

September 20, 2021

The Honorable Miguel Cardona, Ed.D.
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary Cardona,

We submit this letter on behalf of the undersigned organizations to urge the Senior Department Official at the U.S. Department of Education (Department) to renew recognition of the Accrediting Commission of Career Schools and Colleges (ACCSC) for a term of no more than three years.

The Department's accreditation group found ACCSC in compliance and recommended a full five-year renewal. During their July 2021 meeting, however, members of the Department's National Advisory Committee on Institutional Quality and Integrity (NACIQI) identified multiple troubling issues with the accreditor. These concerns included:

- ACCSC has accredited a number of schools that barely cleared the 90/10 threshold, that saddled students with debt, and that had poor student outcomes--as reflected in the data provided in the accreditor dashboard. Over a quarter of ACCSC schools showed no return on investment for their students. The majority of students at those schools earned less than the average high school graduate within the state where their institutions were located, even 10 years after initial enrollment.¹
- Some schools long accredited by ACCSC faced law enforcement investigations, student and whistleblower complaints, and media scrutiny for deceptive and predatory behavior.²

After extensive deliberation, NACIQI members voted to recommend that ACCSC be recognized for three years instead of five.

¹ Michael Itzkowitz, "Should This College Accrator Be In Charge of Assessing Educational Quality?" Third Way, July 26, 2021, <https://www.thirdway.org/blog/should-this-college-accreditor-be-in-charge-of-assessing-educational-quality>

² These institutions have included the now-closed Premier Education Group, Vatterott College, and Center for Excellence in Higher Education (CEHE) schools. See Marissa Alayna Navarro, "How a College Accrediting Agency Failed To Protect Students From a Decade of Fraud," Center for American Progress, June 3, 2021, <https://www.americanprogress.org/issues/education-postsecondary/reports/2021/06/03/500199/college-accrediting-agency-failed-protect-students-decade-fraud/>; M. Itzkowitz, 2021, <https://www.thirdway.org/blog/should-this-college-accreditor-be-in-charge-of-assessing-educational-quality>; David Halperin, "Education Department Hearing Exposes Divisions on Higher Ed Abuses," *Republic Report*, August 9, 2021, <https://www.republicreport.org/2021/education-department-hearing-exposes-divisions-on-higher-ed-abuses/>. ACCSC's termination of the CEHE schools, on April 22, 2021, came far too late and remains under internal appeal.

We believe any renewal of ACCSC recognition by the Department should not extend beyond three years. Although Department staff did not find ACCSC out of compliance with its own standards or federal regulations, the apparent lack of rigor applied to the review--including the failure to address publicly available information that raised concerns about ACCSC's compliance--should be remedied.

The Department's recognition criteria require effective monitoring and evaluation of institutional compliance with accrediting standards and swift enforcement when institutions are in violation of the standards.³ The evidence presented both by the Department and public witnesses--all discussed at the July 2021 meeting, along with public information compiled in the reports cited in footnote one--strongly suggest that ACCSC has, in fact, failed to effectively monitor and enforce its standards. These failures include meeting requirements regarding administrative capacity, change of ownership, fiscal responsibility, recruitment and advertising, and student academic progress.⁴ ACCSC's continued approval of schools owned and operated by the Center for Excellence in Higher Education even through the Department's rejection of the schools' conversion to non-profit status in 2016, and the presentation of extensive evidence of fraud and deception during the trial in Colorado in 2017, offers one example of concern.

As such, ACCSC does not appear to meet the criteria necessary for full recognition. NACIQI's decision to recommend a shorter period of recognition was an important step in ensuring accreditors not only act as gatekeepers to federal aid, but are also true stewards of quality.

In addition to following NACIQI's recommendation regarding ACCSC, or granting a term of recognition of between one and three years, we recommend that the Department more clearly define NACIQI's role as a protector of quality and gatekeeper to federal aid. The July 2021 meeting demonstrated a lack of agreement by NACIQI members and Department staff about what information members could properly consider under current federal regulations and Department procedures. Members also expressed differences about what federal regulations required in terms of timelines and procedures for review and public input.

To strengthen its oversight of accrediting agencies, the Department should improve its guidance and dedicate greater resources to this review process. The Department could also consider strengthening its accreditation regulations through the upcoming negotiated rulemaking process, or another process, to ensure agencies are adequately measuring institutional and programmatic quality.

Thank you for your consideration of our recommendations regarding ACCSC's term of recognition and steps needed to strengthen accreditation reviews generally. We welcome the opportunity to continue this discussion of needed reforms.

³ 34 CFR 602.19, 602.20

⁴ ACCSC Standards of Accreditation, July 1, 2021.

Sincerely,

Americans for Financial Reform Education Fund
Center for American Progress
New America Higher Education Program
The Institute for College Access & Success (TICAS)
Third Way
Veterans Education Success
David Halperin, Attorney