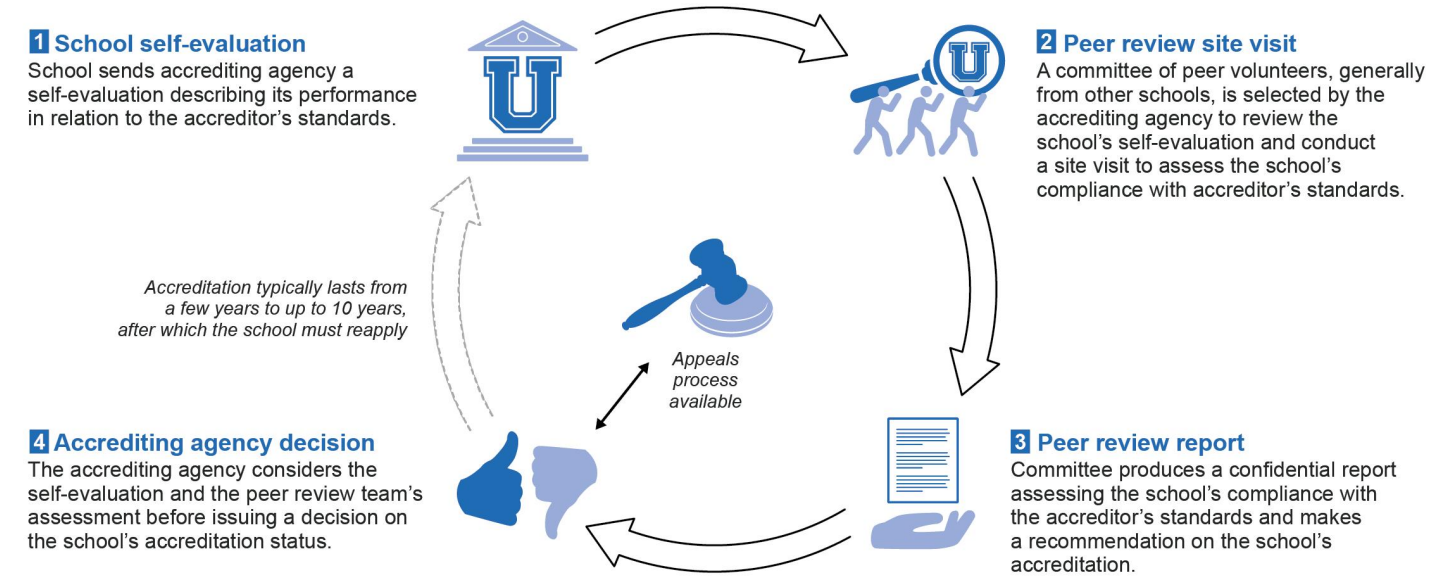
Accreditation Process for Schools

One of the requirements for schools to participate in federal student aid programs is accreditation by an agency recognized by Education. Recognized accreditors are responsible for assessing schools to determine if they meet standards to become or remain one of the accreditor's member schools.[24] Accreditors generally re-evaluate their member schools at least every 10 years (depending on the accreditor and the school) using a process that involves volunteer peer evaluators, generally from other member schools, selected by the accreditor. Specific steps vary by accreditor; however, schools generally go through a similar accreditation process that starts with the school conducting a self-evaluation of its performance and concludes with the school's accreditor making a decision about its accreditation status.[25] (See fig. 3.)

[24]Accrediting agencies are primarily funded by annual dues and fees paid by their member schools. In some cases, accrediting agencies may receive funding through conferences and meetings, private foundations, or other sources.

[25]Among other things, accreditors are required to perform regular on-site inspections and reviews of schools with particular focus on educational quality and program effectiveness, and ensure that accreditation team members are well-trained and knowledgeable with respect to their responsibilities. 20 U.S.C. § 1099b(c)(1).

Figure 3: Sample Accreditation Process for Postsecondary Schools



Source: GAO analysis of information from accreditors and relevant federal law. | GAO-18-5

To be accredited, schools are required to meet the standards of their accrediting agency. If an accreditor has concerns about a member school's performance and ability to meet its standards, the accreditor may impose sanctions, such as issuing probations or warnings.[26] Accreditors can also take a variety of other actions, such as requiring the school to furnish interim reports on how it is meeting certain standards, for example, those pertaining to student achievement, or reaccrediting the school for a shorter amount of time.[27] If the school is unable to meet accreditor standards, the accreditor can terminate the school's accreditation.

[26]Accreditors must notify Education and the appropriate state licensing or authorizing agency within 30 days of any final decision to deny, withdraw, suspend, or terminate a school's accreditation, place a school on probation, or take other adverse action. Also, accreditors must provide written notice to the public of such sanctions within 24 hours of notice to the school. 20 U.S.C. § 1099b(a)(7), (c)(7); 34 C.F.R. § 602.26(b), (c).

[27]In our December 2014 report, we discussed accreditors' sanctions of schools for non-compliance with accreditor standards, and how likely accreditors are to sanction schools. See GAO-15-59.

Experts Cited Strengths and Challenges with the Accreditation System's Oversight of Academic Quality

Many Experts Identified the Nongovernmental Structure of the Accreditation System and Use of Peer Review for Overseeing Academic Quality as Strengths

The U.S. accreditation system's nongovernmental structure and use of peer reviewers to oversee academic quality are key strengths that provide flexibility and subject matter expertise to assess a range of schools and programs, according to many roundtable experts we surveyed and our literature review.[28] Roundtable experts specifically identified the on governmental structure of the current system as a strength because it allows for accreditor reviews that are tailored to the various school types and missions.[29]

[28]See Vickie Schray, *Assuring Quality in Higher Education: Key Issues and Questions for Changing Accreditation in the United States,* Issue Paper 4, Secretary of Education's Commission on the Future of Higher Education; Paul L. Gaston, *Higher Education Accreditation: How it's Changing, Why it Must* (Sterling, VA.: Stylus Publishing, 2014); Peter T. Ewell, *Eleven Reform Proposals for Accreditation* (Boulder, CO.: National Center for Higher Education Management Systems, 2015); and American Council on Education, National Task Force on Institutional Accreditation, *Assuring Academic Quality in the 21st Century: Self-Regulation in a New Era* (Washington, D.C.: American Council on Education, 2012). Stakeholders we interviewed also noted that this structure is distinguished from other international higher education systems that have centralized government entities that oversee and assess the quality of postsecondary schools.

[29]A school's mission identifies its unique goals and priorities, the students it seeks to serve, and reflects its vision for the future. For example, one community college describes its mission, in part, as to educate students who wish to transfer to other schools to pursue a degree. In contrast, one research university describes its mission, in part, as to provide undergraduate, graduate, and professional education, research, and other kinds of public service. According to our pre-roundtable survey, 13 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that a strength of the current accreditation system is that accreditor reviews are tailored to the various school types and missions. Additionally, 10 of 18 roundtable experts (accreditors and non-accreditors) agreed that allowing accreditors to set their own standards is a strength of the current accreditation system. Also, 9 of 18 roundtable experts (accreditors and non-accreditors) agreed that allowing schools to set their own goals for learning is a strength of the current system. Goals for learning generally identify the knowledge, skills, competencies, or career-preparation practices that students are expected to acquire from a program.

Perspective on Peer Review and Subject Matter Expertise

"Peer review relies on members of a professional community to examine one another's practices rigorously based on professional norms. As in medicine and scientific research, peer review is the foundation of professional integrity and largely defines what it means to be a profession. Unlike legislation or regulation, peer-based judgments can be applied flexibly and adjusted to local circumstances on the basis of shared expertise."

Source: American Council on Education, National Task Force on Institutional Accreditation, *Assuring Academic Quality in the 21st Century: Self-Regulation in a New Era* (Washington, D.C.: American Council on Education, 2012). | GAO-18-5

Under the existing system, schools can apply for the type of accreditation that aligns with the education they seek to provide.[30] For example, a medical program or a cosmetology school may apply for accreditation from an accreditor that specializes in its respective field.[31] This alignment between schools and their accreditors can help schools focus on their mission by working with accreditors who understand and support their priorities, according to one paper we reviewed.[32]

The accreditation system's use of peer reviewers that have relevant expertise to oversee schools' academic quality was also identified as a key strength by many roundtable experts we surveyed.[33] Peer reviewers, comprising a range of knowledgeable academic faculty and administrators, assess the academic quality of schools and provide schools with critical feedback on their weaknesses and areas for improvement, based on our literature review, expert roundtable discussion, and stakeholder interviews (see sidebar).[34] One expert we surveyed commented that programmatic accreditation in particular relies on peer reviewers who are content matter experts (i.e., field practitioners and industry professionals), in addition to academic faculty and administrators, to ensure that students are competent to practice in their

[30]See Schray, *Assuring Quality in Higher Education: Key Issues and Questions*.

[31]For instance, a nursing program may choose to apply for accreditation from a programmatic accreditor such as the Accreditation Commission for Education in Nursing. According to this accreditor, its goal is to strengthen nursing education through a common core of standards, and it includes nursing education representatives on its board. Similarly, a cosmetology school may choose to apply for accreditation from the National Accrediting Commission of Career Arts and Sciences. According to this programmatic accreditor, it aims to foster and improve education and training in cosmetology arts and sciences.

[32]See Gaston, *Higher Education Accreditation.*

[33]In our pre-roundtable survey, 12 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that the peer review process's reliance on faculty with relevant expertise is a strength of the accreditation system.

[34]Peer reviewers voluntarily serve as evaluators on teams. The composition of peer review teams varies by accreditor and is generally driven by the expertise needed to review a specific school or program, according to a few roundtable experts. Accreditors typically seek out individuals with specific skills or knowledge to meet the needs of the review and may assemble a different set of peer reviewers for each accreditation review. See Congressional Research Service, *An Overview of Higher Education Accreditation in the United States* (Washington, D.C.: February 2016); Ewell, *Eleven Reform Proposals*; American Council on Education, *Assuring Academic Quality*; and Lamar Alexander, *Higher Education Accreditation Concepts and Proposals* (U.S. Senate Committee on Health, Education, Labor, and Pensions, Washington, D.C.: 2015).

field of study. Similarly, some regional accreditors may involve employers in the peer review process, according to one stakeholder we interviewed. Most roundtable experts agreed that peer review feedback from knowledgeable professionals can help schools improve their ability to meet the educational needs of students.[35]

Perspective on Flexibility of the Accreditation Process

"When confronted by the public's puzzlement at how some of the finest and some of the worst institutions in the land enjoy the same accreditation status—a feature that the latter often trumpet in their advertising—accreditation insiders refer to the uniqueness of institutional missions as central to all judgments about quality."

Source: Barmak Nassirian, *Statement Before the National Advisory Committee on Institutional Quality and Integrity* (Washington, D.C.: American Association of Collegiate Registrars and Admissions Officers, February 2011). | GAO-18-5

While many roundtable experts agreed on positive aspects of the accreditation system's nongovernmental structure and use of peer review, some roundtable experts thought that these features may limit the effectiveness of oversight of academic quality at schools.[36] For example, a few roundtable experts said the current structure could encourage too much variation in accreditors' reviews and schools' goals for learning. One paper stated that with too much variation in reviews, accreditors may not be able to assure consistent levels of quality across accredited schools (see sidebar).[37] Regarding the use of peer review, one paper and a few roundtable experts noted concerns related to the rigor of peer reviewers' evaluations.[38] For example, according to the paper, some peer review teams may not receive adequate training on evaluation techniques, such as surveys and focus groups, to conduct their reviews and make effective judgments of academic quality. Peer reviewers may attend training for a day or less before participating in reviews, according to the paper, and may rely on less effective evaluation techniques, such as group interviews, to collect information during their site visits with

[35]In our pre-roundtable survey, 15 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that school improvement via feedback from the peer review process is a key strength of the current accreditation system.

[36]In our pre-roundtable survey, 5 of 18 roundtable experts (accreditors and non-accreditors) disagreed that schools setting their own goals for learning is a strength of the current system. Three of 18 roundtable experts we surveyed (all non-accreditors) disagreed that accreditor reviews that are tailored to the various school types and missions are a strength. Additionally, two of 18 roundtable experts we surveyed (non-accreditors) disagreed that accreditors developing specific standards to assess academic quality at the schools they accredit is a strength.

[37]See Schray, *Assuring Quality in Higher Education: Key Issues and Questions.*

[38]See Ewell, *Eleven Reform Proposals.* In our pre-roundtable survey, 4 of 18 roundtable experts (non-accreditors) disagreed that the peer review process relies on faculty with relevant expertise to make determinations about academic quality.

schools.[39] Most roundtable experts we surveyed also agreed that current review processes may not be suitable for assessing new types of programs, such as competency-based education models and online programs.[40] Additionally, a few roundtable experts raised concerns about whether accreditors have sufficient capacity and resources (such as staff and knowledgeable peer reviewers) to manage their reviews of schools they accredit.

Peer review may not effectively capture information from students or identify students' needs, according to a few experts at our roundtable discussion and one paper we reviewed.[41] One roundtable expert said that there is limited interaction with students in the peer review process. According to one paper, peer reviewers typically have an open meeting with students during their school site visit, however, these students may

[39]According to the paper we reviewed, group interviews may be unstructured and may not be as reliable as other data collection methods, such as surveys and focus groups. See Ewell, *Eleven Reform Proposals*. Recognized accreditors are required to have competent and knowledgeable individuals, qualified by education and experience in their own right and trained by the accreditor on their responsibilities, as appropriate for their roles, regarding the accrediting agency's standards, policies, and procedures, to conduct its on-site evaluations, apply or establish its policies, and make its accrediting and pre-accrediting decisions. 34 C.F.R. § 602.15(a)(2). One stakeholder we interviewed noted that accreditors' practices for training peer reviewers may vary.

[40]In our pre-roundtable survey, 14 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that adapting current accrediting processes to determine the quality of new types of programs may be difficult. Competency-based education models allow students to demonstrate proficiency in academic content without regard to time, place, or pace of learning. Assessing new types of programs may be challenging because accreditation evaluations are designed to review the quality of more traditional aspects of programs, such as face-to-face classroom instruction and faculty roles, according to papers we reviewed. See Lindsey M. Burke and Stuart M. Butler, Ph.D., *Accreditation: Removing the Barrier to Higher Education Reform* (Washington, D.C.: The Heritage Foundation, 2012), and American Council on Education, *Assuring Academic Quality*. One roundtable expert said that current review processes are lengthy and may be a barrier to innovative educational programs. However, another roundtable expert said that it may be beneficial that accreditors take a more traditional, conservative approach to reviewing new types of schools and programs, in order to protect students' and taxpayers' higher education investment.

[41]One of the 18 roundtable experts (a non-accreditor) in our pre-roundtable survey commented that peer review may not consider students' needs. According to one paper, students may not consistently play a role in accreditation reviews. See Ewell, *Eleven Reform Proposals*. Another roundtable expert noted that in contrast to the United States, some European countries include students on peer review teams.

be “preselected” or volunteers.[42] These issues raise questions about how effectively accreditors review schools to help schools better serve students, according to a few roundtable experts.

Some Experts Said Challenges Related to Oversight Roles, Communication, and Measuring Academic Quality Could Impede Oversight

Roundtable experts, stakeholders we interviewed, and our literature review identified a number of challenges within the current accreditation system that can affect oversight of academic quality at schools. These challenges were related to three key areas: (1) oversight roles and responsibilities, particularly for accreditors and Education, (2) communication and transparency, and (3) measuring academic quality (see fig. 4).

Figure 4: Key Challenges, Identified by Experts, of the Current Accreditation System that Can Affect Oversight of Postsecondary Schools’ Academic Quality

Source: GAO analysis of information from expert roundtable and survey responses, interviews, literature, and Department of Education’s documentation. | GAO-18-5

[42]For example, schools may select students based on their involvement in campus life (e.g., student government, leaders of clubs or student organizations, etc.). The author stated that to provide students with a larger role in accreditation, peer reviewers could randomly select a group of 15 or 20 students, include students as peer review team members, or allow students to help design the accreditation review process. See Ewell, *Eleven Reform Proposals*.

Accreditors' role in oversight of schools

Accreditors' dual role—helping schools improve their performance and also making accreditation decisions that can affect schools' access to federal student aid programs—may be difficult to balance and could create tension and potential conflicts of interest, according to roundtable experts we surveyed, stakeholder interviews, and our literature review (see sidebar).[43] Over time, accreditors' role in ensuring academic quality and helping schools improve expanded to include serving as "gatekeepers" for federal funds as accreditation became one of the bases for determining schools' eligibility to participate in federal student aid programs.[44] One paper stated that serving a dual role may be difficult for accreditors to balance because serving as "gatekeepers" for federal student aid involves making judgments that may create tension in the relationship between schools and accreditors.[45] For example, schools may sue accreditors when accreditors identify issues and take adverse actions that can affect schools' accreditation status and, therefore, their access to federal student aid programs, according to the paper and a few roundtable experts.

Further, schools pay dues and fees to fund the accreditor responsible for helping determine their eligibility to access federal student aid, creating a potential conflict of interest that may be a challenge for oversight of

Perspectives on Tension in Accreditors' Role

- "Today's accreditation agencies perform two contradictory functions. From the federal perspective, they must serve as gatekeepers that decide if an institution can access federal financial aid. But many of these agencies see their main job as helping colleges improve, thereby creating suboptimal incentives…if your goal is to help someone get better, removing them from federal aid programs is partly a failure by the accreditor."

Source: Ben Miller, David Bergeron, and Carmel Martin, *A Quality Alternative: A New Vision for Higher Education Accreditation* (Washington, D.C.: Center for American Progress, October 2016).

- "Accreditation is also a binary variable (colleges and universities either have it or they do not), and because federal aid is the lifeblood of many institutions, losing eligibility would put most in severe financial distress. This creates a barrier to exit, as accreditors--already sympathetic to the institutions they evaluate--are reticent to revoke a school's accreditation because doing so would represent a death sentence."

Source: Andrew P. Kelly and Kevin James, *Untapped Potential: Making the Higher Education Market Work for Students and Taxpayers* (Washington, D.C.: American Enterprise Institute, 2014). | GAO-18-5

[43]The Higher Education Act generally requires recognized accreditors of schools to be "separate and independent," both administratively and financially, of any related, associated, or affiliated trade association or membership organization. 20 U.S.C. § 1099b(a)(3),(b); 34 C.F.R. § 602.14. Accreditors are also required to have clear and effective controls against conflicts of interest, or the appearance of conflicts of interest, by the agency's board members, commissioners, evaluation team members, consultants, administrative staff, and other agency representatives. 34 C.F.R. § 602.15(a)(6). In addition, accreditors' review procedures are required to include an appeal process that is subject to a conflict of interest policy. 34 C.F.R. § 602.25(f).

[44]In our pre-roundtable survey, 14 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that lack of clarity regarding defined roles and responsibilities for accreditors presents a challenge.

[45]See Gaston, *Higher Education Accreditation*.

academic quality, according to many roundtable experts we surveyed.[46] Some roundtable experts and papers stated that since access to federal student aid is critical for schools to maintain operations and recruit and retain students, and accreditors are dependent on member schools for their revenue, some accreditors may be hesitant to take adverse actions against schools. These may include imposing sanctions when they find issues, including terminating schools' accreditation, because such actions could affect a school's eligibility for federal student aid programs and may lead to school closure.[47] In our December 2014 report we identified issues with accreditors' oversight practices, finding that accreditors may not consistently take action to sanction schools with academic quality

[46]In our pre-roundtable survey, 10 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that the potential conflict of interest in the relationship between schools and their accreditors presents a challenge. However, 4 of 18 roundtable experts (accreditors and non-accreditors) we surveyed disagreed or strongly disagreed that the membership relationship between schools and accreditors is a challenge. One roundtable expert (an accreditor) commented that there is little evidence of conflicts of interest between accreditors and member schools. Additionally, according to a paper authored by one expert we surveyed, accreditors may take several steps to address conflicts of interest, including training volunteers on using evidence to make objective judgements and monitoring peer review teams to ensure that reviews remain rigorous. See Gaston, *Higher Education Accreditation.* Another expert we surveyed co-authored a paper on an alternative accreditation oversight structure which may potentially reduce conflict of interest concerns. See Ben Miller, David Bergeron, and Carmel Martin, *A Quality Alternative: A New Vision for Higher Education Accreditation* (Washington, D.C.: Center for American Progress, October 2016). We discuss this alternative approach to the current accreditation system and others later in this report.

[47]See Gaston, *Higher Education Accreditation;* Andrew P. Kelly and Kevin James, *Untapped Potential: Making the Higher Education Market Work for Students and Taxpayers* (Washington, D.C.: American Enterprise Institute, 2014)*;* Barmak Nassirian, *Statement Before the National Advisory Committee on Institutional Quality and Integrity* (Washington, D.C.: American Association of Collegiate Registrars and Admissions Officers, February 2011)*;* and American Council on Education, *Assuring Academic Quality*. One roundtable expert commented that in some instances when accreditors took strong actions against some schools, Education allowed these schools to continue to operate. In our prior report we noted that according to a representative of an accrediting agency, if an accreditor terminates a particular school's accreditation, there may be significant negative reaction from the public in the affected region, and a view that the accreditor is being too punitive. See GAO-15-59.

Expert Perspective on Accreditor Standards

"Accreditors have standards, but sometimes they are so open for interpretation that they miss the core message of teaching and learning – and, most importantly, producing strong student outcomes."

Source: Expert response to GAO survey. | GAO-18-5

issues.[48] Additionally, many roundtable experts we surveyed questioned the rigor of accreditors' standards and oversight practices (see sidebar).[49] Given student and federal investments in higher education, a few roundtable experts said accreditors have an important role in holding schools accountable for providing students with a quality education.

In addition, a few experts at our roundtable and in our interviews raised questions about whether accreditors' financial review responsibilities and their potential overlap with other triad members' responsibilities may reduce accreditors' capacity to oversee academic quality.[50] Our prior report found that accreditors most frequently issued sanctions for failure to meet standards on financial capability, not academic quality.[51] Under the Higher Education Act, accreditors are required to have standards to assess schools' fiscal and administrative capacity, and schools' record of compliance with federal student aid program requirements, which can include reviewing schools' financial audits.[52] Education also oversees schools' compliance with federal student aid requirements in several

[48]For example, we found that schools with weaker student outcomes were, on average, no more likely to be sanctioned by accreditors than schools with stronger student outcomes, and that the proportion of schools that accreditors sanctioned varied. Specifically, our analysis of Education's sanction data from October 2009 through March 2014 found that two accreditors sanctioned less than 2 percent of their member schools during this time frame, compared to 41 percent for another accreditor. See GAO-15-59. Additionally, in a January 2012 report on credit rating agencies, we discussed similar potential conflicts of interest created when issuers of debt securities pay a fee to credit rating agencies to produce their ratings. Critics of rating agencies have raised questions about the integrity of ratings processes and the accuracy of their ratings. See GAO, *Credit Ratings Agencies: Alternative Compensation Models for Nationally Recognized Statistical Rating Organizations,* GAO-12-240 (Washington, D.C.: Jan. 18, 2012).

[49]In our pre-roundtable survey, 11 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that inadequate accreditors' standards are a challenge for overseeing academic quality and that accreditors lack effective oversight practices for academic quality. One roundtable expert commented that accreditors too often focus on process (i.e., whether schools assess their performance and how they conduct such assessments), rather than examining what their assessments identify about academic quality.

[50]Also, in our pre-roundtable survey, 12 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that overlapping roles and responsibilities for triad members presents a challenge. Roundtable experts also generally discussed the advantages and disadvantages of clarifying or redefining triad members' accreditation roles and responsibilities to better oversee academic quality. We summarize experts' views on this issue later in this report.

[51]See GAO-15-59.

[52]20 U.S.C. § 1099b(a)(5); 34 C.F.R. § 602.16(a)(1).

ways, including monitoring their financial activities.[53] A few experts from our roundtable and interviews noted that accreditors' regular contact with schools through site visits and other assessments makes them well-positioned to identify financial issues in schools and can help ensure that schools are financially stable to offer a quality education to students. However, other experts expressed concerns that financial oversight may detract from accreditors' capacity to oversee schools' academic quality.

Education's role in oversight of accreditors

Education has taken some actions to modify its oversight of accreditors; however, a few experts who participated in our roundtable and stakeholders we interviewed (accreditors and non-accreditors) expressed concerns that these actions may diminish key strengths of the current accreditation system, such as its nongovernmental structure and use of peer review to assess schools' academic quality. For example, in November 2015, Education issued a notice announcing a set of planned actions that it said were intended to improve accreditors' and Education's oversight activities and focus on student outcomes and transparency. Education announced that it would publish key student outcome measures, such as graduation rates and student loan repayment rates, for each school alongside its accreditor.[54] According to Education, this effort was intended to help Education better understand how accreditors oversee low-performing schools and to improve accreditors' oversight

[53]One of the requirements for participation in federal student aid programs is that schools must demonstrate that they are financially responsible, based on criteria and processes established in the Higher Education Act and Education's regulations. 20 U.S.C. § 1099c(c); 34 C.F.R. §§ 668.15, 668.171 – 668.175, and apps. A-B. Education assesses schools against these financial responsibility standards and requires schools that do not meet the standards to receive additional oversight. See GAO, *Higher Education: Education Should Address Oversight and Communication Gaps in Its Monitoring of the Financial Conditions of Schools,* GAO-17-555 (Washington, D.C.: Aug. 21, 2017).

[54]As part of this effort, Education's announced actions also included publishing accreditors' student achievement standards on its website. According to Education's notice, these actions were partially in response to suggestions from NACIQI—the committee that advises Education on accreditation issues—and GAO's recommendation for Education to strengthen its oversight of schools and accreditors. See GAO-15-59. Additionally, in June 2016, NACIQI began piloting more systematic, outcomes-focused reviews of accreditors, based on Education's student outcomes data, and increased its focus on accreditor's standards for student achievement. Since these plans were announced and the NACIQI pilot began, there has been a change in administration. Education officials were unable to comment on whether such efforts will continue under the new administration.

Perspectives on Public Demand for Increased Accountability

- "There has been a dramatic shift toward public accountability and for accreditation to remain relevant…Accreditation is responsible to demonstrate that high standards are met in areas key to the public debate about quality and effectiveness of higher education."

Source: Expert statement at GAO roundtable. | GAO-18-5

- "Both the frequency and volume of calls for greater accountability have increased, with the result that accreditation now operates under scrutiny more critical and vigilant than at any time in the past."

Source: Paul L. Gaston, *Higher Education Accreditation: How it's Changing, Why it Must* (Sterling, VA.: Stylus Publishing, 2014). | GAO-18-5

activities.[55] During our expert roundtable and interviews, a few experts and stakeholders representing accreditors raised concerns about Education's actions, and said they suggest decreasing trust in accreditors' oversight of schools.[56] They also said that these actions could make accreditors and Education focus too much attention on certain student outcome measures that may not provide a complete picture of some schools.[57] However, many roundtable experts we surveyed, including both accreditors and non-accreditors, agreed that accreditors' current standards and practices may not provide adequate oversight of academic quality.[58] Further, some papers we reviewed identified an increased demand for accountability in the accreditation system, and attributed this demand, in part, to increased federal and student investment in higher education (see sidebar).[59]

[55]At the same time, Education also put forth some legislative proposals, including one recommending that Congress repeal the statutory prohibition on Education's ability to set and enforce expectations regarding student achievement standards in its accreditor recognition process. Education's proposal recommended that Congress provide for the differentiated recognition of accreditors based on student outcomes and other risk-based criteria. According to Education's notice, such a change could create an incentive for accreditors to focus their attention on low-performing schools.

[56]Two roundtable experts (an accreditor and non-accreditor) also commented that accreditors have general concerns about increased requirements by Education in the accreditation system. For example, one of the experts said that over time, Education has expanded federal student aid compliance requirements for schools and required more information from accreditors about compliance issues.

[57]For example, one roundtable expert said that some community colleges may have lower graduation rates because some of their students leave school to work full-time instead of finishing their program of study. Our prior report also found that limitations in currently available information on outcome characteristics at schools make certain measures less useful for evaluating some types of schools. For instance, community colleges typically serve a high proportion of part-time and returning students, but these students are not included in official graduation rate statistics collected by Education. See GAO-15-59.

[58]As previously discussed, in our pre-roundtable survey, 11 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that inadequate accreditor standards are a challenge for overseeing academic quality and that accreditors lack effective oversight practices for academic quality.

[59]See Gaston, *Higher Education Accreditation;* U.S. Department of Education, *A Test of Leadership: Charting the Future of U.S. Higher Education* (Washington, D.C.: September 2006); Schray, *Assuring Quality in Higher Education: Key Issues and Questions;* Ewell, *Transforming Institutional Accreditation in U.S. Higher Education* (Boulder, CO.: March 2015); and Robert C. Dickeson, *The Need for Accreditation Reform*, Fifth Issue Paper for the Secretary of Education's Commission on the Future of Higher Education.

Communication among members of the triad

Perspective on Communication Challenges

"…when there is a clear problem and action is being taken by one member of the triad [which consists of Education, accreditors and states] – that member should have a responsibility to alert others charged with overseeing that institution to inform their own reactions to the situation. In too many recent cases, the lack of communication delayed an effective response, and too many students were left with bad options."

Source: Expert response to GAO survey. | GAO-18-5

While there are requirements in place for triad members (accreditors, Education, and states) to communicate with each other, most roundtable experts we surveyed agreed that triad members lack effective communication and collaboration mechanisms, which may adversely affect oversight of schools.[60] Communication and collaboration can be critical to protecting consumers when schools are in danger of closing so that triad members can develop plans for affected students (see sidebar). According to a few roundtable experts and stakeholder interviews, there is no formal system in place to help triad members regularly communicate or alert other members about important developments regarding schools.[61] For example, one roundtable expert said that triad members may not consistently share information with each other about schools being sanctioned when accreditor standards are not met. Additionally, triad members may not sufficiently collaborate to respond to impending school closures, according to the roundtable expert, which may affect efforts to ensure that students receive sufficient assistance to complete their education. Another roundtable expert commented that some states

[60]In our pre-roundtable survey, 16 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that triad members lack effective communication. Fourteen of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that triad members lack effective collaboration.

[61]There are some requirements in place for triad members to alert each other about important developments with schools. For example, recognized accreditors are required to notify Education and the appropriate state licensing or authorizing agency within 30 days of certain accreditation actions, including final decisions to place a school on probation; deny, withdraw, suspend, revoke, or terminate a school's accreditation; or take other adverse action. 20 U.S.C. § 1099b(a)(7); 34 C.F.R. § 602.26. For certain adverse actions, accreditors are also to provide a summary of the accreditor's reasons, along with comments from the school or program. 20 U.S.C. § 1099b(a)(8); 34 C.F.R. § 602.26(d). In addition, accreditors must submit other specified information to Education, such as the name of any school or program that the accreditor has reason to believe is failing to meet its federal student aid program responsibilities or is engaged in fraud or abuse. 34 C.F.R. § 602.27. Further, Education's regulations provide that the department will notify a school or program's accreditor no later than 10 days after taking an action against the school or program. 34 C.F.R. § 602.50. According to Education officials, the department routinely shares key information with accreditors about their member schools, such as Education's decisions about denying or terminating a school's eligibility for federal student aid.

learned about impending school closures in 2016 through the media, rather than through early notification from Education or accreditors.[62]

Some roundtable experts and papers also noted that states vary widely in their efforts to oversee schools with respect to consumer protection, which may affect collaboration with accreditors and Education.[63] For example, one roundtable expert noted that some states require schools to have teach-out agreements—written agreements between schools that give students the opportunity to complete their program elsewhere if their school ceases to operate—while others may not.[64] Another roundtable expert said that some states may not reach out to accreditors to jointly address complaints received about schools.[65] Education officials

[62]Education has taken some recent steps it says are intended to improve communication among triad members. For example, in January 2016, the offices within Education responsible for higher education issued a memorandum with several recommendations to the Secretary, including identifying steps for Education to increase sharing of key information with accreditors, and working with state authorizing agencies to identify opportunities to improve information sharing. According to the memorandum, these efforts were intended to build on the executive actions and legislative proposals announced by Education in November 2015 to improve accreditors' and Education's oversight activities. In November 2016, Education issued guidance clarifying terminology and requirements for accreditors' reports to Education under the Higher Education Act and Education's regulations. Since these plans were announced, there has been a change in administration and Education officials were unclear on whether such efforts will continue under the new administration.

[63]States generally require schools to have consumer protection policies and are responsible for responding to student complaints, according to our literature review and our prior report. See Andrew P. Kelly, Kevin J. James, and Rooney Columbus, *Inputs, Outcomes, Quality Assurance: A Closer Look at State Oversight of Higher Education* (Washington, D.C.: American Enterprise Institute, 2015); and Thomas Harnisch, Barmak Nassirian, Amber Saddler and Art Coleman, *Enhancing State Authorization: The Need for Action By States As Stewards of Higher Education Performance* (Denver, CO.: Education Commission of the States, December 2016); and GAO-15-59.

[64]Recognized accreditors must require schools they accredit to submit a teach-out plan for approval in certain circumstances, such as when the school notifies the accreditor that it intends to close. 20 U.S.C. § 1099b(c)(3); 34 C.F.R. § 602.24(c). This plan may include, if required by the accreditor, an agreement with other schools to allow students from the closed school to complete their program of study. If a school closes without a teach-out plan or agreement, the accreditor must work with Education and the appropriate state authorizing agency, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges. 34 C.F.R. § 602.24(d).

[65]Similarly, one stakeholder we spoke with said that accreditors may not provide information to some states related to complaints they receive about schools. Information from accreditors about complaints could increase states' awareness of schools with potential performance problems, according to the stakeholder.

commented that they are generally unclear what information states collect and can share about the academic quality of schools they authorize, and that states do not typically share information about active state investigations of schools with the department or accreditors.[66] Variation in states' efforts and limited communication and collaboration among members of the triad may make it difficult for triad members to coordinate effectively, particularly in circumstances related to protecting students.

Sharing information with students and the public

Many roundtable experts we surveyed disagreed with the view that the current accreditation system provides students with useful information on the academic quality of schools, and a few roundtable experts expressed concerns that the public may misinterpret accreditation information.[67] General information about which schools are and are not accredited is

[66]States are required to notify Education promptly (a) whenever the state revokes a school's license or other authority to operate, and (b) whenever the state has credible evidence that a school within the state has committed fraud in the administration of federal student aid programs or has substantially violated a provision of Title IV of the Higher Education Act. 20 U.S.C. § 1099a. For example, some states have investigated schools that allegedly engaged in deceptive practices that could cause harm to students, such as misrepresenting the job opportunities available to their graduates or the transferability of credits earned to other schools.

[67]In our pre-roundtable survey, 10 of 18 roundtable experts (accreditors and non-accreditors) disagreed or strongly disagreed that the current accreditation system provides prospective students with information on schools that meet a minimum standard for quality. However, 4 roundtable experts (accreditors and non-accreditors) agreed that the current system provides students with information on schools that meet a minimum standard for quality. One roundtable expert commented that programmatic accreditation provides students with information on the quality of academic programs.

publicly available on Education's website.[68] Students may assume that general information about accreditation status implies that accredited schools meet the same standards of quality, according to a few roundtable experts.[69] However, our analysis of Education's data found that some schools with very different performance on certain outcome measures have the same accredited status, which may not be clear to the public. For example, we found that one private, nonprofit accredited school had a 95 percent student retention rate.[70] In comparison, another private, nonprofit school accredited by the same accreditor had a 32 percent student retention rate. While no single outcome measure can be used to fully examine the quality of a school, our prior report found that a low retention rate may indicate a lack of academic quality, among other

[68]Recognized accreditors are required to make certain information available to the public, including: (1) decisions to award accreditation or reaccreditation; (2) final denial, withdrawal, suspension, revocation, or termination of accreditation; and (3) decisions to place schools on probation or take other adverse action. For any decision to deny, withdraw, suspend, revoke, or terminate accreditation, the accreditor must also make publicly available a summary of the reasons for the decision and any comments from the affected school. 20 U.S.C. § 1099b(a)(8), (c)(7); 34 C.F.R. § 602.26. In April 2017, Education also began posting on its website letters from accreditors to schools explaining the accreditors' reasons for taking adverse actions against the schools. Additionally, NACIQI, the committee that advises Education on accreditation issues, holds public meetings at least twice a year to review applications for recognition submitted by accreditors and make recommendations to Education's Senior Department Official designated to make the decision regarding recognition. Transcripts of NACIQI's meetings are publicly available on Education's website. In our pre-roundtable survey, 11 of 18 roundtable experts agreed that a strength of the current accreditation system is that recognition meetings held by NACIQI are open to the public.

[69]One roundtable expert said that students may assume that accreditation is a measure of academic quality; however, accreditors tend to assess a school's capacity to ensure quality. As previously discussed, accreditors are required to have standards in specific areas, such as student achievement and curricula; however, the specific standards that accreditors develop in these areas can differ among accreditors, and they may also establish additional standards in areas not required by law. 20 U.S.C. § 1099b(a)(5),(g); 34 C.F.R. § 602.16.

[70]In Education's Integrated Postsecondary Education Data System, retention rates are the percent of first-time degree/certificate-seeking students who enrolled in one fall and either successfully completed their program or re-enrolled in the next fall.

measures.[71] Appendix IV presents a collection of indicators that can provide more information on the academic quality of accredited schools.[72]

While many roundtable experts we surveyed acknowledged that the current accreditation system may not provide students with useful information about the academic quality of schools, there is disagreement on what information accreditors should share.[73] Some roundtable experts and papers noted that some accreditors and schools publicly release detailed information, such as peer review reports, while others do not, and that typical peer review reports may not contain information that the public wants.[74] (See sidebar.) A few roundtable experts also questioned whether there is public interest in accreditation materials that are currently available. One roundtable expert said that peer review reports may not be

[71]Researchers have reported that assessing multiple indicators (e.g., graduation rates and retention rates) could shed light on the quality of education provided by schools, according to our December 2014 report. See GAO-15-59.

[72]In June 2016, Education began publishing "accreditor dashboards" on its website which provide information on several indicators of school performance related to academic quality, such as graduation rates. At the same time, NACIQI began reviewing graduation rates and the amount of debt incurred by students graduating from accredited schools during its accreditor recognition hearings, among other indicators and supplementary information, to examine the performance of schools accredited by each accrediting agency applying for recognition renewal.

[73]In our pre-roundtable survey, 16 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that there is a lack of consensus on what information accreditors should share with the public. In addition to providing certain information about accreditation decisions to the public, as previously mentioned, accreditors are currently required to make other information available to the public, including whether a school is being considered for accreditation or reaccreditation and written materials describing its standards and procedures, among other things. See 20 U.S.C. § 1099b(a)(8), (c)(7), and (c)(8); 34 C.F.R. §§ 602.23, 602.26.

[74]See Gaston, *Higher Education Accreditation;* Ewell, *Transforming Institutional Accreditation in U.S. Higher Education*; Dickeson, *The Need for Accreditation Reform;* and Kelly and James, *Untapped Potential*. Peer review reports generally include an assessment of the school's compliance with the accreditor's standards; however, the type of information in these reports may vary by accreditor. Schools participating in federal student aid programs are required to provide certain information annually to all enrolled students and upon request to any enrolled or prospective student, including the names of the school's accreditor(s) and the procedures by which students may review documents describing the school's accreditation. 20 U.S.C. § 1092(a)(1)(J); 34 C.F.R. § 668.43(a)(6). In addition, accreditors must provide for the public correction of any incorrect or misleading information an accredited school or program releases about its accreditation status, the contents of reports of on-site reviews, or the accrediting agency's actions with respect to the school or program. 34 C.F.R. § 602.23(e).

Perspectives on Sharing Information with the Public

- "[T]he system of accreditation really wasn't set up to be conveying information to students directly. I actually have read every single self-study report, every single team visit report I've ever been able to get my hands on with great interest, because it lets me know things, for example, like accreditation isn't going to tell me anything about misrepresentations that recruiters might be making to bring students into the school."

Source: Expert statement at GAO roundtable. | GAO-18-5

helpful to the public because they are written to provide schools with feedback and are not developed with consumers in mind.[75]

Additionally, some accreditors have concerns that more public disclosure of accreditation review findings could damage the trusted relationship between accreditors and schools, according to a few roundtable experts. For example, one roundtable expert noted the need to keep some quality improvement conversations between accreditors and schools private because publicly sharing such information could lead to inaccurate perceptions of the school. However, one roundtable expert noted that there is little evidence that recent efforts by a regional accreditor to share more information with the public have damaged its relationship with schools.[76] Further, without sufficient information about the academic quality of schools, consumers may not be well-positioned to make decisions about their time and financial investments in higher education, according to our literature review and a few roundtable experts.

A common definition of academic quality

Accreditation is intended, in part, to ensure that the education offered by schools is of sufficient quality to achieve the schools' objectives. However, lack of agreement on existing measures to define academic quality is a challenge affecting oversight of schools, according to most roundtable experts we surveyed.[77] Because academic quality is difficult to measure and define, some roundtable experts and stakeholders we interviewed said that it can be interpreted in various ways and affected by

[75]In an October 2014 report, we found that transparency tools are most effective if they convey relevant information to consumers in a way that consumers can readily understand and use to make meaningful distinctions. See GAO, *Health Care Transparency: Actions Needed to Improve Cost and Quality Information for Consumers,* GAO-15-11 (Washington, D.C.: Oct. 20, 2014).

[76]Specifically, the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges, a regional accreditor that oversees schools in California, Hawaii, and the Pacific Islands, announced in July 2012 that it would post all of its current accreditation evaluation reports and action letters publicly on its website to make accreditation information more transparent and available to the public.

[77]According to our pre-roundtable survey, 14 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that determining a common definition of academic quality is a challenge. Difficulties establishing a common definition of academic quality are not unique to the United States, as other countries also encounter challenges, according to one paper we reviewed and a few roundtable experts. See Ellen Hazelkorn, *What We Know and Don't Know About Quality* (Washington, D.C.: April 2013).

many factors, such as the student body characteristics of a school or program or its educational objectives. There is also a lack of agreement on how to measure it effectively (see sidebar). For example, student outcomes—measures that can range from graduation rates to assessments of what students learn from their education—may reflect academic quality, according to our literature review, some roundtable experts, and our prior work.[78]

A few roundtable experts said that aggregate outcome data collected by Education (such as graduation rates and student loan default rates) is an incomplete measure of academic quality. Experts noted that some data are not reported for all students, and that the data may not provide information about what students learn. For example, Education's data on graduation rates applies to first-time, full-time students, which may account for a small percentage of students at some schools, according to a few roundtable experts.[79] Student learning outcomes, which can include measures of students' skills related to oral and written communications and critical thinking, may more directly reflect academic quality, according to a few roundtable experts and our literature review.[80] (See sidebar.) However, measures of student learning may also have some limitations.

[78]See Kelly, James, and Columbus, *Inputs, Outcomes, Quality Assurance*; Ewell, *Accreditation and Student Learning Outcomes: A Proposed Point of Departure (*Council for Higher Education Accreditation, September 2001); Schray, *Assuring Quality in Higher Education: Key Issues and Questions*; American Council on Education, *Assuring Academic Quality in the 21st Century;* GAO-15-59 and GAO, *Postsecondary Education: Student Outcomes Vary at For-Profit, Nonprofit and Public Schools*, GAO-12-143 (Washington, DC: Dec. 7, 2011). Our December 2014 report also found that the ways accreditors measure quality vary widely, with some accreditors focusing on quantitative measures, such as licensure exam pass rates, while others rely on more qualitative measures, such as whether a school is evaluating success with respect to its mission. See GAO-15-59.

[79]For instance, one roundtable expert said that patterns in student enrollment are changing and students are increasingly likely to attend more than one school, making it more difficult to track results by school. Research has also shown that certain types of student body demographics may affect outcomes like graduation rates, such as percentages of low-income students. See GAO-15-59. In October 2017, Education announced the release of preliminary data from a new survey that is designed to collect outcome data for non-traditional students, including those who are part-time and transfer students. According to the announcement, the final data for 2015-16 will be released in early 2018.

[80]Information on student-learning outcome metrics varies and may be collected by some schools and accreditors. See Hazelkorn, *What We Know and Don't Know About Quality;* Schray, *Assuring Quality in Higher Education: Key Issues and Questions*; and Ewell, *Accreditation and Student Learning Outcomes.*

Examples of Outcome Measures that May Be Related to Academic Quality

Aggregate student outcomes (as collected by Education)

- Graduation rate – the percent of first-time full-time degree/certificate-seeking students who complete a program within 150 percent of the program length
- Retention rate – the percent of first-time degree/certificate-seeking students who enrolled in one fall and either successfully completed their program or re-enrolled in the next fall
- Three-year cohort default rate – the percent of borrowers in default 3 years after entering repayment status
- Three-year repayment rate – the percent of undergraduate borrowers at a school who are not in default on their federal student loans and who have paid down at least $1 of the initial balance on their loans 3 years after entering repayment

Student-learning outcomes (based on our literature review and accreditor documentation)

- Students demonstrate their understanding of major theories, approaches, concepts, and research findings in their area of concentration
- Students demonstrate ability to utilize the techniques, skills and modern tools necessary for practice
- Students have an understanding of professional and ethical responsibility

Source: GAO, *Higher Education: Education Should Strengthen Oversight of Schools and Accreditors*, GAO-15-59 (Washington, D.C.: Dec. 22, 2014) and GAO analysis of research and policy papers and accreditor documentation. | GAO-18-5

For example, certain student learning indicators, such as standardized tests, may not provide a full picture of academic quality and may be affected by student body characteristics, according to our literature review.[81] While most roundtable experts acknowledged challenges agreeing on how to effectively measure academic quality, our prior report found that assessing a combination of student outcome measures can shed light on the quality of education provided by schools.[82]

Identifying sufficient measures for academic quality

Many roundtable experts we surveyed also reported that the current accreditation system lacks sufficient ways to measure academic quality that reflect the wide range of fields of study across schools (see sidebar).[83] For example, our December 2011 report found that certain types of professional fields, such as nursing and law, have licensure exams or certifications which can be more easily linked to the academic quality of the schools.[84] One roundtable expert said that reviewing the quality of entire schools may be more complex than reviewing the quality of programs within schools, since professional programs are generally more comfortable setting expectations for specific indicators of quality, like licensure exam pass rates. A few roundtable experts and stakeholders we interviewed also noted that in fields that do not have licensure exams or certifications, such as liberal arts, reliable and valid ways to measure quality can be difficult to identify. One roundtable expert

[81]Hazelkorn, *What We Know and Don't Know About Quality,* and Robert Shireman, *The Real Value of What Students Do in College* (The Century Foundation, February 2016). A few roundtable experts also commented that information about the conditions needed to promote academic quality may be helpful to consider. For example, one roundtable expert said whether a school has sufficient financial or faculty resources may provide important information about academic quality.

[82]See GAO-15-59. One roundtable expert authored a paper on an alternative accreditation oversight structure, in which the oversight entity would be responsible for identifying outcome measures to assess academic quality. We included this paper in our literature review and summarize this and other alternative structures later in this report.

[83]In our pre-roundtable survey, 11 of 18 roundtable experts (accreditors and non-accreditors) agreed or strongly agreed that a lack of measures for academic quality for the range of schools in the United States is a challenge affecting the current accreditation system. Additionally, 13 of 18 roundtable experts (accreditors and non-accreditors) agreed that there is a lack of accreditor mechanisms to identify schools that do not meet a minimum quality standard.

[84]See GAO-12-143.

said that in some cases, students may be employed in a different but related field from their original field of study, making it difficult to identify adequate measures of success. While roundtable experts acknowledged a lack of agreement on existing measures of academic quality, and a lack of measures that reflect the range of fields of study across schools, two roundtable experts noted that some accreditors have started placing an increased focus on existing student outcome measures as a regular part of their review process. For example, in September 2016, the Council of Regional Accrediting Commissions—a council representing seven regional recognized accrediting agencies in the United States—began a new effort to more systematically examine their member schools that have low graduation rates.[85]

Perspectives on Identifying Sufficient Measures for Academic Quality

"No single accountability metric is perfect. So this system needs to have several complementary measures that help make up for shortfalls that others have. For example, if you only look at the levels of debt compared to earnings of graduates then you also need some measure to account for high rates of dropouts. A system based only on one measure is likely to fail and not be very effective."

Source: Expert response to GAO survey. | GAO-18-5

"This is an international issue because there are no agreed international indicators for measuring and comparing quality. Rankings have emerged to fill the gap, but they are simplistic and comparisons across diverse social, economic and political context and institutions are extremely difficult to make."

Source: Expert response to GAO survey. | GAO-18-5

One of accreditation's main purposes is ensuring that schools—which receive over $125 billion in federal student aid annually—provide a quality education to students; yet roundtable experts and research have noted challenges related to oversight roles and responsibilities, communication and transparency, and measuring academic quality. According to papers we reviewed, a quality higher education helps position students for long-term success, and strengthens America's economic competitiveness. We will discuss in the next section approaches identified by roundtable experts and our literature review for addressing these challenges and improving the current accreditation system's oversight of academic quality.

[85]Under this new initiative, participating regional accreditors, who accredit mostly nonprofit and public schools, examine four-year schools that have graduation rates at or below 25 percent and two-year schools that have graduation rates at or below 15 percent as part of their accreditation reviews. They also follow up with schools to request information about conditions that may have led to low graduation rates and how they plan to improve. Since graduation rates based on federal data may reflect a small fraction of students at a school, these regional accreditors also review data related to transfer rates, loan default rates, and loan repayment rates, in addition to other supplemental data.

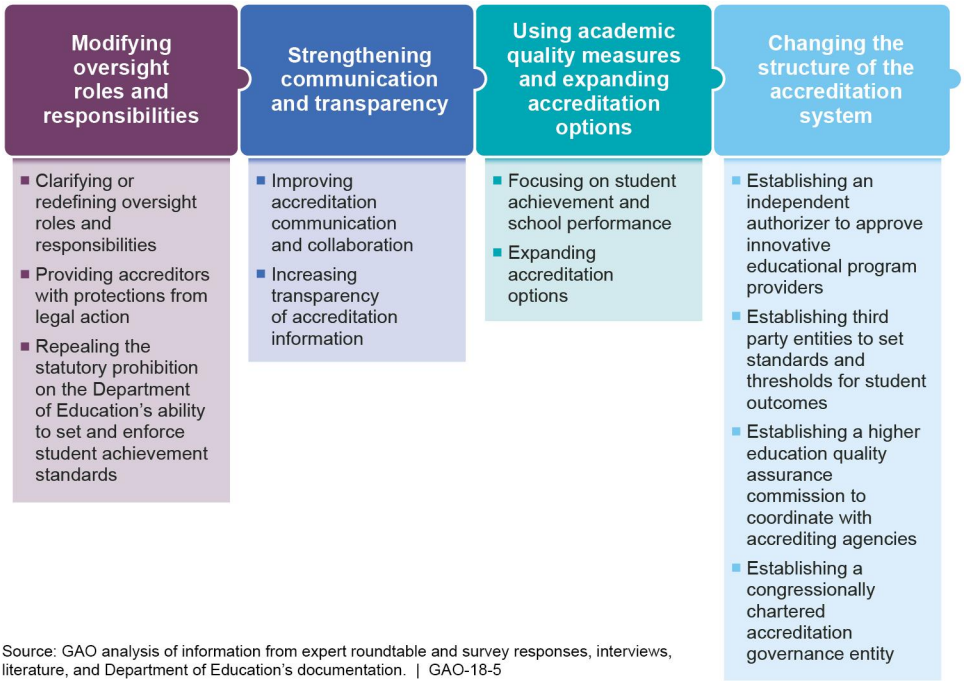
Potential Approaches Identified by Experts and the Literature for Improving Oversight of Academic Quality at Schools Range from Modifying Roles to Restructuring the Accreditation System

Potential approaches to improve oversight of academic quality at postsecondary schools range from modifying triad members' accreditation roles and responsibilities to restructuring the accreditation system, according to roundtable experts and our literature review.[86] The level of specificity available for each approach varied, with some roundtable experts and literature providing detailed information about how the approach would work and others providing more general descriptions. We have categorized these approaches into four areas: 1) modifying oversight roles and responsibilities, 2) strengthening communication and transparency, 3) using academic quality measures and expanding accreditation options, and 4) changing the structure of the accreditation system. (See fig. 5.) Experts' views on the approaches in these areas, including the advantages and disadvantages when such information was provided, are described in the sections that follow.[87]

[86]Overall, 13 potential approaches were identified for improving oversight of academic quality. These approaches were identified by our roundtable experts and through our literature review. In this section, we describe 11 of the 13 approaches that more broadly address the key challenges with the current accreditation system's oversight of academic quality as identified by our experts. The two remaining approaches are described in appendix V. For the approaches identified by roundtable experts, we provide a synthesis of information from expert roundtable and post-roundtable survey responses. The information presented is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[87]The advantages and disadvantages of the approaches presented in this report summarize experts' views and opinions discussed at the roundtable and in their post-roundtable survey responses, as well as in our literature review. For the purposes of this report, we did not assess the advantages and disadvantages reported by experts. For example, some of these approaches may require statutory or regulatory changes to implement; this report discusses such issues only to the extent they were identified by the experts as an advantage or disadvantage.

Figure 5: Categories of Potential Approaches, Identified by Experts and the Literature, for Improving Oversight of Academic Quality



Source: GAO analysis of information from expert roundtable and survey responses, interviews, literature, and Department of Education's documentation. | GAO-18-5

Modifying Oversight Roles and Responsibilities

Roundtable experts identified potential approaches for modifying triad members' roles and responsibilities to help them better oversee academic quality and address challenges facing the accreditation system. Specifically, experts discussed three approaches within this area: (1) clarifying or redefining triad members' oversight roles and responsibilities, (2) providing accreditors with protections from legal action when they take action against schools not meeting their standards, and (3) repealing the statutory provisions that prohibit Education from setting and enforcing accreditation standards for student achievement.[88] The experts discussed these approaches as possible solutions to some of the challenges facing the accreditation system, including those discussed previously in this report concerning oversight roles and responsibilities for accreditors and

[88]The Higher Education Act prohibits Education from establishing criteria that specify, define, or prescribe standards for accreditors to use to assess any school's success with respect to student achievement. It also prohibits Education from developing regulations with respect to accreditor standards. 20 U.S.C. §1099b(g),(o).

Education. Providing accreditors with protections from legal action, for example, could encourage them to take needed actions against poor performing schools, according to some roundtable experts. A few experts said that such protections may help to reduce accreditors' hesitation to take adverse actions that could affect schools' eligibility for federal student aid. Tables 1, 2, and 3 provide details on the potential approaches to address challenges in the area of oversight roles and responsibilities.

Table 1: Summary of Expert Views on Clarifying or Redefining Oversight Roles and Responsibilities

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
To identify areas of potential overlap and duplication, and better assign roles and responsibilities to protect students and oversee the academic quality of schools and programs, some experts proposed re-examining the roles and responsibilities of triad members—accreditors, the Department of Education (Education) and states—in overseeing schools and programs.	• A reexamination could better focus accreditors' roles and responsibilities on overseeing academic quality.[a] • Clarifying triad members' roles and streamlining oversight could lead to less overlap or duplication between Education and accreditors in areas such as oversight of schools' financial health, potentially providing accreditors more capacity to focus on academic quality.[b]	• Triad members may not fulfill their roles and responsibilities after they are clarified. For example, Education may have difficulty fulfilling its responsibilities, such as for financial oversight. Thus, some duplication may be appropriate and triad members may need to step in if another member does not fulfill its responsibilities.[c] • Schools may not agree with how roles are clarified. • Stakeholders may not agree on whether and to what extent the federal government should be responsible for clarifying roles. Education may overstep its role in the accreditation process.[d]

Source: GAO analysis of information from GAO expert roundtable and survey responses, and interviews. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, and interviews. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]One roundtable expert suggested that accreditors should assume a greater role in verifying schools' claims about the effectiveness of their programs. Accreditors have information about schools' performance that could be useful to consumers such as students and employers, according to a few experts. For example, one expert said accreditors' responsibilities for monitoring schools' compliance with accreditor standards, and supporting schools' continuous improvement efforts, could be reviewed and redefined.

[b]Adopting this approach could help set explicit boundaries on Education's responsibilities and states' responsibilities, according to one roundtable expert. In addition, some states may not have the capacity to carry out expanded oversight responsibilities, according to another expert. This approach could also relieve accreditors from activities other than quality assurance, according to one expert.

[c]In another example, a few roundtable experts said that if accreditors are solely responsible for reviewing academic quality and they do not effectively fulfill their role, there may be gaps in oversight. Also, some roundtable experts said that states' capacity and approaches to higher education will continue to vary, making it difficult to define roles and responsibilities as part of the triad. States devote different levels of resources to higher education and that affects their level of involvement in the triad, according to some roundtable experts.

[d]Currently, Education conducts various financial oversight activities, such as assessing schools against financial responsibility standards. 20 U.S.C. § 1099c(c); 34 C.F.R. §§ 668.15, 668.171 – 668.175, and apps. A-B. Because schools and states would not have the authority to define roles for

each entity involved, Education should establish the roles and responsibilities for those involved in the oversight process, according to one expert.

Table 2: Summary of Expert Views on Providing Accreditors with Protections from Legal Action

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Develop mechanisms to protect accreditors from lawsuits brought by schools when accreditors take action against schools for not meeting accreditation standards for ensuring academic quality. This could include providing financial support for accreditors when they are sued (indemnification), forming a body of accreditors to review an accreditor's recommendation for adverse action to help prevent lawsuits before the case is taken to court, or instituting arbitration as an option when the accreditor takes an adverse action.[a] Protection also could include defining the types of cases that can be brought to court and which courts would have jurisdiction to hear them.[b]	• Developing such a mechanism could reduce potential lawsuits faced by accreditors when they take adverse actions against schools. • Could prevent costly litigation that may drain accreditors' resources. • If they were protected from lawsuits, accreditors may be more comfortable taking needed adverse actions, such as sanctioning poor performing schools.[c]	• If accreditors are given protection from legal action by schools, it may increase the risk of accreditors focusing less carefully on their reviews and making poor decisions when assessing schools.[d] • Protection from legal action may result in students being limited in their ability to take actions against accreditors that accredit "predatory" schools (schools that may aggressively recruit students but provide a poor academic program). • In some circumstances, legal action may be appropriate.[e]

Source: GAO analysis of information from GAO expert roundtable and survey responses. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from expert roundtable and survey responses. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]An accreditor may take adverse actions, including placing a school on probation, issuing a warning, or terminating a school's accreditation, when there is serious concern about a school not meeting its standards. Accreditors can also require a school to furnish annual reports on finances or enrollment, among other actions.

[b]According to one roundtable expert, the Southern Association of Colleges and Schools Commission on Colleges has a new policy that has dramatically reduced lawsuits, which also may reduce the need for accreditor protection.

[c]GAO's prior work found that over a 4.5-year period, accreditors sanctioned about 8 percent of schools for not meeting accreditor standards. Further, GAO's analysis found that from October 2009 through March 2014, schools with weaker student outcomes were, on average, no more likely to have been sanctioned than schools with stronger student outcomes. In addition, GAO found that accreditors terminated accreditation for about 1 percent of accredited schools. See GAO-15-59.

[d]One roundtable expert noted that students' and graduates' careers may be affected if an accreditor makes a poor judgement against a school. According to a few experts, if accreditors mistakenly make a poor judgement against a school, they should be held accountable, particularly if students are harmed. A few experts emphasized that if given full protection from legal action, accreditors would not be accountable for any mistakes they may make in their accreditation decisions.

[e]For example, legal action may be appropriate if an accrediting agency violates the law.

Table 3: Summary of Expert Views on Repealing the Statutory Provisions That Prohibit Education from Setting and Enforcing Accreditation Standards for Student Achievement

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Remove the prohibition in the Higher Education Act on the Department of Education's (Education) ability to set accreditation standards for student achievement, and have Education set and enforce student outcome standards during its accreditor recognition process.[a]	• If the statutory prohibition were repealed, Education could identify common measures to assess schools' academic quality and establish a baseline for acceptable school performance, for purposes of federal student aid participation.[b] • Authorizing Education to set and enforce standards for accreditors to meet in its recognition process, based on agreed upon data and terms, could help hold accreditors with weak student achievement standards accountable.[c] • Enforcing such standards could help ensure that federal funds are invested in quality schools and programs that produce intended benefits for students and taxpayers.	• This approach would give more authority to Education than might be warranted, according to many roundtable experts. • Education may not have the expertise to prescribe a common set of standards for school performance that is appropriate for assessing the wide range of U.S. schools with different student demographics.[d]

Source: GAO analysis of information from GAO expert roundtable and survey responses. |GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]Under the Higher Education Act of 1965, as amended (Higher Education Act), to be recognized by Education, accreditors are required to apply and enforce standards in specified areas to assess whether the programs or courses offered by schools are of sufficient quality to achieve their objectives. The standards can differ among accreditors, and accreditors also may establish standards in additional areas not required by law. 20 U.S.C. § 1099b(a)(4),(a)(5), (g). The Higher Education Act prohibits Education from establishing criteria that specify, define, or prescribe standards for accreditors to use to assess any school's success with respect to student achievement. It also prohibits Education from developing regulations with respect to accreditor standards. 20 U.S.C. § 1099b(g).

[b]A few roundtable experts said that common measures based in research should be developed by the appropriate stakeholder group. Measures may vary depending on the type of school or program being reviewed but could include student outcomes such as graduation, retention, student loan repayment and default, and job placement rates. Education has taken some steps to make public the measures and data that accreditors use to assess schools' academic quality.

[c]Under the Higher Education Act, Education recognizes accreditors it determines to be reliable authorities as to the quality of education offered by schools. To be recognized by Education, accreditors must meet certain statutory and regulatory criteria and have certain operating procedures in place. Accreditors also must have their recognition renewed by Education at least every 5 years. 20 U.S.C. § 1099b(a),(c),(d).

[d]A few roundtable experts suggested that accreditors, with input from schools, industry professionals, and other stakeholders, have the expertise needed to set standards, and therefore are more appropriate for that role than Education. For example, one expert expressed concern that Education may set standards in a "one-size-fits-all" measurement system, or become overly prescriptive about what those outcomes should be. Further, if Education should determine that a specific graduation rate or other outcome measure would be used as a metric for all schools, it may have an impact on certain types of schools. For example, having to meet a graduation rate set for all types of schools may pressure schools that participate in federal student aid to lower their graduation standards to allow more students to graduate, and penalize accreditors that oversee schools serving disadvantaged populations, according to a few roundtable experts.

Strengthening Communication and Transparency

Some roundtable experts identified potential approaches to help strengthen communication and transparency in the current accreditation system to enhance oversight of academic quality. These were (1) improving communication and collaboration among triad members, and (2) increasing the transparency of accreditation information that is shared with the public.[89] The experts discussed these approaches as possible solutions to some of the challenges facing the accreditation system, including those previously discussed concerning communication among members of the triad and sharing information with the public. For instance, increasing the transparency of accreditation information may address concerns that the system does not provide students with useful information to help them assess the quality of schools. As previously noted, general information about which schools are and are not accredited is publicly available on Education's website. However, some experts raised questions about whether students understand that schools with very different records of performance may have the same accredited status. Tables 4 and 5 provide details on the potential approaches for improvements in the areas of communication and transparency.

[89]We have developed a body of work that identifies key practices for improving collaboration, which includes any joint activity that is intended to produce more public value than could be produced when agencies act alone. As part of this work, we describe how agencies can enhance and sustain their collaborative efforts by engaging in eight practices, including agreeing on roles and responsibilities and establishing mutually reinforcing or joint strategies. For a detailed discussion of these practices, see GAO, *Results-Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies*, GAO-06-15 (Washington, D.C.: Oct. 21, 2005).

Table 4: Summary of Expert Views on Improving Accreditation Communication and Collaboration

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Improve how triad members—accreditors, the Department of Education (Education), and states—work together to address accreditation issues, such as schools at risk of closing. Improvements could involve (1) establishing a body of triad members that meets regularly; (2) identifying specific triggers that require communication and collaboration among the triad; and (3) routinely sharing case studies, best practices, and other relevant information among triad members.[a]	• Improving how triad members work together could also improve the triad's effectiveness when it comes to sharing information, identifying schools' potential performance problems, and determining appropriate action needed.[b] • Improving effectiveness of the triad could benefit schools and students by providing more timely information about performance problems.[c]	• Improving communication and collaboration may be difficult to implement and enforce, and may require statutory changes, including specifying how triad members will work together.[d] • This approach would require clarification of triad members' roles and responsibilities for overseeing academic quality, such as who is responsible for convening triad meetings.

Source: GAO analysis of information from GAO expert roundtable and survey responses, Education documentation, and interviews. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, Education documentation, and interviews. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]One roundtable expert suggested identifying triggers, or specific circumstances, that would require triad members to work together when schools or programs have performance problems. A few experts also noted that re-establishing a former effort of Education's in which it acted as a liaison to states could help improve communication and collaboration.

[b]For example, some states may collect data on postsecondary schools and could alert accreditors and Education about schools with potential performance problems, according to one roundtable expert. Education has taken some recent steps to improve the department's existing requests for information sharing. In January 2016, the Education office responsible for postsecondary education issued a memorandum to the Secretary with several recommendations, including requesting more information from accreditors on schools with performance problems, such as warnings or admonitions for potential violations of standards related to certain areas, including student achievement. The memo also identified opportunities to improve information sharing with states.

[c]For example, according to one roundtable expert, if Education convened triad members to develop performance improvement plans for poor performing schools it could help prevent closures. Performance improvement plans may be used to identify a set of interventions to address deficiencies at a school.

[d]This approach could interfere with the independent exercise of individual triad member activities, if roles and responsibilities are not carefully specified, according to one roundtable expert.

Table 5: Summary of Expert Views on Increasing Transparency of Accreditation Oversight Information

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Make accreditation information more available and accessible for policymakers, students, and the public.[a]	• Increasing transparency may also increase public trust and help students, policymakers, and the public make better decisions.[b] For example, it could help students make decisions about schools they are planning to attend, and help policymakers develop more informed accreditation policy proposals. • This approach could also strengthen accountability and help policymakers and the public assess the performance of accreditors and schools.[c]	• Even with increased transparency, accreditation information, terminology, and processes can be complicated and could be difficult for the public and policymakers to understand.[d] • There is not a common understanding of what increasing transparency means in practice—that is, which documents and information should be made public. • If detailed accreditation information is made available to the public, confidentiality of the peer review process may be undermined.[e]

Source: GAO analysis of information from GAO expert roundtable and survey responses, documentation from the Department of Education (Education), and other documentation.| GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, Education documentation, and other documentation. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]This may include reaching agreement on the appropriate accreditation documents and data to publicly release, according to one roundtable expert. Accreditors, Education, and schools are currently required to provide various types of accreditation information to the public. For example, among other things, accreditors are required to make certain information available to the public related to: (1) decisions to award accreditation or reaccreditation, (2) final denial, withdrawal, suspension, or termination of accreditation, any findings, and the schools' official comments, and (3) decisions to place schools on probation or take other adverse actions. 20 U.S.C. § 1099b(c)(7). Education is required to publish a list of recognized accreditors and to make publicly available the reason for denying recognition to an accreditor, including the specific statutory criteria that were not fulfilled. 20 U.S.C. §§ 1001(c), 1099b(n)(4). Schools participating in federal student aid programs are required to provide certain information annually to all enrolled students and upon request to any enrolled or prospective student, including the name of their accreditor(s) and the procedures by which students may review documents describing the school's accreditation. 20 U.S.C. § 1092(a)(1)(J).

[b]Accreditors and Education have taken some steps to share more accreditation oversight information with the public. For example, in July 2012, the Accrediting Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges began posting all its accreditation evaluation reports on its website. Education provides general information on its website about the accreditation process and which schools are accredited or not accredited. In April 2017, Education began posting accreditor decision letters on its website, which explain the accreditors' reasons for taking adverse actions against certain schools. Additionally, the National Advisory Committee on Institutional Quality and Integrity (NACIQI), which advises Education on accreditation issues, holds public meetings at least twice a year to review applications for recognition submitted by accreditors and make recommendations to Education's Senior Department Official designated to make the decision regarding recognition. Transcripts of NACIQI's meetings are publicly available on Education's website.

[c]In our pre-roundtable survey, 10 of 18 roundtable experts disagreed or strongly disagreed that students receive useful accreditation information. A few experts also said that publicly releasing student outcome data could help the public better understand school performance. Through "accreditor dashboards," Education has taken one step toward making such information available. In June 2016, Education began publishing "accreditor dashboards" on its website to help policymakers and the public understand the student outcomes of accredited schools, such as their graduation rates.

[d]A few roundtable experts noted that students may misinterpret accreditation information that is currently available and assume that all accredited schools meet the same standards of academic quality.

[e]Accreditors generally re-evaluate their member schools at least every 10 years (depending on the accreditor and the school) using a process that involves volunteer peer reviewers.

Using Academic Quality Measures and Expanding Accreditation Options

Some roundtable experts identified potential approaches for using academic quality measures in school evaluations and for expanding accreditation options. The two approaches discussed were (1) focusing on student achievement and the performance of schools and programs, and (2) providing more categories of accreditation to help differentiate schools' accreditation status and eligibility for federal student aid.[90] The experts discussed these approaches as possible solutions to some of the challenges facing the accreditation system, including those previously discussed concerning defining and identifying reliable and valid ways to measure academic quality. For example, focusing on student achievement and school performance could lead to addressing challenges related to measuring academic quality. As previously discussed, since academic quality can be measured and interpreted in various ways and affected by many factors, there is a lack of agreement on how to measure it effectively.[91] This approach could encourage the identification of some common measures for academic quality. In addition, expanding accreditation categories could help reduce the tension accreditors may experience in helping schools to improve, while making decisions about schools' accreditation status that can impact schools' eligibility for federal student aid. For example, this approach may allow schools to remain accredited but receive varying levels of federal student aid while they correct deficiencies identified by their accreditor. Tables 6 and 7 provide details on these potential approaches in the area of using academic quality measures and expanding accreditation options.

[90]Student achievement may refer to student outcomes—measures that can range from graduation rates to assessments of what students learn from their education—according to our literature review, some roundtable experts, and our prior work.

[91]Our prior work also found that the ways accreditors measure quality vary widely, with some accreditors focusing on quantitative measures, such as licensure exam pass rates, and others relying on more qualitative measures, such as whether a school is evaluating success with respect to its mission. See GAO-15-59.

Table 6: Summary of Expert Views on Focusing on Student Achievement and School Performance

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Increase accreditors' focus on student achievement when they assess schools' academic quality, with an emphasis on measuring student outcomes.[a]	• Emphasizing student achievement could shift focus from inputs to outcomes and create an opportunity for schools to continuously improve, and set goals that better serve students.[b] • Measuring outcomes could increase focus on aspects of school performance that students, employers, and other stakeholders care about, such as employment and earnings outcomes and student learning.[c] • Accreditors could better identify schools and programs with performance challenges and hold them accountable. • Accreditors' individual efforts to focus on student outcomes could lead to shared terms and approaches among accreditors, better information for students, and a defined minimum acceptable level of performance for schools.	• Emphasizing student achievement could present measurement difficulties as there is no single metric that captures both student outcomes and student learning, in part because academic quality varies within schools, as well as among schools. • Available measures of student achievement tend to focus on graduation rates and financial outcomes, such as earnings and loan default and repayment rates. However, these measures may not provide a complete picture of certain types of schools, such as some community colleges.[d] • Defining student achievement in federal law or via national or regional accreditors may pose a challenge, given the wide range of U.S. schools with different missions and programs. Because of the many fields of study and reasons students go to school, the challenge is defining student achievement in a way that will work equally well for all schools.[e]

Source: GAO analysis of information from GAO expert roundtable and survey responses, the Department of Education (Education) documentation, and literature. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, Education documentation, and literature. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]Student outcomes—measures that can range from graduation rates to assessments of what students learn from their education—may reflect academic quality, according to GAO's literature review, some roundtable experts, and GAO's prior work. Currently, national, programmatic, and regional accreditors may use various measures of student achievement in their evaluation efforts, according to a few experts.

[b]One paper explained that inputs, such as the student-teacher ratio, may indicate academic quality since a lower ratio could mean that students have better access to professors. However, such information may provide more insight on the funding or efficiency of the school rather than the quality of the academic experience it provides. See Ellen Hazelkorn, What We Know and Don't Know About Quality (Washington, D.C.: April 2013). A few roundtable experts also commented that information about the conditions needed to promote academic quality may be helpful to consider. For example, one roundtable expert said that whether a school has sufficient financial or faculty resources may provide important information about academic quality. Information on student outcomes may also reflect academic quality. However, a few roundtable experts said that any comparison of schools based on student outcome measures should consider any differences in schools' student demographic characteristics.

[c]A few roundtable experts suggested that any student outcomes identified for schools nationally should reflect differences in program-level and school-level student outcomes, as well as differences in the type of school.

[d]A few roundtable experts commented that available data collected by Education on such measures has limitations. One roundtable expert noted that Education's data on graduation rates applies to first-time, full-time students, which may account for a small percentage of students at community colleges. Another roundtable expert commented that without better data on these measures, implementing this approach may not be possible. In October 2017, Education announced the release of preliminary

data from a new survey that is designed to collect outcome data for non-traditional students, including those who are part-time and transfer students. According to the announcement, the final data for 2015-16 will be released in early 2018.

[e]A school's mission identifies its unique goals and priorities, the students it seeks to serve, and reflects its vision for the future. For example, a community college's mission may be to educate students who wish to transfer to other schools to pursue a degree. On the other hand, the mission of a research university may be to provide undergraduate, graduate, and professional education and research. Accreditors are currently required to have standards that assess, among other things, schools' success with respect to student achievement in relation to the school's mission. 20 U.S.C. § 1099b(a)(5)(A).

Table 7: Summary of Expert Views on Expanding Accreditation Options

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Create an additional category for schools' accreditation status based on the results of accreditors' reviews and modify schools' eligibility for federal student aid accordingly.[a] An additional category for schools' accreditation status could be schools that are accredited but need improvement.[b] Schools in this category would be partially eligible for federal student aid, and only current students would receive aid. Schools would not be eligible to provide federal student aid to new students.[c]	• Expanding accreditation options could provide greater flexibility that would allow schools with identified areas for improvement to remain accredited and receive varying levels of access to federal student aid, as determined by the Department of Education (Education).[d] • More options could assist accreditors by allowing them to maintain their traditional quality improvement role while serving more effectively as gatekeepers of federal student aid funds. • This approach could lead to students and the public getting more information about accreditation decisions and school quality and performance. • Schools would be notified about performance challenges and accreditors would continue to work with schools to correct deficiencies.	• Reduced aid may result in many school closures, except for those with significant financial resources. Therefore, expanding accreditation options to allow for schools to receive reduced aid may not encourage accreditors to take actions against schools. • Expanding accreditation options may be complicated for Education to implement.[e] • Without more common language and definitions of actions across accreditors, a school being accredited but having limited access to federal student aid may confuse the public and add another layer of complexity to requirements for accreditors.

Source: GAO analysis of information from GAO expert roundtable and survey responses, Education documentation, and literature. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, Education documentation, and literature. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]One of the requirements for a school to participate in federal student aid programs is that the school must be accredited by an accrediting agency that is recognized by Education as being a reliable authority as to the quality of education or training offered. 20 U.S.C. §§ 1001(a)(5), 1099b. Under the current system, accreditors can take certain steps to differentiate accreditation of schools based on school performance, such as by modifying the number of years between accreditation reviews, requiring that a school under review submit data to the accreditor, or requiring a school to undergo more frequent site visits. In April 2016, Education sent a letter to recognized accreditors informing them of the flexibility they have to differentiate their reviews of schools and programs and encouraging them to use that flexibility to focus monitoring and resources on student achievement and problematic schools or programs.

[b]Placing a school in the "accredited but needing improvement" category could more clearly distinguish it from a school with a stronger performance record than under the current accreditation system, in which a school either is or is not accredited, according to a few roundtable experts.

[c]Another potential approach to expanding accreditation options, identified in our literature review, uses risk assessment and information on student outcomes to assign a school to an accreditation category. For a risk assessment, quantitative and qualitative information is used to evaluate the risk a

school poses to the financial investment of the federal government, students, and their families. This approach emphasizes using two types of outcome measures considered in accreditation reviews. Quantitative measures of school-level student outcomes would be based on data already collected by Education, such as graduation rates. Qualitative measures of student learning outcomes would be based on learning outcomes and assessment measures that the school selects, such as written exams. Reviewers would then use their professional judgement to assess the school's risk to taxpayer and student investments and assign a school to a low, medium, or high confidence category. See EducationCounsel, *Outcomes-Focused, Differentiated Accreditation, a Framework for Policy and Practice Reform* (Washington, D.C.: April 15, 2016). Two international accreditation systems also use risk assessment and outcome measures, to some extent, according to a paper in the literature review. According to one paper reviewed, Australia's Tertiary Education Quality Standards Agency, a centralized accreditation agency, uses a risk-based accreditation approach that includes evidence such as student characteristics and outcomes and documentation of schools' financial viability. The paper also said that the United Kingdom is developing a framework for determining schools' eligibility for government funding that also includes a risk assessment. The types of evidence reviewed include information from schools' internal and external auditors and other public bodies. The United Kingdom is also planning to include outcome measures, according to the paper. See Coleman, Arthur L., Teresa E. Taylor, and Bethany M. Little, *New Directions in Regulatory Reform: Prospects for Reducing Regulatory Burden Through Risk-Informed Approaches in Federal Law Governing American Higher Education* (EducationCounsel, December 2014).

[d]Schools may be subject to increased reporting or review by their accreditor.

[e]Decisions about schools' participation in federal student aid programs should be Education's responsibility, not accreditors, according to one roundtable expert.

Changing the Structure of the Accreditation System

We identified four approaches in the literature—three of which were developed by roundtable experts—to establish new entities that would change the current structure of the accreditation system for overseeing academic quality and the responsibilities of accreditors and Education.[92] These four approaches discussed more significant changes to the current accreditation system. The approaches ranged from establishing an independent authorizer that would assess innovative program providers' eligibility for federal student aid to delegating all of Education's accreditation responsibilities to a congressionally chartered entity.[93] (See text box.) Appendix VI presents tables that provide additional details about the four approaches.

[92]These approaches do not discuss changing the role of states in higher education oversight. The information in this report on these approaches generally summarizes our analysis of information from our literature review. We are not recommending or endorsing the adoption of any of the approaches identified.

[93]Currently, certain innovative programs, such as coding boot camps and massive open online courses, are generally not eligible to receive federal student aid. Coding boot camps are vocational training programs offered by private companies that teach students computer programming at less cost than a college degree in computer science. Massive open online courses are courses offered over the internet that are usually free, award no credit, and enroll large numbers of students.

Alternative Accreditation Oversight Structures Identified by Experts and GAO's Literature Review

Independent authorizer: An authorizer would be approved by the Department of Education (Education) to help determine the federal student aid eligibility of innovative educational program providers.[a] The authorizer would adopt standards set by another independent entity—a nonprofit organization that would develop and maintain standards for student outcomes—but set thresholds for the programs it reviewed. Education would assess the effectiveness of the standards.

Third-party entities: The third-party entities would set standards and identify both the outcome measures and the threshold levels used to assess academic quality at the program level. Schools could choose to be reviewed under this new standard-setting system, or by an existing accreditor. If a school chooses to be reviewed under this new system, Education, rather than peer reviewers, would conduct the review.

Higher education quality assurance commission: A commission would coordinate and align the activities of existing accreditors. It would assume Education's current responsibility for recognizing accreditors. The commission would set standards while allowing accreditors to tailor their reviews to the types of schools and programs they accredit. Accreditors' role in assessing schools' academic quality and in determining eligibility to access federal student aid funds via the accreditation process would not change.[b]

A congressionally chartered accreditation governance entity: The entity would assume Education's current role and responsibilities in the accreditation process. It would recognize accreditors, create and maintain standards, and determine whether a peer review process would be used to assess and monitor schools' improvement.[c] If peer review is used, the current accreditor role in making accreditation decisions that affect schools' access to federal student aid funds would not change.

Source: GAO literature review. | GAO-18-5

[a]Currently, certain innovative programs, such as coding boot camps that teach students computer programming and massive open online courses, are generally not eligible to receive federal student aid. Coding boot camps are training programs offered by private companies that teach students computer programming and can cost less than a college degree in computer science. Massive open online courses are non-credit courses offered over the internet that enroll large numbers of students. While tuition for some of these courses might be low or no cost, low income students may benefit from federal student aid that can be used to purchase resources such as laptops and high speed internet connections to participate in these courses, according to one expert.

[b]Currently, accreditation is one of the requirements that helps determine schools' federal student aid eligibility, but not the sole factor. To participate in federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended, schools must meet various other requirements; for example, in addition to being accredited, schools must be authorized to provide postsecondary education by the state in which they are located and be certified by Education as meeting certain administrative capability and financial responsibility requirements. If schools are not accredited, they are not eligible to access federal student aid.

[c]Peer reviewers, comprising a range of knowledgeable academic faculty and administrators, assess the academic quality of schools and provide schools with critical feedback on their weaknesses and areas for improvement, based on our literature review, expert roundtable discussion, and stakeholder interviews.

The different entities identified in the four approaches shared some features that could potentially address one or more challenges related to the oversight of academic quality identified by our roundtable experts. In all four approaches, new entities would set standards for assessing schools' academic quality and receive federal funding to support their activities and operations. By assuming responsibility for setting standards, and by receiving funding from the government rather than schools, the proposed entities could potentially help alleviate some of the challenges roundtable experts identified with the current accreditation system. For example, roundtable experts said these features could help alleviate the tension that accreditors face in the current system in performing the dual role of facilitating schools' self-improvement and serving as gatekeepers to federal student aid funds. Roundtable experts also thought these features could address the concern regarding accreditors' potential conflicts of interest associated with overseeing schools from which they receive membership fees.

The approaches, however, differ with respect to how they assign responsibility for other accreditation oversight functions. For example, one approach would allow providers at the program level to choose between existing accreditors under the current accreditation system or Education under an alternative system to assess whether standards have been met.[94] In contrast, two other approaches suggest reducing Education's role in accreditor recognition by delegating this responsibility to an independent accreditation oversight entity.[95]

While these approaches for restructuring the current accreditation system, as well as those previously discussed by our roundtable experts, are in the conceptual phase of development, ensuring sound oversight of academic quality is critical to preserving the integrity and credibility of the U.S. accreditation system.[96] Policymakers may need to determine which approaches, alone or in combination with others, best reflect the goals of ensuring a strong accreditation system and protecting students' and taxpayers' investment in higher education.[97]

[94]This approach would establish third-party entities that would set standards and identify both the outcome measures and the threshold levels used to assess academic quality at the program level. One of our roundtable experts co-authored a paper developing this approach.

[95]One of the approaches that propose reducing Education's role in accreditor recognition would establish a higher education quality assurance commission to coordinate and align the activities of existing accreditors. The commission also would assume Education's current responsibility for recognizing accreditors. The other approach would establish a congressionally chartered accreditation governance entity that would assume Education's current role and responsibilities in the accreditation process.

[96]An initiative by the Quality Assurance Commons for Higher & Postsecondary Education, announced in September 2017, also would change the way accreditation is conducted. This initiative, a pilot project to assess higher education programs at 14 institutions around the country, plans to develop an approach to accreditation reform that focuses on students' employability qualities—skills in collaboration and problem-solving. Because this initiative was recently announced, we have not included it in our review.

[97]In addition to the studies we reviewed, we also identified some accreditation-related bills introduced in the 113th or 114th Congress that reflected similar themes in their proposed changes to the current accreditation system, including proposals for the use of student outcome measures such as student learning and job placement rates, and the development of new oversight bodies.

Agency Comments

We provided a draft of this report to Education for its review and comment. Comments from Education are reproduced in appendix VII. In its written comments, Education stated that it is carefully reviewing the report as it works to improve access to postsecondary education opportunities for all students and to improve the role of the Department in the accreditation process continually. Education also provided technical comments, which we incorporated in the report, as appropriate.

In addition, we provided excerpts of the draft report for technical review to the 18 roundtable experts and the authors of the four approaches from our literature review—three of whom were also roundtable experts. We incorporated technical comments from these individuals, as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to interested congressional committees, the Department of Education, and other interested parties. In addition, the report will be available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (617) 788-0534 or emreyarrasm@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VIII.

Melissa Emrey-Arras, Director
Education, Workforce, and Income Security Issues

Appendix I: Objectives, Scope, and Methodology

Our research objectives were to examine (1) the strengths and challenges of the current U.S. accreditation system in overseeing the academic quality of schools, and (2) potential approaches for improving the U.S. accreditation system's oversight of academic quality. To address these objectives, we used a variety of data collection methods, including expert surveys and a roundtable discussion; interviews with Department of Education (Education) officials and other higher education stakeholders; a literature review; a review of relevant federal laws and regulations, and Education policies, guidance, and reports; and analysis of Education data on student outcomes. Key methods are described in greater detail below.

Expert Roundtable Discussion

On September 29th and 30th, 2016, with the assistance of the National Academies of Sciences, Engineering, and Medicine (National Academies), we convened a 2-day roundtable of 18 experts to discuss the U.S. accreditation system's strengths and challenges in oversight of academic quality of postsecondary schools and potential approaches for improvement.[1] On the second day of the roundtable, we asked each expert to identify six potential approaches for further discussion from a longer list of options identified during stakeholder interviews, the expert pre-roundtable survey, and the roundtable discussion. We aggregated the responses for the approaches that were identified most frequently and grouped them into nine broad approaches for improvement. Then, experts exchanged their views on the nine approaches, which we discuss earlier in this report and in appendix V.

[1]The National Academies is a private, nonprofit organization whose mission is to provide independent, objective analysis and advice to the nation and conduct other activities to solve complex problems and inform public policy decisions. Our meeting of experts was planned and convened with the assistance of the National Academies to better ensure that a breadth of expertise was brought to bear in its preparation. However, all final decisions regarding meeting substance and expert participation are the responsibility of GAO.

Appendix II provides a list of the 18 experts who participated in the roundtable, along with their affiliation.[2] These experts represented a broad spectrum of views and backgrounds from Education and key higher education stakeholder groups, including associations and others representing accreditors, policy institutes, public and private 2- and 4-year schools, state higher education officials, and students.[3] We selected experts based on their experience and knowledge of higher education accreditation issues, and recommendations from the National Academies.

To help identify any potential biases or conflicts of interest, we required each expert who participated in the roundtable to report his or her investments, sources of earned income, organizational positions, relationships, and other circumstances that could affect, or could be viewed to affect, his or her view on accreditation. Of the 18 roundtable experts, three reported potential conflicts of interest related to their prior accreditation work or their employer's current efforts on accreditation. However, these individuals had expertise that we considered important for the success of the roundtable as a whole. In our review of the roundtable transcript, we analyzed the evidence these individuals presented with these disclosures in mind. We believe that the balance of experts represented in the roundtable overall mitigate any risks from these potential conflicts.

[2]Six of the 18 roundtable experts are no longer in the position they held at the time of GAO's roundtable. See appendix II for additional information.

[3]We invited an association representing career postsecondary schools primarily in the for-profit sector to participate in the expert roundtable. The association declined to participate in the roundtable and related pre- and post-roundtable surveys; however, two representatives participated in an interview. Similarly, we invited an organization conducting projects related to higher education accreditation to participate in the roundtable. The organization was unable to participate in the roundtable; however, a representative participated in an interview and completed the pre- and post- roundtable surveys.

Expert Roundtable Surveys

We administered two surveys—a pre- and post-roundtable survey—to the 18 experts who participated in our roundtable.[4] To inform our roundtable discussion, we surveyed experts prior to the roundtable to quantify their responses on key accreditation strengths and challenges, and obtain information on potential approaches for improvement.[5] We also surveyed experts after the roundtable to collect additional information on the nine approaches they identified for discussion related to improving the accreditation system's oversight of academic quality, and the advantages and disadvantages of these approaches.[6] To ensure adequate response rates on both surveys, we conducted follow-ups with non-respondents. Eighteen experts responded to both the pre- and post- roundtable surveys.

Education and Stakeholder Interviews

To identify the strengths and challenges of the current accreditation system and potential approaches for improvement, we interviewed Education officials and other higher education stakeholders. Specifically, we interviewed stakeholders from organizations representing academia, policy organizations, accrediting agencies, states, and schools.[7] We interviewed these stakeholders to obtain additional views on accreditation.[8] For stakeholder interviews, we used semi-structured interview protocols, which included questions related to key accreditation

[4]We pretested our pre-roundtable survey with the National Academies prior to administering the survey to help ensure our survey questions were clear. The questions in the post-roundtable survey were developed using the transcript of the expert roundtable on the nine approaches selected for discussion. In addition to the 18 experts who participated in the roundtable, we provided both surveys to the two experts who were unable to participate in the roundtable: the association representing career postsecondary schools primarily in the for-profit sector, and the organization working on accreditation issues. While the organization completed both surveys, the association declined to participate in the surveys.

[5]We administered the pre-roundtable survey in September 2016.

[6]We administered the post-roundtable survey from October 2016 to April 2017.

[7]Some stakeholders we interviewed also participated in our expert roundtable.

[8]The information gathered from our interviews is not generalizable, but is useful in illustrating a range of views on key accreditation issues.

strengths and challenges. We also asked questions related to international efforts to improve accreditation.

Accreditation Literature Review

To provide additional information on key accreditation issues, we conducted a literature review of 52 research and policy papers using two data collection methods.[9] First, we conducted a formal search of the literature on accreditation published from January 2015 to June 2016 to identify papers on key accreditation strengths and challenges and potential approaches for improvement. To identify relevant papers, we searched a variety of databases with the assistance of a research librarian, limiting our formal review to papers that were included in peer-reviewed publications.[10] We then reviewed the results and excluded papers that were (1) technical or discipline-specific and case studies that did not have wide applicability across the accreditation system; (2) how-to guides for accreditation, such as implementation methods, instructions for schools, or strategies for obtaining accreditation, among other things; and (3) focused on improving curriculum delivery, revising accreditation standards, institutional governance, management, teacher preparation, or training options. Second, we identified additional accreditation papers through recommendations provided by stakeholders we interviewed or experts who participated in our roundtable. The types of papers identified by experts varied widely and included published papers by academic researchers, policy institutes and other organizations, and associations. (See appendix III for the list of research and policy papers we reviewed.)

Analysis of Multiple Information Sources

To identify strengths and challenges of the accreditation system, we analyzed and synthesized information across the sources described above, including our literature review, expert surveys and roundtable discussion, and stakeholder interviews. We grouped the information by

[9]In this report, we use the term "paper" to refer to the wide range of accreditation research and policy papers we reviewed. These papers included published papers by academic researchers, research and policy organizations, and other higher education associations. See appendix III for a list of the papers we reviewed.

[10]We searched a variety of databases, including Education Resources Information Center (also known as "ERIC"), ProQuest, and Scopus. Also, by limiting our formal review to peer reviewed publications, we excluded non-peer reviewed publications, such as dissertations and working papers.

source and organized key issues related to our research objective into broader themes, such as oversight roles and responsibilities and communication and transparency. We used the literature review and stakeholder interviews to complement the information discussed in the pre-roundtable survey and expert roundtable. We shared our summary of the strengths and challenges with the roundtable experts to obtain their comments.

To inform our discussion of potential approaches, we reviewed and synthesized information on the nine broad approaches for improvement identified by experts at the roundtable and augmented by their survey responses. These nine approaches generally focused on modifying the current accreditation system. Through our review of the literature, we identified four additional approaches—three of which were developed by roundtable experts—to establish new entities that would change the current structure of the accreditation system for overseeing academic quality and the responsibilities of accreditors and Education. In our report, we provided descriptions of potential approaches from the various information sources to reflect the diverse range of options that have been proposed to improve the accreditation system. To ensure that we appropriately characterized the range of potential approaches for improving the accreditation system, we shared our summary of the nine approaches with the roundtable experts to obtain their comments. We also shared our summary of the four approaches from our literature review with the papers' authors—three of whom were also roundtable experts—to gain their views and perspectives. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for further discussion.

In this report, we use general quantitative terms to represent our estimates of the number of experts who identified a specific accreditation issue. We determined these estimates by analyzing experts' survey responses and the roundtable discussion. We used the following terms to present our estimates of experts who identified an issue: a "few" represents 2 to 4 roundtable experts; "some" represents 5 to 8; "many" represents 9 to 13; and "most" represents 14 or more.

Selected Student Outcome Characteristics

To supplement the information we collected from our expert roundtable and stakeholder interviews, we analyzed selected school-level academic outcome data from Education and summarized it by accreditor type by

linking schools with their accreditors using documentation obtained from Education (see appendix IV).[11] Specifically, we analyzed a range of student outcome measures from multiple Education sources from 2012 to 2015—the most recent years the data were available at the time of our review.[12] These measures included:

- *Graduation rate (as of August 2015)*: the percent of first-time full-time degree/certificate-seeking students who completed a program within 150 percent of the program length.
- *Retention rate (as of Fall 2015)*: the percent of first-time degree/certificate-seeking students who enrolled in one fall and either successfully completed their program or re-enrolled in the next fall.
- *Three-year cohort default rate (fiscal year 2013 cohort)*: the percent of borrowers in default 3 years after entering repayment status.
- *Three-year repayment rate (2-year pooled: fiscal years 2013-14 and 2014-15)*: the percent of undergraduate borrowers at a school who were not in default on their federal student loans and who had paid down at least $1 of the initial balance on their loans 3 years after entering repayment.[13]

[11]Accreditor type in our analysis refers to the three general types of accreditors recognized by Education to assess academic quality—regional, national, and programmatic. Regional accreditors accredit mostly nonprofit and public schools, while national accreditors generally accredit for-profit schools. Programmatic accreditors generally accredit specific programs within a school, such as a school's law program. However, some programmatic accreditors can also accredit free-standing professional or vocational schools (such as law schools or schools of massage therapy). Additionally, Education refers to some accreditors as "specialized" accreditors, such as those that accredit faith-based and religious schools. For the purposes of this report, we generally include specialized accreditors in our discussion of programmatic accreditors.

[12]We analyzed outcomes data from four datasets maintained by Education. Specifically, graduation rates and retention rates are from Education's Integrated Postsecondary Education Data System. Graduation rates are as of August 2015, and retention rates are as of fall 2015. The three-year cohort default rates are from Education's Cohort Default Rate Database for fiscal year 2013. Three-year repayment rates are from Education's accreditor performance dashboard released in June 2017. Five-year repayment rates are from Education's College Scorecard released in January 2017. Lastly, median earnings of undergraduates are from Education's accreditor performance dashboard released in June 2017.

[13]According to Education's documentation, repayment rates are generally considered more sensitive than the cohort default rate, which measures the worst-case scenario for repayment outcomes and which can be manipulated through the use of allowable non-repayment options like forbearances and deferments.

- *Five-year repayment rate (2-year pooled: fiscal years 2013-14 and 2014-15)*: the percent of undergraduate borrowers at a school who were not in default on their federal student loans and who had paid down at least $1 of the initial balance on their loans 5 years after entering repayment.
- *Median earnings of undergraduates (2-year pooled: calendar years 2012 and 2013)*: the earnings of students who received federal student aid, and were working and not enrolled 10 years after enrollment.

We included in our analysis schools that participated in federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended, and that were accredited by a regional, national, or programmatic accreditor recognized by Education, according to Education's June 2017 accreditor dashboard data file.[14] To assess the reliability of this data, we interviewed knowledgeable Education officials, reviewed relevant documentation about the data and systems, and electronically tested the data for missing data, outliers, and errors, as appropriate. As a result of these efforts, we found the data to be sufficiently reliable for the purposes of our review.

We conducted this performance audit from March 2016 to December 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

[14]National Advisory Committee on Institutional Quality and Integrity (NACIQI), *Recognized Institutional Accreditors: Federal Postsecondary Education and Student Aid Data* (June 20-22, 2017), accessed December 2017, https://sites.ed.gov/naciqi/archive-of-meetings/.

Appendix II: Participants in GAO Expert Roundtable on Higher Education Accreditation

Table 8: List of Expert Participants in GAO Higher Education Accreditation Roundtable Held September 29-30, 2016

Accreditors and their associations	
1. Barbara Brittingham	President, Commission on Institutions of Higher Education, New England Association of Schools and Colleges
2. Judith Eaton	President, Council for Higher Education Accreditation
3. Michale S. McComis	Executive Director, Accrediting Commission of Career Schools and Colleges
4. Joseph Vibert	Executive Director, Association of Specialized and Professional Accreditors
Association representing schools	
5. Terry W. Hartle	Senior Vice President, American Council on Education
Association representing states	
6. Julie Carnahan	Vice President, State Higher Education Executive Officers Association
Federal agency and other affiliates	
7. Herman Bounds, Jr.	Director, Accreditation Group, Office of Postsecondary Education, United States Department of Education
8. Susan Phillips	Professor, University at Albany; Chair, National Advisory Committee on Institutional Quality and Integrity (formerly)[a]
9. Spiros Protopsaltis	Deputy Assistant Secretary for Higher Education and Student Financial Aid, Office of Planning, Evaluation, and Policy Development, United States Department of Education (formerly)[a]
Researchers and subject matter experts	
10. Peter T. Ewell	President Emeritus, National Center for Higher Education Management Systems (formerly)[a]
11. Paul L. Gaston	Trustees Professor, Kent State University (formerly)[a]
12. Kevin Kinser	Professor and Department Head, Education Policy Studies, Penn State University
13. Ralph Wolff	Consultant, Ralph Wolff & Associates
Student representative	
14. Eileen Connor	Director of Litigation, Project on Predatory Student Lending, Legal Services Center, Harvard Law School
Policy institutes and other organizations	
15. Ben Miller	Senior Director, Postsecondary Education, Center for American Progress
16. Mary Clare Amselem	Research Associate (formerly),[a] Domestic Policy Studies, The Heritage Foundation
17. Terri Taylor	Senior Policy & Legal Advisor, EducationCounsel (formerly)[a]

International subject matter expert	
18. Ellen Hazelkorn	Professor, Higher Education Authority, Ireland; Higher Education Policy Research Unit, Dublin Institute of Technology (formerly)[a]

Source: GAO. | GAO-18-5

Note: In addition to the experts listed, we invited an association representing career postsecondary schools primarily in the for-profit sector to participate in the expert roundtable. The association declined to participate in the expert roundtable and related pre- and post-roundtable surveys; however, two representatives participated in an interview. Similarly, we invited an organization conducting projects related to higher education accreditation to participate in the expert roundtable. The organization was unable to participate in the roundtable; however, a representative participated in an interview and completed the team's pre- and post-roundtable surveys.

[a]At the time of GAO's expert roundtable, the expert held the position identified in this table. After the roundtable, the expert's position changed.

Appendix III: List of Research and Policy Papers GAO Reviewed

To provide additional information on key issues related to accreditation of postsecondary schools, we reviewed 52 research and policy papers identified through a formal search of the literature on accreditation published from January 2015 to June 2016, and recommendations provided by stakeholders we interviewed or experts who participated in our roundtable. See appendix I for more details about our literature review.

Alexander, Lamar. “Higher Education Accreditation Concepts and Proposals.” U.S. Senate Committee on Health, Education, Labor, and Pensions paper (2015).

Alphin Jr., Henry C. “Global Accreditation for a Knowledge-Oriented Community: Foundational Change Breeds Global Access to Educational and Economic Opportunity.” *Handbook of Research on Transnational Higher Education,* vol. 1-2 (2013).

American Council on Education. National Task Force on Institutional Accreditation. *Assuring Academic Quality in the 21st Century: Self-Regulation in a New Era.* 2012.

Bergeron, David. *Time to Consider Alternatives: Options for Improving Quality Assurance in U.S. Higher Education*. Center for American Progress presentation. August 2015.

Blanco Ramírez, Gerardo. “International Accreditation as Global Position Taking: An Empirical Exploration of U.S. Accreditation in Mexico.” Higher Education, vol. 69 (2015).

Blanco Ramírez, Gerardo. “Translating Quality in Higher Education: US Approaches to Accreditation of Institutions from Around the World.” *Assessment & Evaluation in Higher Education,* vol. 40, no. 7 (2015).

Broad, Molly Corbett. *Comments on Accreditation White Paper*. American Council on Education letter. April 2015.

Bumphus, Walter G., and J. Noah Brown. *Re: Higher Education Accreditation Concepts and Proposals*. A letter from the American

Association of Community Colleges and Association of Community Colleges Trustees. April 2015.

Burke, Lindsey M., and Stuart M. Butler. *Accreditation: Removing the Barrier to Higher Education Reform.* No. 2728. The Heritage Foundation. September 2012.

Busby, Katie. "Co-Curricular Outcomes Assessment and Accreditation." *New Directions for Institutional Research,* no. 164 (2015).

Chen, Karen Hui-Jung, and Angela Yung-Chi Hou. "Adopting Self-Accreditation in Response to the Diversity of Higher Education: Quality Assurance in Taiwan and its Impact on Institutions." *Asia Pacific Education Review*, vol. 17, issue 1 (March 2016).

Cheng, Nellie S. "A Comparison of Compliance and Aspirational Accreditation Models: Recounting a University's Experience with both a Taiwanese and an American Accreditation Body." *Higher Education*, vol. 70, issue 6 (December 2015).

Christensen, Clayton M., Michael B. Horn, Louis Caldera, and Louis Soares. *Disrupting College: How Disruptive Innovation Can Deliver Quality and Affordability to Postsecondary Education*. Center for American Progress and Innosight Institute. February 2011.

Coleman, Arthur L., Teresa E. Taylor, and Bethany M. Little. *New Directions in Regulatory Reform: Prospects for Reducing Regulatory Burden Through Risk-Informed Approaches in Federal Law Governing American Higher Education*. EducationCounsel. December 2014.

Coleman, Arthur L., Teresa E. Taylor, Bethany M. Little, and Katherine E. Lipper. *Getting our House in Order: Transforming the Federal Regulation of Higher Education as America Prepares for the Challenges of Tomorrow.* EducationCounsel. March 2015.

Dickeson, Robert C. *The Need for Accreditation Reform*. Issue paper 5. The Secretary of Education's Commission on the Future of Higher Education.

Dickeson, Robert C. *Recalibrating the Accreditation-Federal Relationship*. Council for Higher Education Accreditation. January 2009.

EducationCounsel. *Outcomes-Focused, Differentiated Accreditation: A Framework for Policy and Practice Reform*. April 2016.

Entangled Solutions. *Minimizing Conflict of Interest in Quality Assurance*. August 2016.

Ewell, Peter T. *Eleven Reform Proposals for Accreditation*. National Center for Higher Education Management Systems. April 2015.

Ewell, Peter T. *Accreditation and Student Learning Outcomes: A Proposed Point of Departure*. Council for Higher Education Accreditation. September 2001.

Ewell, Peter T. *Comments on Higher Education Accreditation: Concepts and Proposals.*

Ewell, Peter T. *Transforming Institutional Accreditation in U.S. Higher Education.* National Center for Higher Education Management Systems. March 2015.

Gaston, Paul L. *Higher Education Accreditation: How it's Changing, Why it Must*. Sterling, VA: Stylus Publishing, 2014.

Gaston, Paul L. *The Challenge of Bologna: What United States Higher Education Has to Learn From Europe, and Why It Matters That We Learn It.* Sterling, VA.: Stylus Publishing, 2010.

Gibbs, Graham. *Dimensions of Quality*. The Higher Education Academy. September 2010.

Harnisch, Thomas, Barmak Nassirian, Amber Saddler, and Art Coleman. *Enhancing State Authorization: The Need for Action by States as Stewards of Higher Education Performance.* Education Commission of the States. December 2016.

Hazelkorn, Ellen. *What we Know and Don't Know about Quality.* A paper presented at the IA-HERO (Irish-American Higher Education Research Organization) meeting, organized by the Higher Education Authority (Ireland), Washington, D.C. April 2013.

Hegji, Alexandra. *An Overview of Accreditation of Higher Education in the United States.* Congressional Research Service. February 2016.

Horn, Michael B., and Andrew P. Kelly. *Moving Beyond College: Rethinking Higher Education for an Unbundled World.* American Enterprise Institute. August 2015.

Jankowski, Natasha A. *Unpacking Relationships: Instruction and Student Outcomes*. American Council on Education. 2016.

Kelly, Andrew P., and Kevin James. *Untapped Potential: Making the Higher Education Market Work for Students and Taxpayers.* American Enterprise Institute. October 2014.

Kelly, Andrew P., Kevin J. James, and Rooney Columbus. *Inputs, Outcomes, Quality Assurance:* A Closer Look at State Oversight of Higher Education. American Enterprise Institute. August 2015.

Lang, Daniel W. "Self-Regulation with Rules: Lessons Learned from a New Quality Assurance Process for Ontario." *Quality Assurance in Education,* vol. 23, no. 3 (2015).

McPherson, Peter, and Muriel A. Howard. Comments and Recommendations for Consideration on the Paper "Higher Education Accreditation Concepts and Proposals." A letter from the Association of Public and Land-grant Universities and American Association of State Colleges and Universities. April 2015.

Miller, Ben, David Bergeron, and Carmel Martin. *A Quality Alternative: A New Vision for Higher Education Accreditation.* Center for American Progress. October 2016.

Nassirian, Barmak. *Statement before the National Advisory Committee on Institutional Quality and Integrity.* American Association of Collegiate Registrars and Admissions Officers. February 2011.

Park, Yoon Soo, Fred A. Zar, John J. Norcini, and Ara Tekian. "Competency Evaluations in the Next Accreditation System: Contributing to Guidelines and Implications." *Teaching and Learning in Medicine*, vol. 28, no. 2 (2016).

Parker, Craig W., and Margaret L. O'Donnell. *Some Observations on the Federal Regulation of Higher Education.* Issue paper 15. The Secretary of Education's Commission on the Future of Higher Education. April 2006.

Reyna, Ryan. *Complete to Compete: Common College Completion Metrics.* National Governors Association. June 2010.

Schindler, Laura, Sarah Puls-Elvidge, Heather Welzant, and Linda Crawford. “Definitions of Quality in Higher Education: A Synthesis of the Literature.” Higher Learning Research Communications, vol. 5, no. 3 (2015).

Schoepp, Kevin, Maurice Danaher, and Leon Jololian. “Effective Alignment of Disciplinary and Institutional Accreditation and Assessment: A UAE Computing Case Study.” *Advances in Engineering Education in the Middle East and North Africa*, chap. 14 (2016).

Schomaker, Rahel. “Accreditation and Quality Assurance in the Egyptian Higher Education System.” Quality Assurance in Education, vol. 23, no. 2 (2015).

Schray, Vickie. *Assuring Quality in Higher Education: Key Issues and Questions for Changing Accreditation in the United States.* Issue paper 4. The Secretary of Education’s Commission on the Future of Higher Education.

Schray, Vickie. *Assuring Quality in Higher Education: Recommendations for Improving Accreditation*. Issue paper 14. The Secretary of Education’s Commission on the Future of Higher Education.

Shireman, Robert. *Perils in the Provision of Trust Goods: Consumer Protection and the Public Interest in Higher Education.* Center for American Progress. May 2014.

Shireman, Robert. *The Real Value of What Students Do in College.* The Century Foundation. February 2016.

Taylor, Teresa E., Arthur L. Coleman, Bethany M. Little, and Amber N. Saddler. *Getting Our House in Order: Clarifying the Role of the States in Higher Education Quality Assurance.* EducationCounsel. September 2016.

Tyszko, Jason A., and Robert G. Sheets. *Changing the Debate on Quality Assurance in Higher Education: The Case for Employer Leadership and a Roadmap for Change.* U.S. Chamber of Commerce Foundation. 2016.

U.S. Department of Education. *A Test of Leadership: Charting the Future of U.S. Higher Education.* The Secretary of Education's Commission on the Future of Higher Education. September 2006.

West, Charlotte. *Leveraging Accreditation and Quality Assurance in International Higher Education.* NAFSA Association of International Educators. 2013.

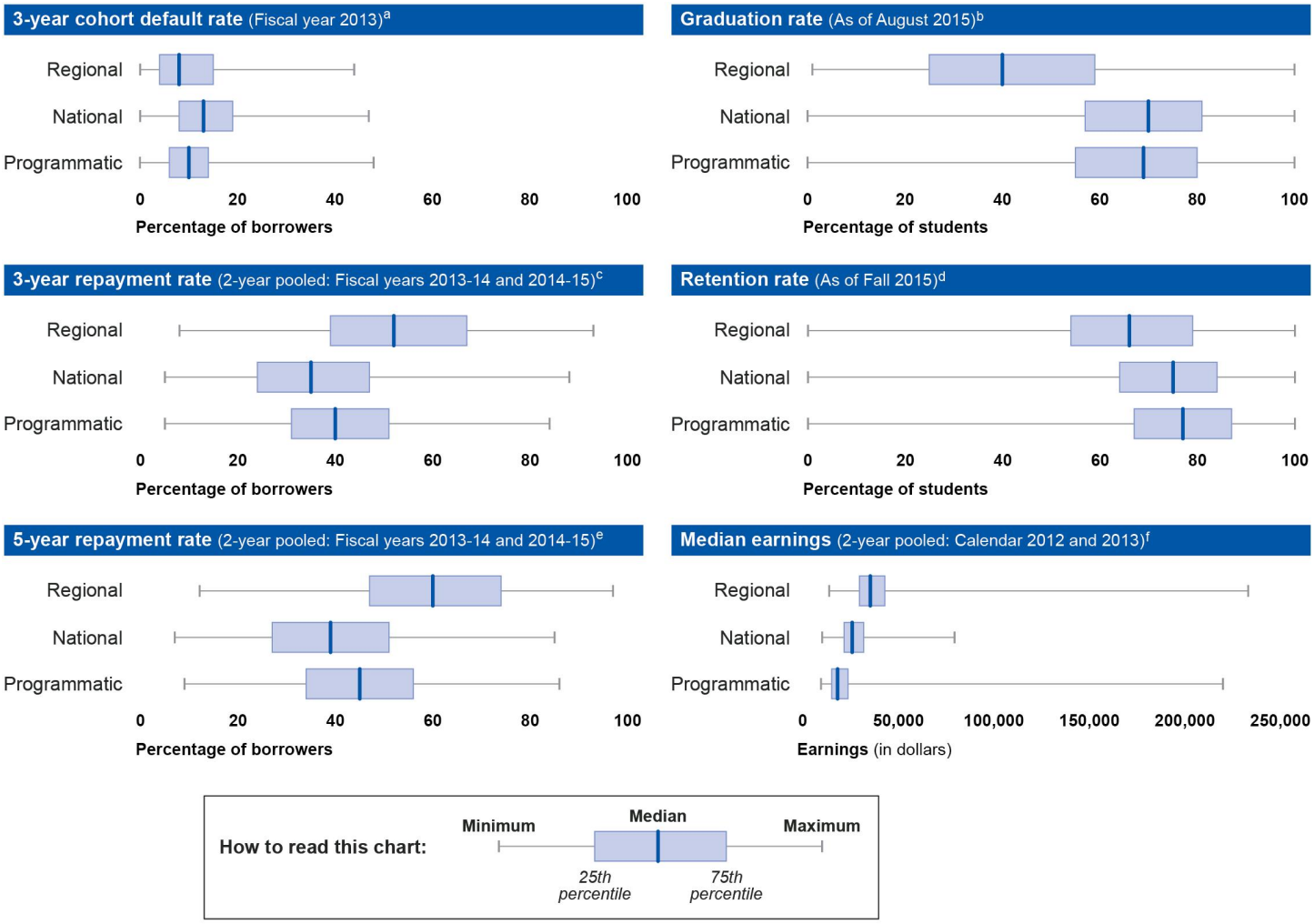
Yung-Chi Hou (Angela), Martin Ince, Sandy Tsai, Wayne Wang, Vicky Hung, Chung Lin Jiang, and Karen Hui-Jung Chen. "Quality Assurance of Joint Degree Programs from the Perspective of Quality Assurance Agencies: Experience in East Asia." *Higher Education Research & Development*, vol. 3, no. 35 (2016).

Appendix IV: Student Outcomes by Accreditor Type

Figure 6 below presents school-level student outcomes, by accreditor type. To assess the student outcomes, we analyzed selected school-level student outcome data from the Department of Education on postsecondary schools that participated in federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended (Higher Education Act), and that were accredited by a regional, national, or programmatic accreditor recognized by Education as of June 2017.[1] See appendix I for more details on our methodology.

[1]Education also recognizes certain state agencies as accreditors. However, for the purposes of this report, we focus on regional, national, and programmatic accreditors and do not include state agencies in this figure. Additionally, Education refers to some accreditors as "specialized" accreditors, such as those that accredit faith-based and religious schools. For the purposes of this report, we generally include specialized accreditors in our discussion of programmatic accreditors.

Figure 6: School-Level Student Outcomes for Regional, National, and Programmatic Accreditors' Member Postsecondary Schools



Source: GAO analysis of U.S. Department of Education data. | GAO-18-5

Note: The figure includes regional, national, and programmatic accreditors recognized by the Department of Education (Education) as reliable authorities on assessing the academic quality of schools as of June 2017. The Accrediting Council for Independent Colleges and Schools is included in Education's June 2017 data as a national accreditor. In September 2016, Education withdrew its recognition of this accreditor, and an appeal of Education's decision is currently pending in federal court. Education refers to some accreditors as "specialized" accreditors, such as those that accredit faith-based and religious schools. GAO included these specialized accreditors in the programmatic accreditor category in the figure. Also, Education recognizes certain state agencies as accreditors; however, these agencies are not included in the figure.

[a]The 3-year cohort default rate indicates the percent of borrowers in default 3 years after entering repayment status. Three-year cohort default rates are from the Education's Cohort Default Rate Database for fiscal year 2013.

[b]The graduation rate indicates the percent of first-time full-time degree/certificate-seeking students who completed a program within 150 percent of the program length. Graduation rates are from Education's Integrated Postsecondary Education Data System as of August 2015.

[c]The 3-year repayment rate reflects the percent of undergraduate borrowers at a school who were not in default on their federal student loans and who had paid down at least $1 of the initial balance on their loans 3 years after entering repayment. Three-year repayment rates are from Education's accreditor performance dashboard released in June 2017.

[d]The retention rate is the percent of first-time degree/certificate-seeking students who enrolled in one fall and either successfully completed their program or re-enrolled in the next fall. Retention rates are from Education's Integrated Postsecondary Education Data System as of fall 2015.

[e]The 5-year repayment rate reflects the percent of undergraduate borrowers at a school who were not in default on their federal student loans and who had paid down at least $1 of the initial balance on their loans 5 years after entering repayment. Five-year repayment rates are from Education's College Scorecard released in January 2017.

[f]Median earnings indicate the earnings of students who received federal student aid authorized under Title IV of the Higher Education Act, and were working and not enrolled 10 years after enrollment. Median earnings are from Education's accreditor performance dashboard released in June 2017 and were calculated for each school by linking administrative data maintained by Education on students receiving federal student aid with tax records maintained by the Department of the Treasury. Earnings are defined as the sum of wages and deferred compensation from all W-2 forms received from employers for each individual, as well as self-employment earnings reported by individuals to the Internal Revenue Service.

Appendix V: Other Potential Approaches Discussed at GAO's Expert Roundtable

Tables 9 and 10 present two more approaches identified by roundtable experts for improving the current accreditation system for postsecondary schools and programs in addition to those discussed in our report. These approaches are (1) re-examining requirements for different types of accreditors, and (2) developing a common accreditation language. Specifically, a few experts suggested re-examining the requirements for accreditors who approve schools and those who approve programs as an approach that could improve the efficiency of Education's oversight of accreditors. Additionally, a few experts identified developing a common accreditation language as an approach that could help accreditors use more consistent terminology to define the various actions they may take. While roundtable experts identified these approaches as possible improvements to the current accreditation system, experts generally did not discuss these approaches as ways to directly address broader challenges related to oversight of academic quality. Additionally, a few roundtable experts said these two approaches may be a lower priority for improving oversight of academic quality. The level of specificity in describing each approach varied, with some roundtable experts providing detailed information about how the approach would work and others providing more general descriptions.

Table 9: Summary of Expert Views on Re-examining Requirements for Different Types of Accreditors

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Re-examine and modify, as appropriate, statutory and regulatory requirements for recognized national, regional, and programmatic accreditors to account for the different types of reviews conducted at the school and program level.[a]	• Re-examining distinctions between accreditors who approve programs and those that approve schools would allow each type of accreditor to focus on where they will have the most impact and ability to add value. • May allow the Department of Education (Education) to better focus its time and oversight efforts on institutional accreditors that make decisions that can affect schools' eligibility for federal student aid as opposed to those programmatic accreditors who accredit programs within schools.[b] • Accreditors could use different outcomes and requirements that better align with the purpose and mission of the schools and programs they accredit. • Help educate and remind oversight bodies, the public, and policy makers about the distinctions that exist between different accreditors.	• Does not take into account accreditors who review both schools and programs. Meeting two sets of requirements may pose challenges for some accreditors, particularly small accreditors. • Could be used to weaken important requirements and potentially excuse low school or program performance. • A programmatic accreditor might need to ask some of the same questions a national or regional accreditor would ask about a school, such as questions about financial sustainability. • May lead to charges of inequitable treatment among different types of accreditors. • Because it may require statutory or regulatory changes, it may be time consuming and difficult to implement. An additional set of standards may also be needed to accommodate different types of schools.

Source: GAO analysis of information from GAO expert roundtable and survey responses, and Education's documentation. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, and Education's documentation. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]National and regional accreditors (also referred to as institutional accreditors) are generally responsible for accrediting schools, while programmatic accreditors are generally responsible for accrediting specific programs within a school, such as a school's nursing or law program. Regional accreditors accredit mostly nonprofit and public schools, while national accreditors generally accredit for-profit schools. Some programmatic accreditors can also accredit schools if recognized by Education to do so. There are currently some differences in the recognition requirements for accrediting agencies that accredit schools compared to those that accredit programs, but this approach would further streamline and delineate these differences, especially for programmatic accreditors, according to one roundtable expert.

[b]National and regional accreditors are recognized by Education to accredit schools for purposes of participation in federal student aid programs under Title IV of the Higher Education Act of 1965, as amended. Programmatic accreditors generally accredit specific programs within schools, such as a school's nursing program. However, Education recognizes some programmatic accreditors to accredit schools for Tittle IV eligibility purposes, including free-standing professional or vocational schools (such as law schools or schools of massage therapy), and certain educational programs in non-educational settings, such as hospitals.

Table 10: Summary of Expert Views on Developing a Common Accreditation Language

Description of potential approach	Potential advantages experts identified	Potential disadvantages experts identified
Develop a common accreditation language to ensure terms for the various actions accreditors can take against schools are defined the same way.[a]	• Reduce confusion by increasing consistency and standardizing terms and definitions across accreditors. May also be easily implemented and is underway among some accreditors.[b] • Potentially improve the quality of accreditation information to be provided to the public. Knowing that accreditors follow the same rules and use similar language may help consumers better understand accreditation.	• May be difficult to implement as accreditors may encounter challenges reaching agreement on common definitions and terms. • Common language may not ensure that accreditors' actions are consistently implemented and aligned with the terminology.

Source: GAO analysis of information from GAO expert roundtable and survey responses, and other documentation. | GAO-18-5

Note: The information in this table generally summarizes GAO's analysis of information from the expert roundtable and survey responses, and other documentation. It is not intended to represent the views of GAO or the entire expert roundtable, or suggest consensus. Neither GAO nor the roundtable participants as a whole recommend or endorse the adoption of any of the specific approaches selected for discussion.

[a]Accreditors can take a range of actions under the current accreditation system and these actions may have different definitions, depending on the accreditor. For example, when an accreditor issues a "show-cause" order it may mean that a school must demonstrate to the accreditor why its accreditation should not be withdrawn, which would end the school's eligibility for federal student aid. For other accreditors, it may mean that an accreditor will impose a sanction if the school cannot demonstrate why a sanction should not be imposed.

[b]This approach could potentially focus on developing a common set of terms for sanctions with agreed-upon definitions to be used by accreditors, according to one round table expert. In April 2014, the Council of Regional Accrediting Commissions—a council representing seven regional accrediting agencies who generally oversee nonprofit and public schools—established a framework with common definitions to identify actions regional accreditors can take, such as issuing warnings when a school does not meet one or more standards for accreditation. The framework does not apply to actions taken by national accreditors, who generally oversee for-profit schools, or programmatic accreditors, who generally oversee specific programs within schools, such as a school's nursing or law program.

Appendix VI: Summary of Approaches for Changing the Structure of the Accreditation System

Tables 11 through 14 present four potential approaches we identified in the literature—three of which were developed by roundtable experts—to change the current structure of the accreditation system.[1] These approaches, which are discussed in the report, include establishing (1) an authorizer that would assess innovative program providers' eligibility for federal student aid, (2) third-party entities that would set standards and thresholds based on outcome measures to assess academic quality at the program level, (3) a higher education quality assurance commission that would coordinate and align the activities of accreditors who assess schools' academic quality, and (4) a congressionally chartered accreditation governance entity that would assume Education's current role and responsibilities in the accreditation process. The level of specificity in describing each approach varied, with some experts providing detailed information about how the approach would work and others providing more general descriptions.

[1]These approaches do not discuss changing the role of states in higher education oversight. The information presented in the tables generally summarizes our analysis of approaches identified in the literature—three of which were developed by roundtable experts. GAO is not recommending or endorsing the views presented or the adoption of any of the approaches identified by experts.

Table 11: Establishing an Independent Authorizer to Approve Innovative Educational Program Providers

		Approach Features					
Approach Description	**Potential Improvements**	*Will new entity determine who will be recognized to assess schools' academic quality?*	*Will new entity create accreditation standards for schools and/or programs, and assess standards' effectiveness?*	*Will new entity oversee peer review and monitor schools' improvement?*	*Will new entity enforce compliance with standards?*	*What role will the new entity play in making accreditation decisions that may affect a school's federal student aid eligibility?*	*How will the new entity be funded to support its operations?*
Establish an independent entity—called an "independent authorizer"—to help determine the federal student aid eligibility for innovative educational program providers, and not for traditional educational programs.[a] The independent authorizer would be approved by the Department of Education (Education). However, it would be independent of Education and accreditors, and would have its own staff to support assessment activities.[b]	Would expand the range of higher education programs for students supported by federal student aid. Would increase students' access to postsecondary programs and federal student aid.	No. Education would maintain responsibility for recognizing accrediting agencies. The independent authorizer will be recognized by Education.[c]	Yes, in part. For innovative program providers only, the independent authorizer would adopt standards set by another independent entity—a nonprofit organization that would develop and maintain standards for student outcomes.[d] However, the authorizer would set thresholds for the standards that were appropriate for the programs it reviewed, with input from business and industry representatives.[e] Education would assess the effectiveness of the standards.	Yes, in part. The independent authorizer would review innovative program providers to help determine their federal student aid eligibility. Existing accreditors would oversee peer review of traditional programs as a means of improving academic quality.	Yes. The independent authorizer would enforce compliance with standards for the innovative program providers that it oversees. Accreditors would enforce compliance for all other traditional schools and programs.	The independent authorizer would make decisions that help to determine if the innovative programs it reviews are of a quality to be eligible for federal student aid and then petition Education for approval.[f]	Federal funding

Source: Michael B. Horn and Andrew P. Kelly, *Moving Beyond College: Rethinking Higher Education Regulation for An Unbundled World*, (August, 2015); David Bergeron and Steven Klinsky, "Debt-free Degrees," *Inside Higher Ed* (October 28, 2013); and GAO's analysis of Education documentation, information from interviews with stakeholders, and other documentation. | GAO-18-5

Note: The information presented in this table generally summarizes GAO's analysis of literature recommended by experts who participated in GAO's roundtable or interviews. GAO is not recommending or endorsing the views presented or the adoption of any of the approaches identified.

[a]Currently, certain innovative programs, such as coding boot camps and massive open online courses, generally are not eligible to receive federal student aid. Coding boot camps are vocational training programs—usually 8 to 12 weeks—offered by private companies that teach students computer programming at less cost than a college degree in computer science. Massive open online

courses are courses offered over the internet that are usually free, award no credit, and enroll large numbers of students. While tuition for some of these courses might be low or no cost, low income students may benefit from federal student aid that can be used to purchase resources such as laptops and high speed internet connections to participate in these courses.

[b]The authors cited the Modern States Accrediting Agency as another example of the independent authorizer concept from the literature. Under this approach, the Modern States Accrediting Agency would be a new entity that would be recognized by Education to accredit individual innovative courses and be operated by a voluntary association of philanthropic and nongovernmental organizations. The agency would be funded by contributions from association members that would include employers who benefit from having assurance that graduates have the knowledge, skills, and abilities necessary for employment. For the Modern States Accrediting Agency approach, see David Bergeron and Steven Klinsky, *Debt-free Degrees*.

[c]Currently, to be eligible to participate in federal student aid programs under Title IV of the Higher Education Act of 1965, as amended (Higher Education Act), schools must be accredited by an agency recognized by Education. The Higher Education Act and Education's regulations require accreditors to meet certain criteria and have certain operating procedures in place to be "recognized" by Education as reliable authorities on assessing academic quality.

[d]Currently, the Higher Education Act identifies specific areas—such as student achievement and curricula—in which recognized accreditors must have standards and accreditors are required to assess member schools' compliance with these standards to ensure the quality of education offered. However, under this approach, an entity other than the independent authorizer would maintain a set of accreditation standards based on student outcomes, such as program completion, placement, student satisfaction, and post program earnings. Auditors would verify that outcomes reported by the schools are correct.

[e]A threshold would specify the minimum level at which a school would be expected to perform. For example, if a standard was set concerning graduation rates, the threshold might specify that a school should achieve a 60 percent graduation rate annually.

[f]Currently, accreditation is one of the requirements that helps determine schools' federal student aid eligibility, but not the sole factor. To participate in federal student aid programs authorized under Title IV of the Higher Education Act, schools must meet various other requirements. For example, schools must be authorized to provide postsecondary education by the state in which they are located and be certified by Education as meeting certain administrative capability and financial responsibility requirements.

Table 12: Establishing Third-Party Entities to Set Standards and Thresholds, Based on Student Outcomes

		Approach Features					
Approach Description	**Potential Improvements**	*Will new entities determine who will be recognized to assess school academic quality?*	*Will new entities create accreditation standards for schools and/or programs, and assess standards' effectiveness?*	*Will new entities oversee peer review and monitor schools' improvement?*	*Will new entities enforce compliance with standards?*	*What role will the new entities play in making accreditation decisions that may affect a school's federal student aid eligibility?*	*How will the new entities be funded to support their operations?*
Establish third-party entities that set standards and thresholds for assessing academic quality at the program level. Programs could choose to participate in this new system or be reviewed by the current system.[a] Standard setters could include organizations such as programmatic accreditors, or professional academic membership organizations.	Would relieve the tension in accreditors' dual role—helping schools improve and making decisions that can affect programs' access to federal student aid.[b] Would reduce potential conflict of interest concerns regarding fees paid to accreditors by schools for accreditation services.	No. The Department of Education (Education) would continue to recognize accreditors to assess schools' academic quality.[c]	Yes, in part. The third-party entities would set standards and identify both the outcome measures and the threshold levels to be used to assess academic quality.[d] Education would assess whether or not the standards set by the third-party entities were identifying poor performing programs.[e]	No. If a program chooses to be reviewed under this system and the set of standards set by the third-party entities, Education, rather than peer reviewers, would review programs. Education would review programs' performance data, including those not collected by Education such as job placement rates. Such data should be audited before submission to Education.	No. Education would have responsibility for enforcing compliance with standards. If Education determined that the third-party entities' standards have not been met, Education would take action once it verifies that an educational provider fails to meet standards.[f]	If a program chooses to be reviewed under this system and the set of standards set by the third-party entities, Education, rather than peer reviewers, would review programs. The third-party would contribute to a decision about a program's accreditation only through the standards that it set. Education would make the final determination for programs' federal student aid eligibility.[g]	The third-party entities would receive federal funding and could receive funds from other sources. For example, if the third-party entity was a professional society, the entity could receive membership dues. It would not collect fees from the programs that are reviewed against its standards.

Source: Center for American Progress, *A Quality Alternative: A New Vision for Higher Education Accreditation* (October 2016); and GAO's analysis of Education documentation, information from expert roundtable discussion, literature, and other documentation. | GAO-18-5

Note: The information presented in this table generally summarizes GAO's analysis of literature recommended by experts who participated in GAO's roundtable or interviews. GAO is not recommending or endorsing the views presented or the adoption of any of the approaches identified.

[a]Currently, to be eligible to participate in federal student aid programs under Title IV of the Higher Education Act, of 1965 as amended (Higher Education Act), schools must be accredited by an agency recognized by Education. The Higher Education Act and Education's regulations require accreditors to meet certain criteria and have certain operating procedures in place to be "recognized" by Education as reliable authorities on assessing academic quality. Recognized accreditors are

responsible for assessing schools to determine if they meet standards to become one of their member schools. The Higher Education Act identifies specific areas—such as student achievement and curricula—in which recognized accreditors must have standards and accreditors are required to assess member schools' compliance with these standards to ensure the quality of education offered.

[b]Some roundtable experts and papers GAO reviewed said the tension in accreditors' dual role—helping schools improve their performance and serving as gatekeepers for federal student aid—may make some accreditors hesitant to take action, such as imposing sanctions that could affect schools' access to federal student aid.

[c]Currently, recognized accreditors are responsible for assessing schools to determine if they meet standards to become one of their member schools. Accreditors generally re-evaluate their member schools at least every 10 years (depending on the accreditor and the school) using a process that involves volunteer peer reviews, generally with evaluators from other member schools, selected by the accreditor.

[d]Student outcomes—measures that can range from graduation rates to assessments of what students learn from their education—may reflect academic quality, according to our literature review, some roundtable experts, and our prior work.

[e]For example, Education would evaluate the performance of all educational providers being approved for federal student aid through a particular third-party entity and see how that entity's results compared to the results of other third-party entities. This would include determining if a set of standards allow too many providers with low repayment rates, earnings, completion rates, or other key indicators.

[f]Currently, Education may take enforcement action against a school for failure to meet any requirement of the Higher Education Act or its regulations, including requiring a school to submit additional documentation, such as detailed student information, before receiving federal student aid funds.

[g]Currently, accreditation is one of the requirements that helps determine schools' federal student aid eligibility, but not the sole factor. To participate in federal student aid programs authorized under Title IV of the Higher Education Act, schools must meet various other requirements. For example, in addition to being accredited, schools must be authorized to provide postsecondary education by the state in which they are located and certified by Education as meeting certain administrative capability and financial responsibility requirements. If schools are not accredited, they are not eligible to access federal student aid.

Table 13: Establishing a Higher Education Quality Assurance Commission to Coordinate with Accrediting Agencies

		Approach Features					
Approach Description	**Potential Improvements**	*Will new entity determine who will be recognized to assess schools' academic quality?*	*Will new entity create accreditation standards for schools and/or programs, and assess standards' effectiveness?*	*Will new entity oversee peer review and monitor schools' improvement?*	*Will new entity enforce compliance with standards?*	*What role will the new entity play in making accreditation decisions that may affect a school's federal student aid eligibility?*	*How will the new entity be funded to support its operations?*
Establish a Higher Education Quality Assurance Commission (commission), with its own staff that coordinates and aligns activities of accreditors who assess schools' academic quality. The commission would establish requirements that accreditors use common terms for accreditation actions, and align school performance measures.[a]	Would allow accreditors to (1) develop a response to some of the criticism from policy makers and the public, share accreditation expenses and develop new accreditation approaches, and (2) develop consistent terms for accreditation actions to assess schools.	Yes. The commission would replace the National Advisory Committee on Institutional Quality and Integrity (NACIQI) and Department of Education (Education) staff in the accreditor recognition process.[b] Commission staff would identify criteria for recognition and recommend recognition decisions.[c]	Yes. The commission would set standards while allowing accreditors to tailor their reviews to the types of schools and programs they accredit.[d] The commission also would assess accreditors' effectiveness by determining the proportion of schools accredited by a given accreditor that achieve designated thresholds for student outcomes such as graduation or completion rates, or licensure exam pass rates.	No. Accreditors would continue to oversee peer review of schools and monitor schools' improvement.[e]	No. Accreditors would continue to enforce standards by issuing sanctions or taking other actions when schools do not meet their standards.	The current accreditor role in making accreditation decisions that could affect schools' access to federal student aid funds via the accreditation process would not change.[f] Education would continue to carry out the department's current oversight functions that do not involve recognition.	Federal funding

Source: Peter Ewell, *Transforming Institutional Accreditation in U.S. Higher Education* (Boulder, CO: March 2015); and GAO's analysis of Education documentation, information from interviews with a roundtable expert, and other documentation. | GAO-18-5

Note: The information presented in this table generally summarizes GAO's analysis of literature recommended by experts who participated in GAO's roundtable or interviews. GAO is not recommending or endorsing the views presented or the adoption of any of the approaches identified.

[a]Currently, accreditors use different language and terms to describe similar accreditation-related actions and decisions.

[b]NACIQI, a committee of 18 members appointed by Congress and Education, advises Education on matters related to accreditation.

[c]Currently, to be eligible to participate in federal student aid programs under Title IV of the Higher Education Act of 1965, as amended (Higher Education Act), schools must be accredited by an agency recognized by Education. The Higher Education Act and Education's regulations require accreditors to meet certain criteria and have certain operating procedures in place to be "recognized" by Education as reliable authorities on assessing educational quality.

[d]Currently, the Higher Education Act identifies specific areas—such as student achievement and curricula—in which recognized accreditors must have standards and accreditors are required to assess member schools' compliance with these standards to ensure the quality of education offered.

[e]Accreditors generally re-evaluate their member schools at least every 10 years (depending on the accreditor and the school) using a peer review process that involves volunteer peer evaluators, generally from other member schools, selected by the accreditor.

[f]Currently, accreditation is one of the requirements that helps determine schools' federal student aid eligibility, but not the sole factor. To participate in federal student aid programs authorized under Title IV of the Higher Education Act, schools must meet various other requirements. For example, in addition to being accredited, schools must be authorized to provide postsecondary education by the state in which they are located and certified by Education as meeting certain administrative capability and financial responsibility requirements. If schools are not accredited, they are not eligible to access federal student aid.

Table 14: Establishing a Congressionally Chartered Accreditation Governance Entity

		Approach Features					
Approach Description	**Potential Improvements**	*Will new entity determine who will be recognized to assess schools' academic quality?*	*Will new entity create accreditation standards for schools and/or programs, and assess standards' effectiveness?*	*Will new entity oversee peer review and monitor schools' improvement?*	*Will new entity enforce compliance with standards?*	*What role will the new entity play in making accreditation decisions that may affect a school's federal student aid eligibility?*	*How will the new entity be funded to support its operations?*
Establish a congressionally chartered entity that would assume the Department of Education's (Education) current role and responsibilities in the accreditation process. Specifically, the entity would assume Education's role in recognizing accrediting agencies and play a major role in communicating accreditation information to the public.[a]	Would increase transparency and clarify information communicated to the public. Would help elicit public trust in accreditation by communicating accreditation decisions to the public.	Yes. The entity would have responsibility for recognizing accreditors, including assuming the responsibilities of the independent National Advisory Committee on Institutional Quality and Integrity (NACIQI) and Education.[b]	Yes. The entity would create and maintain standards for assessing schools' performance.[c] The entity would determine if procedures for assessing the standards' effectiveness are needed.	Yes. The new entity would determine whether a peer review process would be used to assess schools and monitor schools' improvement.[d]	Yes. The entity would have responsibility for enforcement actions.[e]	If the entity determines that a peer review process would be used to assess and monitor schools' improvement, as they do currently, accreditors would make decisions that may affect schools' student aid eligibility.[f]	Funding would be determined by the legislation creating the entity.

Source: Robert C. Dickeson, *Recalibrating the Accreditation-Federal Relationship* (Washington, DC: Council for Higher Education Accreditation, Jan. 27, 2009); and GAO's analysis of Education documentation, information from interviews with stakeholders, roundtable discussion, literature, and other documentation. | GAO-18-5

Note: The information presented in this table generally summarizes GAO's analysis of literature recommended by a higher education stakeholder. GAO is not recommending or endorsing the views presented or the adoption of any of the approaches identified.

[a]Currently, to be eligible to participate in federal student aid programs, under Title IV of the Higher Education Act of 1965, as amended (Higher Education Act), schools must be accredited by an agency recognized by Education. The Higher Education Act and Education's regulations require accreditors to meet certain criteria and have certain operating procedures in place to be "recognized" by Education as reliable authorities on assessing academic quality.

[b]NACIQI is a committee of 18 members appointed by Congress and Education that advises Education on matters related to accreditation.

[c]Currently, the Higher Education Act identifies specific areas—such as student achievement and curricula—in which recognized accreditors must have standards and accreditors are required to assess member schools' compliance with these standards to ensure the quality of education offered.

[d]Peer reviewers, comprising a range of knowledgeable academic faculty and professionals, assess the academic quality of schools and provide schools with critical feedback on their weaknesses and areas for improvement, based on GAO's literature review, expert roundtable discussion, and stakeholder interviews. The author did not offer an alternative option for assessing and monitoring schools' improvement other than peer review.

[e]Currently, when a member school does not meet accreditor standards, its accreditor may impose sanctions, such as issuing probations or warnings. Accreditors can also take a variety of other actions, such as requiring the school to furnish annual reports on finances or enrollment, interim reports on how it is meeting certain standards, or reaccrediting the school for a shorter amount of time. If the school is unable to meet accreditor standards, the accreditor can terminate the school's accreditation. Currently, when a school loses its accreditation, Education terminates the school's access to federal student aid. This practice would not change under this approach.

[f]Currently, accreditation is one of the requirements that helps determine schools' federal student aid eligibility, but not the sole factor. To participate in federal student aid programs authorized under Title IV of the Higher Education Act schools must meet various requirements. For example, schools must be authorized to provide postsecondary education by the state in which they are located and certified by Education as meeting certain administrative capability and financial responsibility requirements.

Appendix VII: Comments from the Department of Education

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
THE ASSISTANT SECRETARY

November 30, 2017

Ms. Melissa Emrey-Arras,
Director
Education, Workforce and Income Security
United States Government Accountability Office
Washington, D.C. 20548

Dear Ms. Emrey-Arras,

Thank you for providing the U.S. Department of Education (Department) the opportunity to review and respond to the Government Accountability Office's (GAO's) draft report providing an overview of interviews and literature reviews titled "HIGHER EDUCATION: Expert Views of U.S. Accreditation" (GAO-18-5).

We appreciate the work of GAO on the important issue of the accreditation process and the opportunity to comment on the draft report. We are reviewing the report carefully as we work to improve access to postsecondary education opportunities for all students and to improve the role of the Department in the accreditation process continually.

We have provided technical comments in the attached document. If you have any questions regarding our comments, please do not hesitate to contact me.

Sincerely,

Kathleen Smith
Senior Advisor to the Assistant Secretary
Delegated Authority of Assistant Secretary

400 MARYLAND AVENUE, S.W., WASHINGTON, DC 20202
www.ed.gov

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

Appendix VIII: GAO Contact and Staff Acknowledgments

GAO Contact

Melissa Emrey-Arras, (617) 788-0534 or emreyarrasm@gao.gov.

Staff Acknowledgments

In addition to the contact named above, Tranchau (Kris) Nguyen (Assistant Director), Ashanta Williams (Analyst-in-Charge), Sarah Cornetto, Holly Dye, Aimee Elivert, Sara Edmondson, Jeffrey G. Miller, John Mingus, Walter Vance, and Jessica L. Yutzy made significant contributions to this report. Also contributing to this report were James Bennett, Deborah Bland, Tim Bober, Carlos Diz, Timothy Guinane, Sarah Gilliland, Teresa Heger, Jennifer McDonald, Ellen Phelps Ranen, Sheila McCoy, Ronni Schwartz, Katherine Siggerud, Stephen Sanford, Jonathan Still, and Eve Weisberg.

Appendix IX: Accessible Data

Data Tables

Data Table for Figure 1: Roles and Responsibilities of Members of the Higher Education Oversight Triad

Dept. of Education	Accrediting agencies	States
• Recognize accreditors as reliable authorities on assessing the quality of education offered by schools • Certify schools as eligible to participate in federal student aid programs • Ensure that participating schools comply with laws, regulations, and policies governing federal student aid	• Establish, apply, and enforce standards that help ensure that the education offered by a school is of sufficient quality to achieve the objectives for which it is offered	• Authorize schools to offer postsecondary education and respond to student complaints

Source: GAO analysis of relevant federal laws and regulations. | GAO-18-5

Data for Figure 2: Types of Accrediting Agencies Recognized by the Department of Education and Their Postsecondary School Membership, as of June 2017

	Description	Total accreditors of that type	Number of schools accredited in 2017[a]	Percentage of total schools accredited
Regional accreditors	Operate in one of six different regions to accredit mostly nonprofit and public schools that award 2- and 4-year degrees	8	2,866	55%
National accreditors	Generally accredit vocational or technical schools (many of which are for-profit) anywhere in the United States	6	1,165	22%
Programmatic accreditors	Generally accredit free-standing professional or vocational schools (such as law schools or schools of massage therapy) and faith-based or religious schools[b]	20	1,203	23%

Source: GAO analysis of U.S. Department of Education's accreditor dashboard data file. | GAO-18-5

Data Table for Figure 3: Sample Accreditation Process for Postsecondary Schools

1. **School self-evaluation:** School sends accrediting agency a self-evaluation describing its performance in relation to the accreditor's standards.
2. **Peer review site visit:** A committee of peer volunteers, generally from other schools, is selected by the accrediting agency to review the school's self-evaluation and conduct a site visit to assess the school's compliance with accreditor's standards.
3. **Peer review report:** Committee produces a confidential report assessing the school's compliance with the accreditor's standards and makes a recommendation on the school's accreditation.
4. **Accrediting agency decision:** The accrediting agency considers the self-evaluation and the peer review team's assessment before issuing a decision on the school's accreditation status.
    a. Appeals process available
5. Accreditation typically lasts from a few years to up to 10 years, after which the school must reapply

Source: GAO analysis of information from accreditors and relevant federal law. | GAO-18-5

Data for Figure 4: Key Challenges, Identified by Experts, of the Current Accreditation System that Can Affect Oversight of Postsecondary Schools' Academic Quality

Oversight roles and responsibilities	Communication and transparency	Measuring academic quality
• Accreditors' role in oversight of schools • Education's role in oversight of accreditors	• Communication among members of the triad (accreditors, Education, and states) • Sharing information with students and the public	• A common definition of academic quality • Identifying sufficient measures for academic quality

Data Table for Figure 5: Categories of Potential Approaches, Identified by Experts and the Literature, for Improving Oversight of Academic Quality

Modifying oversight roles and responsibilities	Strengthening communication and transparency	Using academic quality measures and expanding accreditation options	Changing the structure of the accreditation system
• Clarifying or redefining oversight roles and responsibilities • Providing accreditors with protections from legal action • Repealing the statutory prohibition on the Department of Education's ability to set and enforce student achievement standards	• Improving accreditation communication and collaboration • Increasing transparency of accreditation information	• Focusing on student achievement and school performance • Expanding accreditation options	• Establishing an independent authorizer to approve innovative educational program providers • Establishing third party entities to set standards and thresholds for student outcomes • Establishing a higher education quality assurance commission to coordinate with accrediting agencies • Establishing a congressionally chartered accreditation governance entity

Source: GAO analysis of information from expert roundtable and survey responses, interviews, literature, and Department of Education's documentation. | GAO-18-5

Data Table for Figure 6: School-Level Student Outcomes for Regional, National, and Programmatic Accreditors' Member Postsecondary Schools

3-year cohort default rate (Fiscal year 2013)[a]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	0	4	8	15	44
National	0	8	13	19	47
Programmatic	0	6	10	14	48

3-year repayment rate (2-year pooled: Fiscal years 2013-14 and 2014-15)[c]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	8	39	52	67	93
National	5	24	35	47	88
Programmatic	5	31	40	51	84

5-year repayment rate (2-year pooled: Fiscal years 2013-14 and 2014-15)[e]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	12	47	60	74	97
National	7	27	39	51	85
Programmatic	9	34	45	56	86

Graduation rate (As of August 2015)[b]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	1	25	40	59	100
National	0	57	70	81	100
Programmatic	0	55	69	80	100

Retention rate (As of Fall 2015)[d]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	0	54	66	79	100
National	0	64	75	84	100
Programmatic or specialized	0	67	77	87	100

Median earnings (2-year pooled: Calendar 2012 and 2013)[f]

	Minimum	25th percentile	Median	75th percentile	Maximum
Regional	13800	29600	35300	42900	233100
National	10100	21600	25800	31800	79400
Programmatic	9500	15100	18000	23600	219900

Source: GAO analysis of U.S. Department of Education data. | GAO-18-5

Agency Comment Letter

Text of Appendix VII: Comments from the Department of Education

November 30, 2017

Ms. Melissa Emrey-Arras, Director

Education, Workforce and Income Security United States Government Accountability Office Washington, D.C. 20548

Dear Ms. Emrey-Arras,

Thank you for providing the U.S. Department of Education (Department) the opportunity to review and respond to the Government Accountability Office's (GAO's) draft report providing an overview of interviews and literature reviews titled "HIGHER EDUCATION: Expert Views of U.S. Accreditation" (GAO-18-5).

We appreciate the work of GAO on the important issue of the accreditation process and the opportunity to comment on the draft report. We are reviewing the report carefully as we work to improve access to postsecondary education opportunities for all students and to improve the role of the Department in the accreditation process continually.

We have provided technical comments in the attached document. If you have any questions regarding our comments, please do not hesitate to contact me.

Kathleen Smith

Senior Advisor to the Assistant Secretary Delegated Authority of Assistant Secretary

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (http://www.gao.gov). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to http://www.gao.gov and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, http://www.gao.gov/ordering.htm.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on Facebook, Flickr, LinkedIn, Twitter, and YouTube. Subscribe to our RSS Feeds or E-mail Updates. Listen to our Podcasts. Visit GAO on the web at www.gao.gov and read The Watchblog.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: http://www.gao.gov/fraudnet/fraudnet.htm
E-mail: fraudnet@gao.gov
Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Orice Williams Brown, Managing Director, WilliamsO@gao.gov, (202) 512-4400,
U.S. Government Accountability Office, 441 G Street NW, Room 7125,
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

Strategic Planning and External Liaison

James-Christian Blockwood, Managing Director, spel@gao.gov, (202) 512-4707
U.S. Government Accountability Office, 441 G Street NW, Room 7814,
Washington, DC 20548