

Accreditation

A Call to Action for COLLEGE TRUSTEES



AMERICAN COUNCIL OF TRUSTEES AND ALUMNI
Institute for Effective Governance



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Launched in 1995, the American Council of Trustees and Alumni (ACTA) is an independent, non-profit organization dedicated to working with alumni, donors, trustees, and education leaders across the country to support liberal arts education, high academic standards, the free exchange of ideas on campus, and high-quality education at an affordable price.

ACTA's Institute for Effective Governance, founded in 2003 by college and university trustees for trustees, is devoted to enhancing boards' effectiveness and helping trustees fulfill their fiduciary responsibilities fully and effectively. IEG offers a range of services tailored to the specific needs of individual boards, and focuses on academic quality, academic freedom, and accountability.

Accreditation

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What exactly is accreditation? While it's not a household word, it should be. The current system was created by the federal government during the Great Society era to ensure that federal funds flowed only to high-quality educational institutions. In passing the Higher Education Act over 40 years ago, Congress linked accreditation and federal student aid to prevent students from squandering money on diploma mills. According to the Act, recognized accreditors serve as a “reliable authority” on the “quality of education or training offered.”

The fact is: Today, virtually all colleges and universities in the United States are accredited (sometimes by more than one accrediting body). Yet there is widespread—and justifiable—concern that college quality has been on a steady decline. And while accreditation may have been well-intended, it is no exaggeration to say that it is now the greatest barrier to innovation in higher education and a major driver of skyrocketing costs—not to mention a threat to your role as a trustee.

In the next few pages, we've provided some fast facts on this system that serves as a gatekeeper for \$175 billion in student financial aid. Please read on.

High Stakes, High Costs

Accreditation is a financial gatekeeper.

For most colleges and universities, accreditation is a do-or-die proposition. By law, institutions and their students cannot use federal financial aid unless

they attend an accredited school. Most colleges and universities would not be able to survive without federally-subsidized tuition revenue.

Over the years, accreditation has increased costs without protecting quality. A new transparent system of quality assurance is needed to protect the public—before it's too late.

Hank Brown, former U.S. Senator and past president of the University of Colorado
Wall Street Journal, January 14, 2013

Accreditation is very costly.

The direct costs of an accreditation review can easily exceed \$1 million. And that doesn't begin to count opportunity costs! Many schools employ a whole new staff to manage long self-studies and other bureaucratic check-offs that may or may not have anything to do with what trustees view as the institution's priorities. Under the current system, your administrators have little choice but to respond to whatever the accreditation review committee deems important, even if they are only concerned with minutiae. And you may even find yourself under threat of accretor action if you and your fellow trustees take steps to change the status quo.

Accrediting standards also often raise costs for students, for no good reason. The American Bar Association, which accredits law schools, for example, demands a fixed amount of classroom instruction, ensuring three years of seat time. These standards have little bearing on educational quality, but they inevitably raise costs when students are already drowning in debt (and two years of study, in the case of law, may be more than adequate preparation).

A Flawed Process

Accreditors are monopolies.

The vast majority of America's nearly 4,500 colleges and universities are accredited by one of the nation's

six regional accrediting agencies. While these agencies originally were voluntary groups that reviewed peer institutions, today these regional agencies accredit every type of institution—from flagship research universities to small proprietary vocational schools. And accrediting standards differ, depending upon the location of your school. It's a sorry fact that you have virtually no choice in the matter since you are stuck using the accreditor that covers your geographic region. Institutions are generally reluctant to challenge an accrediting agency since there are virtually no alternatives to the regional monopoly. If trustees believe that their accrediting agency stifles innovation, puts unreasonable demands on the institution, or interferes with the rights of the board, it is almost impossible to switch to a better regional accrediting association.

Because accreditation is inherently regulatory, process-driven, opaque and obscure, policy discussions tend to be dominated by insiders with a large bias toward the status quo.


Kevin Carey, director of the Education Policy Program
at the New America Foundation
Chronicle of Higher Education, January 14, 2013

Accreditation is rife with conflicts of interest.

Accreditation agencies are funded by the colleges and universities they regulate. The very people (i.e., university staff including administrators and faculty) who benefit from the federal funds to which accreditation provides access constitute the accreditation review teams. There are few incentives for accreditation teams to take a hard line against a poorly performing institution. To do so would risk upsetting the “collegial” system.

Accreditors are not private actors.

Accreditors often claim that they are the best regulatory system available because they keep the feds



out of higher education. But that's just plain wrong. Since accreditors are gatekeepers for federal financial aid, they hold a gun to the heads of colleges and universities across the country. To say they are private actors puts form over substance, since accreditors wield federal power when they decide who gets federal dollars.

Faculty and administrators can abuse accreditation.

Too often, a trustee may hear something such as “oh, we can't do that—it would run afoul of accreditation.” Often this is said by an administrator or a faculty member in response to a proposed reform. In the cozy world of higher education accreditation, where faculty and administrators serve on accreditation visiting committees, there are hundreds of stories that reveal how insiders use the process to get a new library, demand more assets, or protest changes trustees want; accreditors become the way to ensure the status quo.

Accreditors interfere with trustee rights.

By statute and charter, trustees typically have plenary authority for the academic and financial health of their institutions. Yet accrediting bodies don't care. Since they have the power to deny or allow federal funds, they often overstep their bounds and interfere in matters of institutional governance and management—often at the urging of faculty. This is surely pronounced when it comes to the hiring and firing of the college or university president. At the University of Virginia, for example, the faculty complained that they should have been consulted before the board decided the future of the president. The faculty hue and cry caused the accreditor to put the institution on warning, discouraging trustees from performing their statutory responsibilities.

Poor Results

At its best, accreditation can lead to institutional self-improvement.

Accreditation is a form of peer-review. Experts from similar institutions visit your campus for several days and often identify areas where your college or university can improve. During the typical accreditation review, important issues of academic quality may surface to which trustees should pay attention.

At its worst, accreditation is a costly nuisance.

Unfortunately, all too often accreditation reviews can be an exercise in pushing paper and complying with a long list of rules and regulations that are focused on processes and procedures rather than educational excellence.

Accreditors regularly allow schools to stay open and receive taxpayer dollars even when their graduation rates are abysmal and when there is little evidence of student learning.

Jane Tatibouet, former Hawaii state legislator and trustee of the University of Hawaii and Cornell University
Virginia Pilot, December 30, 2012

Accreditation is no guarantor of quality.

During the last 50 years, as accrediting reviews have become more and more intrusive, the quality of higher education in America has declined. Even though the accreditation process is designed to ensure “educational quality,” there are scores of schools which graduate less than a quarter of their students in six years, leave students with high student loan burdens but no degree, and show little evidence of contributing to student learning. Yet they are all accredited! Your school may be doing a terrific job compared to the school next door. But the accrediting process won’t make any distinction.

Why? Because accreditation doesn't compare student learning outcomes, affordability and student debt loads, graduation rates, or other indicators of quality and cost. What does it measure? For the most part, accreditation looks at how an institution defines its mission and then if it has policies and procedures in place to fulfill its mission. Actual success or failure is not an accreditor's primary focus. An accreditor will typically put much more weight on resources and governance structures than any clear metric of student learning gains.

Accreditation impedes transfer.

In an era when one-third of students transfer at least once, ease of credit transfer is tremendously important. Yet many colleges will only accept a student's transfer credits if they are from an accredited institution and often only from a college accredited by a regional accrediting agency. This closed system makes it difficult for students to transfer credits from new cost-effective educational programs and typically disadvantages the very students who are least able to pay for a course that will not receive credit.

Accreditation stifles innovation.

Many students in this digital age are turning to new models of educational delivery—such as competency-based online courses and skill-building bootcamps—but can't receive federal financial aid because they aren't attending "accredited" institutions. Yet the future of American higher education will be "unbundled," as students turn to a range of providers, as needed, over a period of time. It no longer makes sense to have a regulatory regime which focuses on the control and confines of a single university.

Accrediting agencies simply can't deal with new, more affordable skills-based learning organizations that don't offer degrees, alternative providers (offline and online),

and a world in which faculty no longer do everything in the classroom. When students choose to learn from world-renowned lecturers online, or enroll in self-paced courses with academic coaches, the accreditation process can't handle these innovations and, in fact, stifles low-cost models and institutional innovations that provide greater student access.

Accreditation's heavy focus on processes and governance rules is increasingly disconnected from the priorities and needs of institutions in the rapidly changing world of higher education.

But If recent trends continue, in which the staff of accrediting agencies seek to substitute their own judgments about how an institution can best achieve its mission and measure success, we risk damaging ... outstanding institutions We should be broadening, not narrowing definitions of excellence at a time when the United States is being challenged as never before to compete in the marketplace of ideas.

Shirley M. Tilghman, past president of Princeton University
The Uses and Misuses of Accreditation
November 9, 2012

What Trustees Can Do

- 1. Don't be bullied.** If an administrator or faculty member tells you something can't be done "because of accreditation," demand the facts. Ask to speak to the accrediting agency. Trustees who exercise their fiduciary rights and responsibilities should not be intimidated by unaccountable bureaucrats.
- 2. Demand a focus on results.** A growing number of institutions have simply had enough of accreditors' time-consuming, costly focus on inputs and process. And they are taking action on their own. As a trustee, you can readily help develop a far more transparent and consumer-friendly system of accountability than accreditation. For example,

in Florida, the Board of Governors developed a set of accountability metrics that offers far more information to families than accreditation—and without the costly and intrusive burden.

- 3. Engage your accrediting agency.** If you believe your accrediting agency stifles innovation, protects the status quo, or is too faculty oriented, engage them. Ask to meet with the agency's senior leadership and push back—publicly—if they intrude on matters that are rightfully the legal obligation of trustees. Demand that trustees play a central role in developing new and streamlined accrediting standards, and make it clear to the accrediting monopolies that they need to reform and modernize.
- 4. Talk to your members of Congress.** Ultimately, the power of accreditation comes from Congress, which back in the 1950s thought accreditors could provide quality assurance. Times have changed and the higher education landscape looks nothing like it did when the GI Bill originally passed. In 2014, Congress will be looking to reauthorize the Higher Education Act and its accreditation provisions. Members of Congress need to hear from trustees on this vital issue: your thoughts on what works, what doesn't work, and how to make it better.

ACTA has endorsed an alternative system of accreditation that would end the existing costly, ineffective, and intrusive process, and place the power back where it belongs—in the institution. You can find information on accreditation reform on our website, www.goacta.org/initiatives/accreditation_reform. We welcome your input and hope to hear from you at 202-467-6787.





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