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Macias, Wendy

From: [REDACTED]
Sent: Tuesday, June 23, 2009 11:27 AM
To: negreg09
Subject: CCA Comments on Negotiated Rulemaking
Attachments: NegReg Comments-June 23, 2009docx.pdf

Attached please find comments from CCA regarding the proposed negotiated rulemaking topics. I will be glad to answer any questions you may have. Please contact me at [REDACTED]

Thank you,

[REDACTED]

[REDACTED]

June 23, 2009

Ms. Wendy Macias,
U.S. Department of Education
1990 K Street NW
Room 8017
Washington, DC 20006

Via email: negreg09@ed.gov

Dear Ms. Macias:

On behalf of the Career College Association, I would like to thank you for this opportunity to comment on the proposed issues that may be included in the upcoming negotiated rulemaking sessions. CCA represents almost 1,400 accredited career colleges educating an estimated 1.3 million students in 200 professional, technical, and career fields. Our schools offer PhD's and professional post-graduate degrees, Masters, baccalaureate, and associate degrees and certificate and diploma programs. All of our schools must have approval of the Federal government, appropriate state government agency, and one or more accrediting bodies recognized by the U.S. Department of Education in order to educate students.

Deputy Under Secretary Robert Shireman has stated, "Our overall goal at the Department of Education in postsecondary education is to make sure that students – and potential students - whether young or old, have access to college, they have the information they need to make good choices, and that they have good quality post-secondary education that serves both them as students and taxpayer as well."

The career college sector shares this goal. And we share a commitment to regulatory oversight that protects students and taxpayers, maintains high standards for schools and the delivery of education, and fosters the ability of Americans to improve themselves and to take their place in a globally competitive workforce.

To this end, the Department has identified five issues for the next round of negotiated rulemaking and asked for public comment and input. We believe these issues are relevant to every sector of higher education and single out no type of institution for special comment or inquiry.

We offer the following comments on the Department's proposed agenda items:

Definition of a High School Diploma

President Obama has challenged the nation to recapture its global leadership in terms of the percentage of young people with college credentials. As the President said, "Countries who out-educate us today will out-compete us tomorrow." We have no chance of meeting the President's

challenge if the college pipeline is not full of young people graduating from legitimate, accredited or recognized high schools and with legitimate high school diplomas and credentials. We applaud the Department of Education for addressing this important issue. At the same time, we recognize that there are many ways to earn a high school diploma, just as there are a variety of methods to achieve postsecondary credentials.

Definition of a Credit Hour

We support the continuation of current eligibility standards for students attending term-based institutions. Year-round Pell grants should be awarded according to current eligibility requirements and students should not have any additional eligibility requirements imposed on them simply because they are accelerating their education in an attempt to graduate in a timely manner and enter the taxpaying workforce.

Gainful Employment in a Recognized Occupation

Postsecondary education adds value to students' lives in many ways – through knowledge gained, experience, and employment opportunity. A college education elevates employment opportunities and, in this way, employment becomes one of the important outcome measures of institutional quality. For career colleges, gainful employment in a recognized occupational field is part of our mission and our reason for being. It is also one of the metrics by which our eligibility for accreditation is judged and our reputation in the marketplace is established and maintained. At a practical level, institutions currently provide information to the Department by aligning their programs with CIP codes, providing a very close cross-walk to occupations.

Incentive Compensation

From initial contact with a school, the interests of students should always come first. Aligning priorities in this manner leads to better enrollments, better educations, and better outcomes. This goal is not served by compensation practices for admissions officers that lead to students being admitted who do not have the interest or aptitude for the institution's programs. Moreover, institutions are prohibited by current law from solely using quotas based on student admissions for compensating admissions officers. Admissions can be a criterion, but not the *sole* criterion, for evaluating admissions officer performance.

Given the multiplicity of institutions and great number of people involved in the admissions process, it is easy to see how every school does not perform its admissions processes in precisely the same way. From time to time, situations arise in which the application of these practices becomes ambiguous. In 2002, the Department promulgated clarifications regarding incentive compensation that removed a great deal of the uncertainty for the human resource directors who develop compensation plans for their admissions directors and other employees. Those seem to be working well, and we see no obvious reason to change those that have worked well for several years. However, the Department of Education has declined to offer sub-regulatory or

interpretive guidance when questions arise. Instead, institutions have been forced to make good faith efforts to interpret the provisions and only learn of their misinterpretations when they are ruled out of compliance. We believe that greater clarity on the incentive compensation rules helps all institutions maintain compliance and serves all parties involved.

Satisfactory Academic Progress

In providing Pell Grants and other forms of financial aid assistance, the American taxpayer makes a substantial investment in the success of higher education students. One measure of the return on this investment needs to be satisfactory academic progress on the part of the student. This issue needs to be examined to ensure institutions have appropriate measures in place to monitor student progress towards a degree. We believe that institutional policies should include a review of progress more frequently than once per academic year. Doing so would serve to anticipate problems before they develop and to provide the impetus for early intervention and counseling, helping students persist and achieve their postsecondary goals.

State Authorization as a Component of Institutional Eligibility

States have the authority to decide if they will have a postsecondary education regulatory process, separate from the Federal regulations and accreditation rules, in place. We support the Department having a process in place to assist institutions in states where any authorizing bureau ceases to exist, or in the event an authorizing bureau's processes become backlogged, preventing institutions from conducting business.

Verification of Information Included on Student Aid Applications

We support efforts to improve and streamline the verification process to better ensure the right funds are getting to the right students at the right time, including a percentage of mandatory verification of student files that ensures program integrity without placing undue burdens on institutions. We also support efforts that would reduce the burden verification causes to students and families, such as a matching program with the Internal Revenue Service.

In addition to the topics proposed by the Department of Education, we submit one additional issue for consideration:

Limitations on Maximum Federal Student Aid

Cost of higher education programs varies tremendously between institutions, and sometimes even within institutions (e.g., diploma program versus four-year degree) within our sector. Under current regulations, the Department maintains that all students are entitled to the maximum amount of Federal aid, regardless of the cost of the program.

Because our sector contains institutions with such a diversity of cost structures, CCA believes both that additional Federal aid is needed for students and that institutions should be allowed to limit aid to students for programs that are less costly.

Schools should be permitted to limit a student's maximum aid based on universal and transparent criteria based on the cost of the program. This limitation should not be based on individual criteria of the student, and it must be transparent to students and to the Department. In addition, institutions should be permitted to set a cap on Federal aid for working adult students whose income is not reduced as a result of attending the institution. Financial aid officers would be allowed to use professional judgment to increase a student's aid to the Federal maximum for exceptional circumstances.

Again, on behalf of the CCA membership, I thank you for this opportunity to comment on the proposed negotiated rulemaking topics. Please feel free to contact me at [REDACTED] or via telephone at [REDACTED]

Regards,

[REDACTED]