Higher Education Accreditation

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The Postsecondary National Policy Institute (PNPI) provides current and prospective policymakers with a substantive and collegial foundation on which to build federal higher education policies that drive positive outcomes for students and their families.

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# Contents

Summary ........................................................................................................................................... 4
A History of Accreditation .................................................................................................................. 4
Purposes and Uses of Accreditation .................................................................................................... 7
The National Advisory Committee on Institutional Quality and Integrity ...................................... 7
Types of Accreditors .......................................................................................................................... 8
  Institutional Accreditors ................................................................................................................... 9
  Specialized or Programmatic Accreditors ....................................................................................... 10
The Accreditation Process .................................................................................................................. 11
Evaluation ........................................................................................................................................ 12
Accreditor Recognition ...................................................................................................................... 13
Accreditor Standards ........................................................................................................................ 14
Recent Developments ......................................................................................................................... 15
Concerns ........................................................................................................................................... 16
Sources ............................................................................................................................................ 17
Acknowledgements ........................................................................................................................... 17

Clicking the PNPI Logo at the top-right of each page will return you to this table of contents
Summary

Accreditation is the process of recognizing that an institution of higher education meets established standards, including a general standard of quality. In the United States, non-governmental organizations recognized by the Secretary of Education conduct a peer-review accreditation process for colleges and universities and their programs. According to the National Advisory Committee on Institutional Quality and Integrity (NACIQI) Accradiator Dashboard released in July 2022, 5,132 institutions of higher education operating 6,512 campuses were accredited. Among those institutions, about 14.5 million students receive about $110 billion in federal student aid per year. Most accredited institutions—3,058 of them—offer predominantly less-than-four-year credentials, while 2,074 offer predominantly four-year degrees and above.

A History of Accreditation

As the number of educational institutions grew in the 1800s, it became increasingly difficult to distinguish between secondary schools and colleges, and their respective educational offerings. At that time, there was little government oversight of higher education, so colleges and universities took it upon themselves to create voluntary, non-governmental organizations to provide standards to distinguish them from secondary schools. The first of these organizations was the New England Association of Colleges and Secondary Schools (now called the New England Commission on Higher Education), which was founded in 1885. By 1923, with the founding of the Western Association, the nation was fully covered by six regional accreditors, each tasked with accrediting colleges and universities in its respective region.

Although higher education accreditation has existed since the late 1800s, the federal government had little interest in the process until the early 1950s, when federal investments in postsecondary education dramatically increased. In 1944, Congress passed the Servicemen's Readjustment Act of 1944 (more commonly known as the G.I. Bill), which provided federal education benefits for returning veterans. Based on the popularity of this bill, Congress passed the Veterans' Readjustment Assistance Act of 1952 (also known as the Korean War G.I. Bill), which increased federal education benefits previously available to veterans in the original G.I. Bill.

To prevent these funds from going to poor-quality providers of higher education, Congress determined that it needed a system to ensure a basic level of quality for institutions receiving federal dollars. To meet this need, the federal government turned to the existing system of accreditation—one that is private and voluntary. Using a non-governmental private actor to conduct institutional assessments meant the government did not need to oversee and judge the quality of institutions directly.

1 For a detailed history of U.S. higher education accreditation, see Brittingham (2009).
Under the Veterans’ Readjustment Assistance Act of 1952, the U.S. Commissioner of Education was authorized “to 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...”

This list was used by state approval agencies to determine the schools at which veterans could use their G.I. education benefits. When the federal government began providing financial support for college to students beyond veterans, Congress continued to rely on accreditation as a basic quality check for receipt of federal funds.

With passage of the Higher Education Act of 1965, Congress deemed as eligible for federal funding an institution of higher education that was “accredited by a nationally recognized accrediting agency or association or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited.”

Carrying this accreditation eligibility criterion into subsequent reauthorizations of the Higher Education Act, Congress cast the voluntary system of accreditation into the role of primary gatekeeper for federal higher education funds.

Although Congress has added institutional eligibility criteria over the years (e.g., standards for fiscal responsibility, cohort loan default rates) accreditation remains the key eligibility criterion for access to federal student loans and grants under Title IV of the Higher Education Act.

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3 The National Defense Education Act of 1958, Pub. L. No. 85-864, often considered the predecessor to the Higher Education Act of 1965, was the first federal statute to provide financial support beyond veterans to attend higher education.

4 Higher Education Act of 1964, Pub. L. No. 89-329, §801. The provision allowing an unaccredited institution whose credits were accepted for transfer by at least three accredited institutions to be eligible was dropped in the 1992 reauthorization of the Higher Education Act. However, there are allowances in the statute that allow for new institutions with provisional accreditation from a recognized accrediting agency to qualify for Title IV student aid.
### Figure 1: Major Changes to Federal Financial Aid and Accreditation

<table>
<thead>
<tr>
<th>Law</th>
<th>Changes to Federal Aid</th>
<th>Requirements to Receive Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Servicemen’s Readjustment Act of 1944 (G.I. Bill)</td>
<td>Provided federal education benefits for veterans as well as vocational, on-the-job, and on-farm training with little oversight.</td>
<td>Required state agency approval.</td>
</tr>
<tr>
<td>Veterans’ Readjustment Assistance Act of 1952 (Korean War G.I. Bill)</td>
<td>Provided federal education benefits for veterans with increased oversight.</td>
<td>Required accreditation or proof that credits were accepted by three accredited schools for public and non-profit schools. Unaccredited schools had to apply and be approved by state agencies through a lengthy process.</td>
</tr>
<tr>
<td>Higher Education Act of 1965</td>
<td>Provided grants and loans to all students at public and non-profit schools.</td>
<td>Required accreditation or proof that credits were accepted by three accredited schools for public and non-profit schools. Unaccredited public and non-profit schools had to be making reasonable progress toward accreditation, as determined by the commissioner of education.</td>
</tr>
<tr>
<td>National Vocational Student Loan Insurance Act of 1965</td>
<td>Provided loans to students at vocational schools.</td>
<td>Required accreditation or certification by state agency or committee established by the commissioner of education if no agency existed.</td>
</tr>
<tr>
<td>Higher Education Act Amendments of 1972</td>
<td>Provided grants and loans to all students at public and private non-profit and for-profit schools; increased federal grant aid.</td>
<td>Required accreditation or reasonable progress toward accreditation. Public and non-profit schools could show proof that credits were accepted by three accredited schools in lieu of accreditation.</td>
</tr>
<tr>
<td>Higher Education Amendments of 1992</td>
<td>Added increased oversight to student aid programs.</td>
<td>Created state postsecondary review agencies that would identify potentially problematic institutions based on indicators determined by Congress. Provided the Secretary of Education authority to establish standards for approval of accrediting agencies. Accreditors had to meet new requirements established by Congress and the Secretary.</td>
</tr>
<tr>
<td>Higher Education Amendments of 1998</td>
<td>Decreased state oversight.</td>
<td>State review agencies were eliminated. Requirements on accreditors were reduced.</td>
</tr>
<tr>
<td>Higher Education Act Amendments of 2008</td>
<td>Decreased federal oversight and requirements of accreditors.</td>
<td>Accreditors could apply standards based on individual institutional mission. Secretary of Education was prohibited from imposing requirements on accreditors that specify standards or assess student learning.</td>
</tr>
</tbody>
</table>

Purposes and Uses of Accreditation

Accrediting agencies and associations have developed criteria and standards based on core values that their member institutions must meet to become and remain accredited. From these core values also flow the purposes and uses of accreditation. The system of accreditation purports to perform a variety of functions, including:

- Verifying to students and the public that an institution meets a set of established standards (e.g., curriculum, faculty, student services, fiscal stability) and assisting individuals in identifying the institutions that meet the standards;
- Determining eligibility for federal and state funds for higher education;
- Establishing criteria for professional and state certification and licensure;
- Assisting institutions in making determinations in accepting academic credits upon transfer from other institutions;
- Assisting employers in evaluating the academic credentials of prospective employees;
- Providing the public and the private sector with a basis for making determinations about private and public giving; and
- Providing goals for institutional self-improvement and providing a means for involving faculty and administration in institutional evaluation, planning, and improvement.5

The National Advisory Committee on Institutional Quality and Integrity

Although the federal government does not accredit institutions of higher education directly, it approves accrediting agencies that it deems to be "reliable authorities" with regard to the quality of the education or training provided by the institutions that they accredit. In 1968, the Commissioner of Education created the Accreditation and Institutional Eligibility Advisory Committee to assist the federal government in developing criteria to review and designate accrediting agencies under the Higher Education Act.

Today, this advisory committee is known as the National Advisory Committee on Institutional Quality and Integrity (NACIQI). It is an independent advisory committee established by statute that advises the U.S. Secretary of Education on the recognition of postsecondary accreditation organizations.

The functions and mission of NACIQI are laid out in Section 114 of the Higher Education Act. Specifically, NACIQI is to advise the Secretary of Education regarding:

- The establishment and enforcement of the standards for accrediting agencies under the Higher Education Act;
- The recognition of specific accrediting agencies or associations;
- The eligibility requirements for institutions of higher education under Title IV of the Higher Education Act;

5 Adapted from an Overview of U.S. Accreditation by Judith Eaton at The Council for Higher Education Accreditation and ED's College Accreditation in the United States.
Recommendations for improvement of the eligibility and certification process for institutions of higher education; and

The relationships among accrediting agencies, states, and the federal government, commonly referred to as the higher education triad.

Over the years, Congress has stipulated specific standards in statute that NACIQI and the U.S. Department of Education (ED) must assess to determine whether to recognize an accrediting agency as a reliable authority of the quality of the education or training provided by the institutions or programs it accredits. In addition to specifying that accrediting agencies must have standards related to student achievement, faculty, finances, and facilities, the Higher Education Act lays out required procedures for operations and the affording of due process to accreditors' member institutions.

One of NACIQI's functions is to put forth policy recommendations related to the reauthorization of the Higher Education Act. NACIQI provided its most recent recommendations in 2018.

NACIQI consists of 18 members, with six each appointed by the Speaker of the U.S. House of Representatives, the President Pro Tempore of the U.S. Senate, and the U.S. Secretary of Education. As is required by statute, NACIQI meets no less than two times per year. Meetings are typically held in the spring and fall and are open to the public. Accreditors are reviewed during NACIQI meetings, with members voting on a recommendation to ED for each one; and NACIQI members also debate other matters of quality assurance policy.

In addition to accreditors receiving recognition from ED, the private, non-government Council for Higher Education Accreditation (CHEA) also reviews and recognizes accreditors, and serves as a membership association of institutions. Though many accreditors are recognized by both ED and CHEA, only recognition by ED allows an institution to qualify for federal student aid. The primary purpose of CHEA accreditation is to assure and improve ongoing academic quality in courses, programs, and credentials. Department recognition is based largely on ten standards accreditors must have relating to administrative and financial practices, and CHEA accreditation is based on six similar, but slightly different, standards for academic quality.

Types of Accreditors

Over the years, two types of accreditors have evolved: institutional accreditors and specialized/programmatic accreditors. Institutional accreditors evaluate institutions as a whole, determining, among other things, if an institution has adequate administrative, fiscal, and human capacity to carry out its mission and goals. While an institution's offerings in and oversight of its individual departments and schools are reviewed during the course of institutional accreditation, such academic departments and schools are not individually or separately reviewed.

Specialized or programmatic accreditors, on the other hand, evaluate a particular school, department, or program typically related to a given profession or vocation (e.g., medicine, law, funeral services, massage therapy). Although a number of states require students to graduate from an accredited specialized program for licensing purposes (e.g., medical school), institutional accreditation is key for purposes of Title IV eligibility under the Higher Education Act. Some programmatic accreditors, such as the American Bar Association (ABA), may also serve as institutional accreditors for Title IV purposes.
Institutional Accreditors

There have historically been two types of institutional accrediting agencies in the United States: regional accreditors and national accreditors. Regional accreditors primarily accredited public and private non-profit degree-granting institutions within a stated geographic area, though they do accredit for-profit institutions as well. Among the national accreditors there are two broad types: (1) national career-related accreditors, which mainly accredit for-profit career colleges and non-degree-granting institutions, and (2) national faith-related accreditors, which mainly accredit non-profit religious and doctrinally based institutions.

Regulations that took effect in 2020 removed the distinction between regional and national accreditors, terming all such agencies “institutional accreditors.” Prior to that, there were seven regional accrediting agencies and eleven national institutional accreditors. In addition to the regional accreditors, the New York Board of Regents is authorized under the Higher Education Act to serve as an institutional accreditor for Title IV purposes, the only such state government agency authorized under law to serve in this capacity. With regard to degree-granting institutions, the following accreditors are recognized by ED:

**Figure 2: Formerly-Known-As Regional Institutional Accreditors**

<table>
<thead>
<tr>
<th></th>
<th>The Higher Learning Commission (formerly known as North Central Association of Colleges and Schools)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Middle States Commission on Higher Education</td>
</tr>
<tr>
<td>3</td>
<td>New England Commission on Higher Education</td>
</tr>
<tr>
<td>4</td>
<td>Northwest Commission on Colleges and Universities</td>
</tr>
<tr>
<td>5</td>
<td>Southern Association of Colleges and Schools, Commission on Colleges</td>
</tr>
<tr>
<td>6</td>
<td>Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges</td>
</tr>
<tr>
<td>7</td>
<td>Western Association of Schools and Colleges, Senior Colleges and Universities Commission</td>
</tr>
</tbody>
</table>

Source: CHEA.
### Figure 3: Formerly-Known-As National Institutional Accreditors

<table>
<thead>
<tr>
<th></th>
<th>Accrediting Bureau of Health Education Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Accrediting Commission of Career Schools and Colleges</td>
</tr>
<tr>
<td>3</td>
<td>Accrediting Council for Continuing Education and Training Association for Biblical Higher Education, Commission on Accreditation</td>
</tr>
<tr>
<td>4</td>
<td>Association of Advanced Rabbinical and Talmudic Schools Accreditation Commission</td>
</tr>
<tr>
<td>5</td>
<td>Association of Institutions of Jewish Studies</td>
</tr>
<tr>
<td>6</td>
<td>Commission on Accrediting of the Association of Theological Schools</td>
</tr>
<tr>
<td>7</td>
<td>Council on Occupational Education</td>
</tr>
<tr>
<td>8</td>
<td>Distance Education Accrediting Commission</td>
</tr>
<tr>
<td>9</td>
<td>National Accrediting Commission of Career Arts and Sciences, Inc.</td>
</tr>
<tr>
<td>10</td>
<td>Transnational Association of Christian Colleges and Schools Accreditation Commission</td>
</tr>
</tbody>
</table>

*Source: CHEA.*

### Specialized or Programmatic Accreditors

Specialized or programmatic accreditors evaluate a particular school, department, or program that is typically related to a given profession or vocation. Specialized accreditors span a variety of fields—from education, the arts and humanities (e.g., art, music, theater, dance), and personal services such as massage therapy, to a number of healthcare-related vocations (e.g., nursing, physical therapy, medicine).

For purposes of eligibility for Title IV grants and loans, only institutional accreditation is required. However, a programmatic accreditor may also serve as an institutional accreditor in the case of a specialized or vocational institution that is freestanding and whose operations are wholly separate and independent from any other accredited institution with a broader educational mission and offerings.

In addition to recognizing accreditors for purposes of Title IV of the Higher Education Act, ED also recognizes programmatic/specialized accrediting agencies for the purpose of participation in programs administered by other federal agencies. For example, to participate in certain loan programs administered by the U.S. Department of Agriculture, participants must have graduated from a veterinary school accredited by the American Veterinary Medical Association.

ED lists currently recognized specialized/programmatic accreditors [here](#).

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*See section 496(a)(2) of the Higher Education Act.*
Most accreditors are recognized by both ED and the Council for Higher Education Accreditation (CHEA). However, an accreditor seeking recognition from the Secretary of Education must meet ED’s regulatory criteria for the recognition of accreditors, and must have a link to a federal program (e.g., federal student aid).7 Thus, some programmatic accreditors that do not have a federal program link, like the Accreditation Council for Business Schools and the American Library Association Committee on Accreditation, cannot be recognized by ED and are recognized solely by CHEA.8

**The Accreditation Process**

At the core of the accreditation process are standards for institutions. As accreditation is a voluntary, member-driven process, the standards for accreditation are developed and established in collaboration between the accreditors and their member institutions. In becoming accredited, an institution agrees to submit to the standards of its accreditor. Although standards are established and agreed to by accreditors and their member institutions, ED requires its recognized accreditors to assess various elements stipulated by Congress in the Higher Education Act. The required standards assess an institution’s:

- Success with respect to student achievement in relation to the institution’s mission, which may include different standards for different institutions or programs as established by the institution, including, as appropriate, consideration of state licensing examinations, consideration of course completion, and job placement rates;
- Curricula;
- Faculty;
- Facilities, equipment, and supplies;
- Fiscal and administrative capacity as appropriate to the specified scale of operations;
- Student support services;
- Recruiting and admissions practices, academic calendars, catalogs, publications, grading, and advertising;
- Measures of program length and the objectives of the degrees or credentials offered;
- Record of student complaints received by, or available to, the agency or association; and
- Record of compliance with program responsibilities under Title IV of the Higher Education Act based on the most recent student loan default rate data provided by the Secretary, the results of financial and compliance audits, program reviews, and any such other information as the Secretary may provide to the agency or association.9

Additionally, for institutions offering distance or correspondence education, the Higher Education Act requires that accreditors have standards that effectively address distance education (though they do not need to have different standards than for brick-and-mortar programs), and for institutions to verify that the student who enrolls for a course is the same student who completes and receives credit for the course.10

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7 For further explanation of the ED recognition process, see [here](#).
8 See CHEA’s [2022 annual report](#) for a list of all CHEA recognized accreditors.
9 See section 496(a)(5) of the Higher Education Act.
10 See section 496(a)(4) of the Higher Education Act.
After receiving initial accreditation, institutions must be reevaluated for accreditation periodically. This is done at least every ten years based on the accreditor and the type of accreditation. Additionally, accreditors continually monitor their member institutions.

As membership organizations, accrediting agencies are financed through annual membership dues paid by member institutions, as well as through fees assessed on institutions for the cost of accreditation reviews.

**Evaluation**

According to CHEA, the key components to the accreditation evaluation process are:

- **Self-Study**: Institutions conduct an in-depth self-study that measures and evaluates their performance based on the standards of their accreditor.

- **Peer Review**: The review and evaluation of an institution is conducted primarily by a team of faculty and administrative peers. Volunteer institutional peers review the institution’s self-study and serve as members of the on-site evaluation team.

- **Site Evaluation**: A team of peer volunteers and members of the public visits the institution to meet with various members of the institutional community to verify in person that the institution meets the standards for accreditation.

- **Judgment by Agency**: Following the review of the self-study and the site visit, the accreditation team makes a recommendation to the accrediting agency. The accrediting agency then makes an accreditation determination. Those judgments may include a variety of determinations—initial accreditation granted, initial accreditation denied, accreditation continued, institution placed on notice or warning, institution placed on probation, or accreditation terminated or denied.

- **Periodic Review and Monitoring**: Following initial granting of accreditation and following granting of reaccreditation, the accrediting agency continually monitors its institutions.\(^\text{11}\)

Below is an annual snapshot of accreditation judgments made by accrediting agencies in 2022.

\(^{11}\) See Eaton, J. (2015, November).
Figure 2: Summary of Accreditation Actions by Accréditor Type:  
Jan. 1 – Dec. 31, 2022

<table>
<thead>
<tr>
<th>Accreditation Action</th>
<th>Regional</th>
<th>National Faith-Related</th>
<th>National Career-Related</th>
<th>Programmatic</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Accreditation</td>
<td>14</td>
<td>7</td>
<td>63</td>
<td>727</td>
<td>811</td>
</tr>
<tr>
<td>Reaffirm Accreditation</td>
<td>273</td>
<td>25</td>
<td>533</td>
<td>1486</td>
<td>2317</td>
</tr>
<tr>
<td><strong>Total Positive Actions</strong></td>
<td><strong>287</strong></td>
<td><strong>32</strong></td>
<td><strong>596</strong></td>
<td><strong>2213</strong></td>
<td><strong>3128</strong></td>
</tr>
<tr>
<td>Deny Accreditation</td>
<td>0</td>
<td>0</td>
<td>12</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>Withdraw Accreditation</td>
<td>12</td>
<td>3</td>
<td>123</td>
<td>108</td>
<td>246</td>
</tr>
<tr>
<td>Defer Accreditation</td>
<td>0</td>
<td>1</td>
<td>118</td>
<td>168</td>
<td>287</td>
</tr>
<tr>
<td>Notice/ Warning</td>
<td>26</td>
<td>3</td>
<td>29</td>
<td>84</td>
<td>142</td>
</tr>
<tr>
<td>Show Cause</td>
<td>4</td>
<td>1</td>
<td>67</td>
<td>17</td>
<td>89</td>
</tr>
<tr>
<td>Probation</td>
<td>7</td>
<td>1</td>
<td>27</td>
<td>76</td>
<td>111</td>
</tr>
<tr>
<td>Appeals</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total Negative Actions</strong></td>
<td><strong>49</strong></td>
<td><strong>9</strong></td>
<td><strong>377</strong></td>
<td><strong>459</strong></td>
<td><strong>894</strong></td>
</tr>
</tbody>
</table>

*Source: CHEA Almanac.*

The loss of accreditation is more than just the loss of a simple designation. Because institutions typically rely on federal funds from student financial aid, an institution’s loss of accreditation usually results in its closure. Recognizing this, accreditors rarely remove a member institution’s accreditation. Policymakers, also understanding the repercussions of the loss of accreditation, have built into law a series of due process requirements that accreditors must afford an institution prior to stripping their accreditation. These measures often result in years of delay in administrative action.

## Accréditeur Recognition

Accrediting agencies are subject to recognition by ED to ensure they meet the requirements laid out in law. In general, agencies are up for review once every five years, though they may be required to report sooner if compliance problems are noted.

The process begins with agencies submitting required documents to ED. This portion of the process begins at least two years prior to the expiration of the agency’s grant of recognition. The public may also submit comments on the agency. Agencies may be required to submit to monitoring during their period of recognition if the Department becomes aware of potential compliance problems.
Department staff in the Accreditation Group (a section of the Office of Postsecondary Education) prepare a report summarizing each agency’s compliance. After receiving and responding to the agency’s comments on the report, the staff make a recommendation to the senior department official, a role assigned by the Secretary.

That report and the staff recommendation are forwarded to NACIQI for what is effectively the only public-facing portion of the process. The committee assigns two members to serve as the key readers of the material for an agency, who present their review to the rest of the NACIQI body during a public meeting. After a response from the accreditor, debate and discussion among the members, and an opportunity for public comment, NACIQI makes its own recommendation to ED based on a vote.

Both the Accreditation Group staff and the NACIQI recommendations are forwarded to the senior department official who will make the ultimate decision within 90 days of the end of the NACIQI meeting. While all of the staff and NACIQI materials are considered as part of the record, the senior official is not required to adopt either of their recommendations. If the accreditor is dissatisfied with the senior department official’s decision, it may appeal the decision to the Secretary. If the agency is still unhappy, it may contest that decision in U.S. District Court.

**Accreditor Standards**

Accrediting agencies are required, under statute and regulations, to maintain appropriate and effective policies and standards across a wide variety of areas. For instance, accrediting agencies must maintain a voluntary membership of institutions. Agencies must have adequate staff and finances to serve as effective arbiters of quality; have competent and qualified staff, reviewers, and decision-makers; and be able to prevent conflicts of interest.

Accreditors must also set forth “clear expectations” for their accredited institutions or programs in a variety of areas, including student achievement, curricula, faculty, facilities, fiscal and administrative capacity, recruiting and admissions practices, and handling of student complaints. They must evaluate institutions based on a self-study submitted by the college, an on-site review of the campus, and any other relevant information the agency has, and must ensure institutions have a chance to respond to the agency’s report on the college and sufficient due process if the agency decides to take action against the school. Institutions must be evaluated and re-evaluated periodically; some agencies grant accreditation for as long as 10 years to an institution without known issues, requiring minimal annual reporting in the meantime.

When an institution falls short of an accreditor’s standards, it is given ample time to come back into compliance—as long as four years or 150% of the longest program at the college (whichever comes first). However, agencies are required to take adverse actions after that time or issue a good-cause extension. Accrediting agency actions vary in terminology and severity, but typically range from a warning or monitoring requirement up to a loss of accreditation. Accreditors may place an institution on probation or require an institution to show within a certain period of time why it should not lose accreditation.
Institutions are protected from accreditor sanctions in several ways. For instance, agencies are required to evaluate colleges in the context of their mission and stated objectives—a provision that, to a certain extent, allows institutions to set the bar to which they are held. Nonetheless, accreditors are often sued for the actions they take, despite a requirement that institutions first go through arbitration.\(^{12}\)

In addition to ensuring institutions meet accrediting agency standards, accreditors are also required to monitor major shifts in how colleges are operating. Known as “substantive changes,” these include changes in the mission or program offerings of a school; changes in ownership or the control (sector) of the institution; changes in how the institution measures student progress; and the acquisition or opening of new campuses.

Accrediting agencies are also responsible for preparing for the possibility of a permanent institutional closure, whether as a result of accreditor sanctions or for other reasons. That may include ensuring that institutions at risk of closure submit teach-out plans (a loose set of options for how the institution might wind down) and/or agreements (signed contracts for another institution to continue students’ education if the school shutters). It also includes ensuring adequate communication between the institution and its students during a closure process, and between the accreditor and other members of the triad—states and ED.

Recent Developments

In July 2018, ED announced it would conduct a rulemaking on accreditation. The final rule, effective July 1, 2020, minimizes the difference between national and regional accreditors by removing the geographic distinction of regional accreditor recognition, acknowledging that these accreditors often recognize institutions outside of their stated geographic region, and terming all such agencies institutional accreditors. In response to this rule, several regional accreditors have indicated they intend to expand nationally.

The rule no longer requires full accrediting agency approval of all substantive changes, only “high-impact, high-risk changes.” Some types of substantive changes may be reviewed and approved by senior agency staff, including changes in program modalities, changes in how the institution measures student progress (e.g., whether via time-based or non-time-based methods), and agreements with non-Title IV eligible organizations to offer 25–50% of a program.

The rule eases requirements for recognition of new accrediting agencies, fast tracking approval for agencies that are affiliates of a recognized accreditor. Furthermore, when an institution fails to meet its accreditor’s stated standards, they are given up to 150% of the maximum program length or four years, whichever comes first, to come back into compliance. After this period of time, accreditors are required to sanction the institution. If an accreditor is only partially deficient in meeting ED standards, ED can determine it is “substantially compliant” and allow the agency to submit a more lenient monitoring report rather than a compliance report.

ED has indicated it may launch another rulemaking to modify the accreditation regulations. Further information on that process is expected in spring 2023.

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\(^{12}\) See 20 USC 1099b(e).
Concerns

The federal government’s investment in student aid is significant, totaling $140 billion in the 2023 fiscal year. Given this, policymakers and others are asking what students, the government, and taxpayers are getting for such a large investment. Although many indicators point to the U.S. still being a leader in higher education research and innovation, some paint a less-than-stellar picture of performance. Annual government statistics indicate that 64% of students who start a bachelor’s degree program complete a degree within six years, and for low-income, minority, and non-traditional students, these six-year completion rates are even lower. There is also some debate on the extent to which students learn and retain skills and concepts while in college.

There has been growing concern about what accreditation is doing to ensure academic quality, especially given its role as the gatekeeper for the federal student aid system. Coupled with this concern is the changing postsecondary landscape, which includes a surging number of non-institutional providers, such as coding boot camps, MOOCs, and competency-based education courses. This new landscape suggests new responsibilities for quality assurance or accreditation organizations.

Several reports have been released to address the concerns about student performance and the changing postsecondary landscape. In April 2012, NACIQI, at the behest of the Secretary of Education, released a report entitled, “Higher Education Act Reauthorization: Accreditation Policy Recommendations” to provide recommendations for reform, including retaining the linkage between accreditation and eligibility for federal student aid funds and clarifying the roles of each member of the triad.

In 2014, a Government Accountability Office (GAO) report raised concerns about ED’s oversight of schools and accreditors, and a follow-up report in 2017 analyzing the current accreditation system identified several strengths, weaknesses, and opportunities for reform.

In 2015, in an effort to extend its formal policy agenda, NACIQI issued recommendations to build upon its 2012 report. The recommendations suggest simplifying the accreditation and recognition process, enhancing nuance in that process, reconsidering the relationship between quality assurance processes and access to Title IV funds, and reconsidering the roles and functions of NACIQI itself. In 2018, NACIQI again released a report detailing recommendations for both reform and encouraging innovation in accreditation.

In late 2015 and early 2016, ED put forth a “transparency agenda” for accreditation. ED’s website publishes accreditors’ standards for evaluating student outcomes and key student and institutional metrics for each accreditor.

In late 2018, ED published an updated agenda for higher education, “Rethinking Higher Education.” As part of this agenda, accreditation reform was guided by nine broad proposals that ED believed would increase innovation in higher education, increase ease of transfer for students and their families, and streamline both the accreditor recognition process and institutional compliance with accreditation. ED has not yet released proposals for any forthcoming 2023 rulemaking.

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13 See the NCES Fast Facts.
14 See for example Kutner et al. (2005) and Mayhew et al. (2016).
Sources


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