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ABSTRACT

There are serious problems and abuses in American education, and they are becoming more and more visible. Problems exist at all levels in accreditation, licensing, and identifying eligibility for federal funds. No set standards have been established and there is little communication between states concerning these topics. This Council recommends the use of federal funds to bring about improvements in staffing, training, and the effectiveness of these functions. The system should be as self-enforcing as possible. The following are criteria for establishing such a system: (a) schools and colleges must publish the standards and rules by which they operate; (b) an agency (perhaps the state licensing authority) should be set up to receive students' complaints; (c) the system should start quickly, although there will be a series of intermediate steps to make it more effective; (d) an effort should be made to develop the competencies and performance of those persons charged with operation, safeguarding, and improvement of the system; (e) by informing students of their rights and providing an agency to deal with complaints, students can act as monitors in the system; and (f) a center should be established to create a system which would be synergistic rather than fragmented. (PB)

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Gatekeepers in Education:

A Report on Institutional Licensing

from the

National Advisory Council on

Education Professions Development

U.S. DEPARTMENT OF HEALTH,
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Preface

In the annual report of the Council, submitted on January 31, 1975, as required by law, we mentioned that we had two reports in preparation and hoped to have them available in the Spring of 1975.

Gatekeepers in Education: A Report on Institutional Licensing

is now ready, as scheduled, and presents our recommendations pursuant to a request by the Assistant Secretary for Education presented to the Council at its meeting on September 11, 1974.

In the context of education professions development, we are pleased to be able to identify a specific Federal role where there is promise of cost-effective savings and improvements, in the larger context of State and local responsibility.

Copies of the report are now being distributed to interested Federal and State officials, to leaders in education; after our free supply is exhausted, the report also will be available through the ERIC system.

--Lyle E. Anderson, Jr.
Chairman

April 1975

Gatekeepers in Education:

A Report on Institutional Licensing

From the National Advisory Council on Education Professions Development

Not only are there abuses in American education, but there is evidence that the abuses are on the rise, or at least that there is increasing awareness that something should be done to protect educational consumers.

At the same time there is a strong tradition of state and local control of education. This puts into question any massive Federal effort to introduce and enforce standards of honesty and quality. Further, there is a continuing preference for educational pluralism, for diversity in higher education, for choices in postsecondary education; this makes it extremely difficult for any agency -- Federal, state, local, or voluntary association -- to establish standards, much less to enforce them.

Nevertheless, the fact remains that every American school exists by permission of the state (license), or by toleration of the state in the sense that some states have no adequate licensing laws or fail to enforce them. Accordingly we have diploma mills and high-pressure salesmen, fraudulent use of Federally guaranteed loans, administrators who have been run out of one state only to start over again somewhere else, school dropouts who still owe tuition, and graduates who cannot find the jobs they have been promised. To be sure, these conditions are

not endemic, but they are sufficiently prevalent to call for counter-measures to protect students and also to prevent the diversion of Federal funds. Since the licenses permitting these schools to exist are the responsibility of the States, it is to the States that we ought to look for remedies, assisted by Federal funds.

The nonsystem of American education is a collaborative effort which involves several levels of government and relies heavily on voluntary standards. To point an accusing finger at the States is not very helpful, especially because the Federal interest may be said to be greater than that of the States. The Federal government has not done enough to alleviate or prevent existing problems.

In preparing this report, our Council had expected to recommend a Federal effort to strengthen the hand of the administrators and staff in the various State licensing agencies, including the State Approving Agencies. And this is what we recommend, relying on Title V of the Higher Education Act which calls for the strengthening of educational professions and their development -- the Education Professions Development Act.

More than that, however, our Council concluded that we need to rethink the larger problem of educational abuse. We need to formulate a collaborative new system in which state officials can do a better job, acting with private accrediting bodies, Federal officials, school administrators, and students -- all of whom have a stake in the integrity of American schools. It is this systems analysis and design which

makes up the bulk of our report which then offers some specific recommendations on what Federal agencies can and should do to help themselves, the States, and all of American education.

The present system is not working because it seeks to rely on the work of accrediting bodies which are voluntary associations. Their purposes are not the same as those of the Federal agencies which must by law rely on them, thus the system is less than adequate. Educational abuses are on the rise; students are being defrauded, both financially and educationally. Fortunately, there is a rising chorus of alarm.

* The Federal Trade Commission, which has jurisdiction only over profit-seeking schools, has held hearings on how to stop abuses.¹

* The Department of Health, Education, and Welfare is sensitive to the problem. Virginia Trotter, Assistant Secretary for Education, specifically asked this Council for our recommendations and thus provided the stimulus for this report.²

* The Education Commission of the States formed a Task Force to prepare a Model State Licensing Law,³ and has now sponsored two conferences on consumer protection in postsecondary education.⁴

* The Veterans Administration has voiced concern over problems in the G.I. Bill of Rights; the Chief Benefits Director told Congress last year that correspondence schools are our "biggest problem."⁵

* The U.S. Commissioner of Education is greatly concerned over the rising default rate in the Guaranteed Student Loan Program. He has hired

a large number of bill collectors and hopes to keep defaults down to a mere 18.5 percent.⁶

* The Commissioner also arranged for a major study of eligibility; this culminated in Private Accreditation and Public Eligibility, a two volume report (October 1974) by Harold Orlans, Jean Levin, Elizabeth Bauer, and George Arnstein (Washington: Brookings Institution and National Academy for Public Administration).⁷ We want to acknowledge our heavy reliance on this report for our understanding of the problem; our recommendations, on the other hand, are our own.

* The General Accounting Office has predicted that defaults in the GSLP may exceed 24 percent.⁸

* The Federal Interagency Committee on Education formed a Subcommittee on Consumer Protection whose report recommends a variety of needed reforms.⁹

* The clamor in the media, both popular and professional, is rising:

-- The Boston Globe ran a series of articles which was inserted in the Congressional Record and reprinted by the thousands.¹⁰

-- The Washington Post ran a four-part series of articles by Eric Wentworth, plus additional follow-up stories.¹¹

-- American Education ran two articles by George Arnstein which described abuses but also noted the difficulties of dealing with them.¹²

-- The Reader's Digest, in June 1974, printed an article by

Jean Carper entitled "Career Schools Aren't Always What They Appear to Be."

-- The Phi Delta Kappan denounced diploma mills and focused on proposals to deal with abuses in proprietary schools.¹³

* Congress has held hearings on the subject:

-- The House Committee on Government Operations, Special Investigations Subcommittee, looked into proprietary schools and issued a report on them and recommendations in late 1974.¹⁴

-- The House Education Subcommittee chaired by Representative James O'Hara heard witnesses as to problems and suggested solutions, especially in student financial assistance programs.¹⁵

-- The Senate Subcommittee on Education, under Senator Claiborne Pell, asked several witnesses about accreditation and eligibility for Federal funding, and is still looking for a way to narrow eligibility to those schools which are "clean."¹⁶

In short, there are serious problems and they are becoming more visible. Competition among schools is also on the rise, thus raising the spectre of increasingly nasty practices involving a large number of Federally funded programs.

It is the rise in these programs which explains the Federal interest, and which supports our recommendations for several forms of immediate Federal assistance.

1. There is a Federal interest in combating fraud and abuses. They undermine our national well-being, our confidence in ourselves,

and weaken our confidence in law, orderly government, and the stability of society.

2. Federal funds are not being used for the purposes intended. When a grateful Nation enacted the G.I. Bill of Rights, it sought to make a monthly stipend available to veterans, not to have the money diverted into schools for bartenders,¹⁷ correspondence schools with dropout rates as high as 90 percent,¹⁸ or to sharp operators hiding behind quasi-educational trappings.

* When Congress passed the Federally Insured Student Loan Program, it intended the guarantee and the interest subsidy to help deserving students. The program has been exploited by salesmen on commission and by advertising brochures which deceive or distort. For example, some schools talk about high-paying jobs for computer programmers but actually offer courses for key punch operators at lower pay rates.

* When Congress enacted the Basic Opportunities Grants to help students pay for tuition, it did not envision the diversion of these and other Federal funds for the enrichment of self-annointed pseudo-educators, operating diploma mills while hiding behind some church affiliation.

3. As education becomes more innovative and flexible, it increasingly is open to use -- and abuse -- across state lines, thus providing a third dimension to the Federal interest, in this case the National interest to help the States work together in the accomplishment of better systems to help each other.

Again, in short, there is a Federal interest in keeping the education system open, flexible, honest and effective, under traditional state and local control. There also is a whole series of laws which prohibit Federal control or intervention. Here is just one example (Sect. 1782, Title 38 U.S. Code):

No department, agency, or officer of the United States... shall exercise any supervision or control... over any State approving agency, or State educational agency, or any educational institution....

We affirm the responsibility of the States in education. We also note that every school in the United States exists by permission of the States. (The exceptions are noted only for the record: The various military academies, certain schools on Federal Indian reservations, and a few universities in the District of Columbia with Congressional charters.) It also follows that existing abuses are the responsibility of the States, sometimes attributable to nonexisting and obsolete laws, sometimes to weak laws, sometimes to weak administration, and sometimes to mere neglect. Further, the State responsibilities have been undermined by the private, voluntary accrediting bodies which (in all innocence) pursue their own purposes and have been used increasingly as indicators of quality and competence, by State and Federal officials alike, when their original purpose was not to be so used.

Without going into the weaknesses of the accrediting bodies at this time, we merely note that we agree with the Federal Trade Commission which said that the Federal government does not accredit schools or regulate their quality. Further, "if a school is accredited, it means

that it meets the minimum standards required by a particular accrediting agency...."¹⁹

Similarly, the U.S. Commissioner of Education, charged by law with recognizing the accrediting bodies, nevertheless has acknowledged their shortcomings.²⁰ And the accrediting bodies sometimes feel exploited by State and Federal officials who want them to do things and to enforce standards which the accreditors do not wish to undertake or which they feel they lack the competence to assess.

Since our purpose, in this report, is not merely to point out shortcomings in the existing practices but to identify needed remedies, we need to describe, in very simple terms, just how the present system of accreditation, licensing, and eligibility works.

Eligibility for Federal Funds

Given the various Federal funding programs, the question arises how Federal administrators are to identify the good schools, the competent schools, the schools worthy of being eligible for Federal programs, as juxtaposed to the schools which should be excluded. One answer could be the establishment of a national Board of Eligibility (or some variation of this idea), but this has been resisted by the Congress and many education officials but not by all of them.²¹

Instead of some form of Federal approval, there are in operation at least two systems which are neither fully separate, nor fully merged, and which furthermore are somewhat competitive. A case could even be made that there are three systems, reflecting the intertwinings of the operations.

1. State Licensing: Every school, to be eligible for federal funding, must exist with the approval or by permission of the State. Normally we would say that it must have a state license, but in practice most state laws have so many exceptions, and so many loopholes, that the wording must be as awkward as it is here: The school must exist by permission of the State. In practice, this means that a school which has its license revoked, also will or should have its Federal eligibility revoked. Unfortunately there is no effective communication system, no clearinghouse, so that revocation does not always lead to prompt cancellation or suspension of eligibility. Because State licensing tends to reflect minimum standards, a kind of permit to exist at some minimal level, there have arisen two additional systems to determine quality: Accreditation and State Approval (for veterans).

2. Accreditation: This single word hides within it several different concepts and arrangements. There have been a few accrediting associations which were set up to deceive. They are intended to look legitimate: since accreditation is a private, voluntary matter, there is nothing much that can be done about them, although some have been abolished by court order.

In order to identify at least some of the more effective and reputable accrediting associations, the U.S. Commissioner of Education is charged by law to "recognize" them. Here is the exact wording:

... the Commissioner of Education shall publish a list of nationally recognized accrediting agencies and associations

which he determines to be reliable authority as to the quality of training offered by an educational institution....
(38 USC 1775, emphasis added)

When educational administrators speak of recognized accrediting bodies, this is normally what they have in mind. On the other hand, the reputable National Commission for Accrediting, housed at One Dupont Circle in Northwest Washington, also recognizes accrediting associations, and the NCA list is similar to the Commissioner's list, but it is not identical. (NCA, on January 1, 1975, merged with Federation of Regional Accrediting Commissions for Higher Education (FRACHE), to form the new Council on Postsecondary Accreditation (COPA), which also recognizes accrediting bodies.)

Within the recognized accrediting bodies there are two major groupings: The regional associations which make up FRACHE perform institutional accreditation. This means that the entire college is accredited; it does not mean that all of its departments are equally good, just that the school as a whole meets the standards of the regional accrediting body.

On top of regional, institutional accreditation, there also is specialized accreditation, normally conferred by a specialized body which will accredit a specialty or department only if the college as a whole has previously been regionally accredited. Examples are the American Psychological Association or the National Council for Accreditation of Teacher Education (NCATE).

Vocational schools and business schools may apply to become members

of such accrediting bodies as the National Association of Trade and Technical Schools or the Association of Independent Colleges and Schools (formerly the United Business Schools Association), or other specialized bodies which, if they are recognized by the U.S. Commissioner, makes the schools and their students eligible for Federally funded programs. Proprietary schools -- i.e., schools organized to make a profit -- compete for accreditation in many fields, especially in the vocational and home-study sector.

Accreditation, even when performed by an association recognized by the U.S. Commissioner, is not necessarily an indicator of quality, no matter how many students, parents, high school counselors, and newspaper columnists adhere to a different opinion. The confusion derives from the historic beginnings of accreditation, when the associations in fact sought to inspect for quality. Over the years that concept has changed, however, and the accrediting bodies now seek to determine whether each school is making satisfactory progress toward its goals. More than one critic has ridiculed this procedure by a reductio ad absurdum: This should mean that a diploma mill which openly states that its goals are to make money and to satisfy customers with educational pretensions, should be accredited if it successfully progresses toward its goals.

In fact, the Federal Trade Commission advises students applying for proprietary schools that accreditation is not a reliable indicator of quality; the Congress has instructed the Veterans Administration and its approval system that it may rely on accreditation but need not do so.²²

Most accrediting bodies will admit that they lack the funds, the staff, and the scope to inspect truly an entire school, its staff, facilities, budget, finances, and then render a timely and well-rounded verdict.

The problem with private voluntary accreditation is not that it is being done badly, but rather that State and Federal officials need some kind of a judgment in the absence of an inspection and rating staff of their own. Federal officials have no such staff, and many states do not have an effective one.

3. State Approvals: Recognizing the shortcomings of private, voluntary accreditation, the Veterans Administration spends about \$10 million a year in an effort to assure the integrity of its educational programs for veterans which cost more than \$2 billion in recent years. The system is mandated by law and calls for the Governor of each State to appoint a State Approving Agency whose job it is to review every course as to its eligibility for veterans benefits.

Given the thousands of courses in every state, the State Approving Agency may rely on accreditation as an alternative, despite the fact that accreditation is institutional (or departmental) and the State Approving Agency is supposed to review every course.

What is interesting about the SAA/VA system are the following points:

- * It is operated by State officials but under Federal contract and reimbursement from the Veterans Administration.
- * It reflects a lack of confidence in the State licensing system.

If State licenses were effective, as indicators of quality and probity, there would be no need for the redundant State approval system.

* It reflects a lack of confidence in the accrediting bodies, even though they have been recognized by the U.S. Commissioner as providing assurance of quality of the schools they accredit. If accreditation were reliable, there would be no need to leave discretion with the States whether to rely on accreditation or not.

* The SAA/VA system does not prevent abuses and fraud, as shown by the continuing problems of the Veterans Administration. Admittedly the system works better today than it did in the late 1940's when things got so bad that the Congress and the President of the United States called for urgent improvements.²³

* In some States, the licensing and approval functions are combined, with the same staff performing both functions. State decisions, within limits, are then verified by the Veterans Administration through so-called compliance visits. The State/Federal combination has its limits, because the Federal inspectors confine their work to administrative matters, carefully observing the prohibition against Federal control of education (meaning content, curriculum, etc.).

* Finally, when we analyze SAA/VA system through every appeal and review procedure, we wind up with a Federal determination of eligibility: The Administrator of Veterans Affairs has the last word regarding approval and eligibility. We add hastily that we know of no abuses of this authority but we do note that the decision is Federal, in accordance with the law and with V.A. regulations.

4. To close the loop; State licensing laws are heavily intertwined with accreditation. In many States, a college which is regionally accredited is exempt from licensing; i.e., the State relies on a private body for its determination of standards. Florida is an example of this. In California, there is not only a similar exemption, but the licensing standards actually derive from accreditation. According to Section 29077 (a) 2 of the Education Code, the Superintendent of Public Instruction is to make sure that his licensing staff satisfies itself that the non-accredited college is of a caliber essentially equivalent to the standard exacted by the private accrediting bodies. It is ironic that some accrediting bodies may put a school on probation, or may put conditions on its renewal or extension, while the state, which relies on accreditation, may be totally ignorant of such limitations.

We know of cases where a school had its accreditation revoked, while its license (or exemption from licensing) continued. Conversely, we know of schools which had been enjoined from certain abuses under court order, while Federal eligibility continued. In still other cases, State officials clamped down under a new licensing law, while some schools closed and other merely moved to another state.

Each State, each accrediting body, and most State approving agencies could be operating at great effectiveness and with great diligence, but lacking a national clearinghouse and open accountability, the abuses sometimes merely move across state lines. It is against this defect that the Denver Conference (March 1974, convened by the Education Commission of the States) called for the establishment of a national clearinghouse to exchange relevant information.²⁴

The Need for Federal Leadership and Support

Laws, regulations, and site visits all depend on human beings. They, in turn, must have competence and dedication, as well as funds and political support to carry out their assigned functions effectively.

In the case of State licensing staffs, the gatekeepers of American education have been neglected and there is no systematic body of knowledge on how to license and approve schools. For example, we know of no American university which offers a course in techniques of site visits (which is a polite way of saying inspections), of licensing and accreditation. Similarly, we know of no major effort to develop better techniques, to train licensing staff, to design better systems, to develop indicators of quality, and all of the related subjects.

There have been some scattered efforts, including the work of Leland Medsker at the University of California, of Wellford Wilms under the sponsorship of the National Institute of Education, and of Harold Orlans and his colleagues at the Brookings Institution and the National Academy of Public Administration. Similarly, the Southern Association of Colleges now runs summer workshops for the chairmen and some members of visiting teams, while the New York State Department of Education has a training course for visitors to technical schools and two-year colleges. Further, the V.A. has made some recent efforts to run training sessions for SAA staff, while the annual meeting of the National Association of State Approving Agencies includes some sessions where members exchange information and techniques.

What these scattered efforts lack is a common focus, effective linkage, and the funds needed to provide staff training. Our Council, under the heading of education professions development, recommends the use of Federal funds to bring about needed improvements in the staffing, training, and effectiveness of these gatekeeping functions, especially because weak licensing efforts defeat the efforts of thousands of competent teachers and students who may be relying on illusory criteria of quality.

Toward a Self-Enforcing System

Given the fragmentation of the various Federal efforts, the compartmentalization of the States, the separate existence of the private accrediting bodies, it is not surprising that abuses continue. Worse yet, where they are known to exist, there is little effective enforcement or countermeasures, reflecting to a great extent the finding by Virginia Knauer, Director of the Federal Office of Consumer Affairs, who told a national conference in Knoxville that nobody is in charge of protecting the educational consumer.²⁵

If nobody is in charge, it follows that nobody is taking effective steps to eliminate the undesirable schools and their administrators, even though an occasional warning or revocation may give the illusion of enforcement. If nobody is in charge, it could also be concluded -- and we emphatically do not so conclude -- that there is a need for some kind of a central enforcer, assisted by a phalanx of school inspectors.

Since we seek neither central supervision and control, nor a large number of inspectors representing several different Federal agencies,

we look to a reform of the system in such a way that it will be as nearly self-policing and self-enforcing as possible. An example of a self-enforcing law is the issuance of license tags for automobiles, with annual expiration clearly noted. These tags make it possible for every police officer to spot an offender, for every citizen to point an accusing finger and, because the system is so nearly self-explanatory, provides major incentives for automobile owners to observe the law by timely purchases of their annual license plates (or renewal stickers).

In our search for a comparable system for providing educational quality and probity, we identified these criteria for a largely self-enforcing system:

1. Information and Disclosure: Schools and colleges must publish the standards and rules according to which they operate. Participation in this disclosure program should be voluntary, but there will be major incentives to participate by linking eligibility for all Federal programs to full disclosure. If schools have a policy of no refunds, they ought to say so clearly and openly, thus avoiding complaints from students who think they have refunds coming. If they offer a liberal education, the goals should be stated openly, and if they provide a narrow job-oriented offering, possibly without such "frills" as counseling and placement services, let them disclose this openly.

Adequate disclosure and ready access to school policies will enable the student to complain or seek redress.

2. Redress of Grievances: Complaints, however, do not serve much useful purpose if the student does not know where to address his

complaint, or if there is no agency with the power to investigate the claim and then, if warranted, to do something about it.

We suggest that the State licensing authority may be the right place for the receipt of complaints, with a competent staff to keep track of complaints statistically; further, to effect redress of grievances or to suspend or revoke the license of the school, in order to put some muscle behind the license.

It is our hope that the system will serve to prevent complaints in the first place, that the system will be largely self-policing and enforcing, but this will happen only if there is some ultimate enforcement and penalty in sight, including the revocation of eligibility for Federal funds.

3. Intermediate Steps: We visualize a series of intermediate steps in making this new system more effective. It should start quickly, although the early list of items to be disclosed by the schools may well be imperfect and incomplete.

Because this area of licensing and standard-setting has been neglected, the state of the art is relatively primitive. This explains in turn why some of the personnel now performing licensing and related functions are working at often nonprofessional levels.

We urge Federal support to underwrite five areas of activity which will help to make the proposed system work more effectively, will save Federal funds now being diverted to fraudulent and unintended purposes, and will help to professionalize a group of practitioners who operate

largely on the basis of improvisation rather than a base of knowledge.

There is no useful estimate as to the size of the wasted Federal funds, or the amount of diverted Federal dollars. What is known is that the default rate under the Guaranteed Student Loan program was "much too high" even before the emergence of the economic recession. There is widespread agreement that the defaults were largely attributable to willful abuse, to exploitation, although economic hardship is now an increasing factor. Federal budget requests to cover the defaults have been rising; for FY 1975 they rose from \$89 million to \$115 million.²⁶

4. Staff Development: Not only do we recommend that the system be redesigned so as to be largely self-policing, but we also recommend a focused effort to develop the competencies and performance of those persons charged with operation and safeguarding and improvement of the system. We include here the State licensing staffs, State approving agencies (which in some states are the same as the licensing staff), Federal officials charged with institutional eligibility, and the participants in the private, voluntary accreditation enterprise.

In too many cases today, the State licensing and State approval staffs suffer from neglect. The State approving agencies often lead more or less separate lives, while actual site visits are performed by essentially untrained amateurs: a dentist, for example, probably is expert in the matter of dental technicians, but unskilled in his capacity as inspector of educational, administrative and fiscal aspects of an entire institution.

Accrediting teams are made up of subject-matter specialists who are in most cases untrained in those areas where educational abuses abound: false promises, misleading advertisements, shady fiscal arrangements, diverted loans, and all of the other collisions which occur between the interests of two or more different parties.

5. Students as Monitors: To the extent that there are abuses and fraudulent practices, they reflect the conflicting interests of students (who are exploited) and administrators, who seek to make a profit and, in some nonprofit schools, seek to make the school grow, or at least, to keep it from going under. Students are the transients while the administration is more or less permanent. Students are individual purchasers of services while the administration is a single purveyor. Students, in short, are at a disadvantage, especially because too often they cannot even learn what their rights are and how to secure them.

The remedy thus lies in a commonly shared list of public disclosures. By providing the fullest possible information to students, they can assert their rights, they can object if they are promised modern tune-up equipment in a class for auto mechanics but actually are taught on equipment which is demonstrably obsolete. Students, on their own, can assert their own rights, but only if they know what they have been promised. Students can discharge many of the functions theoretically assigned to visiting teams, licensing staff, and others, always provided that they have access to full information to be disclosed by the schools.

Further, students need to know where to file a complaint, where to seek redress. Without such knowledge, they can assert their rights only with great difficulty. It is in this context that we visualize the students as the cornerstone of a self-enforcing system based on adequate disclosure of what the school promises and how it operates, plus the knowledge that the student can seek redress.

In practice, we hope that the system will operate in such a way that the schools will provide no reason to complain, that the schools will openly proclaim what their goals are, how they operate, thus providing the student with a clear choice between a proprietary school which claims no frills, not even counseling services, as juxtaposed to a course of study at a competing school which may take longer but may also include a larger range of services.

The intent of our proposed system is not to multiply complaints but to obviate them.

Five Areas for Federal Support

As indicated earlier, there are several areas of Federal interest in designing a system which will be more honest, and which will give greater evidence of educational quality (which, in turn, may be defined in a variety of ways). This system, however, will not come into being by itself but will require continued leadership along the lines well begun by the Federal Interagency Committee on Education (FICE) under the chairmanship of the Assistant Secretary of HEW for Education.

Concurrently, we recommend the establishment of a Center (by whatever name) to be operated by a nonprofit organization with five very specific assignments. The Center could be entrusted, for example, to the Education Commission of the States; it could be funded by several Federal agencies or by a single agency. Its purposes would be to help create a system which would be synergistic rather than fragmented, essentially free of Federal control, but organized in such a way that schools would find it desirable to operate under rules of full disclosure and clearly defined rules.

The Center, which would quickly cost several millions of dollars per year (after an initial development grant of, say, half a million dollars for the first year), should cover five areas worthy of Federal support:

1. Technical assistance to the States: The idea here is not so much to bring in "experts" but rather to help State officials to meet, to compare experiences, to share successful techniques, and thus to help each other, assisted by the staff of the Center.
2. Development of evaluation tools and techniques: Out of shared experiences the Center would design, test, and publish checklists, tools, techniques, handbooks, to help State licensing and Approving Agencies do a better job. For example, current Federal law says that the State Approving Agency shall ascertain that a school's administrators, directors, owners, and faculty are "of good reputation and character." (38 USC 1776, c.12). Since it is difficult to ascertain such reputation,

the States typically disregard this requirement and a shady operator may leave one state in order to set up a new corporation in the next state. The Center would devise techniques to deal with this type of problem.

3. Establishment of an information clearinghouse: At the March 1974 meeting on consumer protection in postsecondary education (sponsored by the Education Commission of the States, the Federal Interagency Committee on Education, and other agencies including the V.A.) the conference report emphasized the need for a clearinghouse of information, for a sharing of data between state agencies, Federal agencies, private bodies (like accrediting agencies) and among the States.

4. Evaluation and research: There is increasing interest in enhancing honesty and quality in education, but there is not enough evaluation and research of current licensing and accrediting activities. Very little is known; the V.A., under the law, tends to support traditional methods and educational structures, in part because it lacks knowledge and evidence permitting it to encourage change and approval of innovative practices. Obviously a research and demonstration effort will help improve regulatory efforts.

5. Staff Development and Training: The State Approving Agencies now operate an annual workshop in Washington which enjoys indirect V.A. support, in part because the V.A. authorized the use of Federal contract funds for this type of travel and subsistence, and also because the V.A. provides speakers and resource persons. The State licensing staffs get

no Federal help at all, except for general funds under Title V of ESEA.²⁷

In addition, at the instigation of the Director of Benefits, the V.A. Education and Rehabilitation staff held a series of training sessions during 1974.

These efforts, though positive, lack continuity; they also would benefit from administration through an agency which is neither Federal nor State, thus offering less of a threat to either party.

The shortcomings of presently employed staff in many of the State licensing and approving agencies are well known, can be documented, and call for major improvements. The idea is not to find blame; the idea is to benefit all students. First we need to reform the system; and then we need to help the gatekeepers to operate the system in the public interest. And that is why our Council calls for the professional development of the institutional gatekeepers.#

FOOTNOTES

1 Federal Trade Commission, Notice of Public Hearings, Federal Register, August 15, 1974, 39 F.R. 29385.

2 Meeting of the National Advisory Council on Education Professions Development, September 11-13, 1974, Washington, D.C.

3 Model State Legislation - Report of the Task Force on Model State Legislation for Approval of Postsecondary Educational Institutions and Authorization to Grant Degrees, Report Number 39, Education Commission of the States, June 1973.

4 First Conference on Consumer Protection in Postsecondary Education, March 18-19, 1974, Denver, Colorado; Second Conference on Consumer Protection in Postsecondary Education, November 14-15, 1974, Knoxville, Tennessee.

5 Odell W. Vaughn, in testimony before the House Subcommittee on Education and Training of the Committee on Veterans' Affairs, September 25, 1973.

6 Testimony before the Subcommittee on Education of the Senate Committee on Labor and Public Welfare, Wednesday, September 18, 1974.

7 Private Accreditation and Public Eligibility by Harold Orlans, Norma Jean Levin, Elizabeth Bauer, and George Arnstein, is the result of a study at the Brookings Institution and the National Academy for Public Administration under a contract with the U.S. Office of Education.

This report will be published in abbreviated form by Lexington Books in May 1975. The full, two-volume version (October 1974) is available through the ERIC system, microfiche or printout. A limited number of multilithed copies are available through the National Academy for Public Administration.

8 Speech by Virginia Knauer, Special Assistant to the President for Consumer Affairs, at the Second National Conference on Consumer Protection in Postsecondary Education, November 14, 1974, Knoxville, Tennessee.

9 A Federal Strategy Report for Protection of the Consumer of Education, Federal Interagency Committee on Education, Subcommittee on Educational Consumer Protection, September 18, 1974.

10 Congressional Record, Washington, D.C., Thursday, April 4, 1974, reprinted from Boston Evening Globe, March 25, 1974 et seq.

11 Eric Wentworth, "The Knowledge Hustlers," The Washington Post, June 23-28, 1974.

12 George Arnstein, "Ph.D., Anyone?" American Education, Volume 10, Number 6, July 1974; "Bad Apples in Academe," American Education, Volume 10, Number 7, August/September 1974.

13 Stanley M. Elam, Editor, "Nova, as in Innovate;" Morland, Richard B. "The External Doctorate in Education: Blessing or Blasphemy?" Phi Delta Kappan, Volume 55, Number 3, November 1973; Also, Arnstein, George, "Accreditation, State Licensing and Approvals: Why is the System Not Working?" Volume 56, Number 6, February 1975.

14 Hearings before a Subcommittee of the House Committee on Government Operations, July 16, 17, 24, and 25, 1974; "Reducing Abuses in Proprietary Vocational Education," a report by the House Committee on Government Operations, December 30, 1974.

15 Testimony before the Special Subcommittee on Education of the House Committee on Education and Labor, July 25, 1974.

16 Hearings held September 11 and 12, 1974.

17 Ineligible under the G.I. Bill of Rights since 1952 when Congress rewrote the law and eliminated many abuses.

18 "Most Veterans Not Completing Correspondence Courses -- More Guidance Needed from the Veterans Administration," Report of the Comptroller General of the United States No. B-114859, March 22, 1972, p.9.

19 Federal Trade Commission, Consumer Bulletin No. 13, U.S. Government Printing Office: 1973, p.9.

20 Peter Muirhead, Deputy Commissioner for Postsecondary Education, on July 17, 1974, testified before the Special Subcommittee of the House Committee on Government Operations regarding difficulties in determination of eligibility:

"The objectives of some of the accrediting organizations occasionally are not targeted fully on broader public or social goals. Under present regulations, there often is nothing that can be done when such unfavorable impact occurs...." (p.20)

21 Cf. the so-called Newman Report, Report of Higher Education, U.S. Department of Health, Education, and Welfare, Washington, D.C.: 1971; and Private Accreditation and Public Eligibility, by Harold Orlans et al.

22 38 USC, 1775.

23 For details, cf. Educational Assistance to Veterans: A Comparative Study of Three G.I. Bills, Princeton: Educational Testing Service, September 1973. Reprinted by the Veterans Affairs Committees as Senate Committee Print No. 18, and House Committee Print No. 81, Sept. 1973.

24 The Report of the National Invitational Conference on Consumer Protection in Postsecondary Education, Report No. 53, (Denver, Colorado: Education Commission of the States), June 1974.

25 The Report of the Second National Invitational Conference on Consumer Protection in Postsecondary Education is being edited by the Education Commission of the States (Pending, 1975).

26 Testimony, June 4, 1974, before the Senate Subcommittee on Appropriations for FY 1975, presented by Edward T. York, Acting Deputy Commissioner for Management. The quotation is from Peter Muirhead, Deputy Commissioner for Postsecondary Education, pp. 2755 ff. Hearings, Part 4, 93rd Congress, Second Session.

27 Murphy, Jerome. Report to USOE, Grease the Squeaky Wheel, (Lexington: 1974).