

Testimony before the

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Committee on Health, Education, Labor and Pensions

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Chairman Alexander, Ranking Member Murray, and members of the Committee, thank you for the opportunity to present testimony today on the important issue of accountability in higher education.

My name is Belle Wheelan, and for nearly 15 years, I have served as President of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), one of seven recognized regional accrediting agencies in the nation. SACSCOC represents the common denominator of shared values and practices among more than 794 institutions across 11 southern states, consisting of 480 public, 305 private, and nine for-profit institutions. Our institutions are diverse and encompass research universities, state colleges, liberal arts colleges, community and technical colleges, Historically Black Colleges, Hispanic Serving Institutions as well as faith-based institutions.

SACSCOC-accredited institutions enroll nearly 4.5 million students, 41% of whom receive Pell Grants and 39% of whom receive federal loans. Taken altogether, these institutions have a Title IV federal student aid volume of over \$30 billion annually.

I'm here today to provide an overview on how our agency functions as a gatekeeper to these federal funds and how our accredited institutions are held accountable for academic quality, which in turn protects the investments of students, parents and taxpayers.

The process of accountability includes the requirement that eligible institutions be authorized by the states in which they operate and approved by the U.S. Department of Education. While states focus largely on consumer protections for students, the Department is responsible for ensuring compliance with federal rules and regulations tied to student aid.

SACSCOC's role of what is commonly referred to as the "triad" is to oversee and ensure the quality of education at each of the institutions we accredit.

Once eligible for consideration to be accredited, an institution must apply for candidacy, a process that involves demonstrating through a compliance certification to the Commission that they meet each of our rigorous standards in areas such as student achievement and fiscal capacity. Our Board of Trustees, comprised of 77 members elected by the membership, relies on the work of over 5,000 volunteer peer reviewers to help inform decisions around final accreditation approvals.

If an institution becomes accredited, it will be subject to ongoing review and robust oversight by our Commission, including undergoing a comprehensive evaluation every 10 years, submitting a formal report at the fifth year, and providing annual reports that include financial information and completion data. In addition, if an institution does not demonstrate compliance with our standards at any time during the decennial process, we are obligated to assess the reasons for non-compliance and may leverage a sanction on the institution.

Some have proposed that, as part of the next reauthorization of the *Higher Education Act*, the federal government, either directly or through accreditors, should impose “bright lines” for institutions that would result in the loss of accreditation and the ability to participate in federal student aid programs if institutions do not meet certain outcomes.

I understand why some would be interested in such an idea. It seems simple, takes away most subjectivity, and would presumably remove “bad actors,” thereby protecting students. Unfortunately, it’s simply not that simple.

I will use graduation rates as an example since it’s most often the suggested metric for which a bright line could be applied.

Last year, the Council of Regional Accrediting Commission, of which SACSCOC is a member, issued a one-year review of the Graduation Rate project that had been initiated the prior year.

One of our goals of this project was to take a deeper look at federal graduation rates. At times, accreditors are asked –“why do you accredit some institutions that have extremely low graduation rates?” It was and continues to be a fair question, and one we felt needed to be answered.

As part of the project, we examined both 2-year and 4-year institutions with a federal IPEDS graduation rate below 25 percent, or half the national average. We found that at 75 percent of these “low-grad” institutions, a majority of students (and often a vast majority) were not reflected in the federal data because they did not enter the institutions as first-time, full-time students. An inaccurate representation of an institution’s student body will clearly have a significant impact on the institution’s graduation rate and outcomes.

As cited in our report, “The Western Association Senior Colleges (WASC) analyzed 23 California State University institutions and found that the federal IPEDS Student Right to Know graduation rate dramatically underreported graduation rates by 3 to 32 percentage points, largely because the data did not include large groups of students (including non-first-time, non-full-time students) enrolled.”

In our own region, we looked at the impact of using data from the National Student Clearinghouse, which tracks far more students and uses a longer period of time for when student graduate (particularly relevant for part-time and non-traditional students). Not surprisingly, the graduation rates of the

community colleges we examined doubled from 21 percent to 40 percent.

The point here is not just that federal graduation rates are often incomplete (an issue I know Congress is working to tackle), but also the fact that “bright line” graduation rates would invariably fail to capture the many different ways in which graduation rates can be approached. Nor would bright lines, in and of themselves, account for the significant differences between our institutions - ranging from highly selective universities to community colleges that have open door admission policies and enroll students of widely varied academic abilities.

However, I want to be very clear: although I oppose the concept of federal “bright lines” for accountability, I strongly believe we as accreditors can and must hold institutions accountable for student outcomes, such as graduation rates.

In fact, that is exactly the direction all regional accreditors, including SACSCOC, are headed.

As part of the reviews I mentioned above, SACSCOC takes a close look at institutional outcome metrics including enrollment, completion rates, cohort default rates, retention/withdrawal rates, transfer-out rates, loan repayment rates, and median earnings. These reviews are sometimes done at the institutional level and at times drive down to the program level, depending on information provided by the institution.

At SACSCOC, we pay particular attention to graduation rates – however, we recognize that there is more than one way to define “graduation rate.” But we didn’t let that prevent us from holding institutions accountable for this important outcome. Under our newly-adopted standards, we require every institution to identify a key student completion indicator from the following completion metrics to serve as their “baseline performance level”:

- 1) “Traditional” IPEDS overall graduation rate (within 150% time);
- 2) “New” IPEDS Outcome Measure (8-year award rate); or
- 3) National Student Clearinghouse “total” completion rate (6 years).

Subsequent performances are then compared to baseline levels. Peer evaluation committees are expected to use this information as contextual reference points to inform their reviews of institutional cases for compliance.

We also ask each of our institutions to identify peer institutions and evaluate their performance and outcomes data against similarly-situated institutions. We do this as a way to encourage institutions to consider how they could learn and adopt strategies from high-performing peers. This work has also included, for example, polling all of our institutions for effective strategies to increase graduation rates. We received over 5,000 comments that have enabled institutions to learn about best practices to address this issue.

We also require every institution to develop a Quality Enhancement Plan (QEP). These plans must focus on how the institution intends to improve specific student learning outcomes and/or student success. Institutions must also commit resources to initiate, implement, and complete their plans.

The QEP is an example of intentional and focused use of institutional evaluation data to identify and address a specific and significant area for improving student achievement.

Our standards also hold institutions accountable for collecting and using evaluation data to inform planning and improvement efforts. Many institutions struggle with this necessary requirement. During the first (off-site) stage of the peer review process, about a quarter of institutions in the 2018 class were found to be in non-compliance with this standard. However, by the time the entire process is completed, all but 4% of the same institutions had demonstrated compliance.

Since we perceive the reaffirmation of accreditation process to be a continuous improvement process, institutions are able to provide additional information after each stage of the review process, often yielding more positive results and, subsequently, greater compliance with the standards.

Since completion data is submitted annually, staff is able to work with institutions that are making little or no progress with related compliance issues.

When the Commission has reason to believe that an institution is no longer meeting one of our standards (which are consistent with those standards required under HEA), it will ask the institution to demonstrate how it plans to come into compliance through a monitoring report. If after two monitoring reports an institution is not able to demonstrate compliance, it is placed on either Warning or Probation, or its accreditation is withdrawn altogether. The withdrawal of membership or loss of accreditation can be appealed on procedural grounds. During that process, if it is determined that the reason for the drop was strictly financial, there is a provision for new evidence that, if found to be material and significant, can lead the Commission to reconsider its decision.

I hope that my testimony here today has helped provide a better understanding of how accreditors such as SACSCOC strive each and every day to help not only improve institutions but also to protect students, parents and taxpayers.

As you consider changes to the *Higher Education Act*, I welcome the opportunity to work with each of you on ways to ensure we are living up to this responsibility.

Thank you for the opportunity to testify and I welcome any questions you may have.