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The Career College Information Source

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Career Education REVIEW

The Career College Information Source

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The *Career Education Review* is the career college information source dedicated to providing top management, owners, investors, sector leaders and suppliers with the in-depth information required to operate a successful educational enterprise and to provide a life-changing education experience for the students served by the sector.

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Establishing Federal Financial Aid Eligibility for Competency-Based Education

By Geraldine Muir and Michael B Goldstein

As the movement to provide competency-based programs continues to grow and mature, best practices are evolving that can save institutions in the initial stages of competency-based academic program development valuable time and resources. In contrast to direct assessment, the broader category of competency-based education also includes programs that are developed by mapping learning outcomes from established credit or clock hour programs or from industry-based rubrics into the basis of the competencies that are then measured and evaluated by the institution. p.30

CAREER EDUCATION REVIEW'S

Career College Event Calendar

February 2014 – April 2014

Dates You Need to Know

February 2014

PCCS—Private Career Colleges & Schools
Region IV Conference
Financial Aid/Teacher Training
Atlanta, GA
February 24–25

ABHES—Accrediting Bureau of Health Education Schools
11th Annual Conference
Nashville, TN
February 26–28

March 2014

Region VI Advisory Council of Private Career Schools
Financial Aid Conference
Dallas, TX
March 16–18

PCCS—Private Career Colleges & Schools
Regions VIII, IX, X Conference
Financial Aid/Teacher Training
Denver, CO
March 17–18

FAME
Annual Financial Aid & Management Conference
Fort Lauderdale, FL
March 25–26

April 2014

TPI—Best Practices and Great Ideas
11th Annual Conference
Hollywood Beach, FL
April 2–3

DETC—Distance Education & Training Council
88th Annual Conference
Hammock Beach, FL
April 6–8

PCCS—Private Career Colleges & Schools
Regions I, II & III Conf.
Financial Aid/Teacher Trng.
Philadelphia, PA
April 14–15

TAICS—Tennessee Association of Independent Colleges & Schools
Annual Conference
Nashville, TN
April 14

NASASPS—National Assoc. of State Admin. & Supervisors of Private Schools
Annual Conference
Little Rock, AR
April 27–30

It's Your Turn to Spin – Recruitment & Admissions in 2014

Dr. Andrew Beedle, Chief Digital Strategist & Dr. Jean Norris, Managing Partner Norton|Norris, Inc.

As a kid, did you ever play the game of "Life"? We remember always choosing the college route over getting a job right out of high school. Everything we'd learned from popular culture meant that we just knew college would pay off in the long run. Surely there would be a high paying job, fat stock market holdings, mansions, and 2.5 kids in the back seat of our insured, luxury cars. Well, it didn't always work out that way in the board game; and now the very value of a college education is playing out in the court of public opinion and through government interventions.

Here in the real world, there are questions being posed about the value of an investment in college; how consumers want to experience the college search process; how the future work environment should be considered; and what needs to change for educators and admission offices to stay relevant.

DR. ANDREW BEEDLE is the Chief Digital Strategist at ***Norton|Norris, Inc.***

Consulting since 1998, Andy has helped hundreds of institutions develop meaningful and effective marketing campaigns to new students. Andy was a professor of Philosophy and Cognitive Science at the University of Connecticut, Trinity College, and Grand Valley State University.

He is an avid foodie, cyclist, sailor, and military history enthusiast. He makes his home in the Blue Ridge Mountains of Virginia.

Is College Worth It?

It's interesting to note that the concept of higher education was originally based on Jeffersonian principles including access for all and the importance of educational options. Jefferson believed higher education should be available for all who want the experience and a variety of educational options was essential to drive quality through competition.

In 1932, James Truslow Adams, who edited the book *Jeffersonian Principles and Hamiltonian Principles*, wrote about how Jefferson would have viewed America's system of education today:

> *"Public education had been carried to a height almost undreamed of by him, yet he would realize that its results have been disappointing. He would observe that schools and colleges may make people literate but cannot make them learned or wise, and that the mass of the*

people whom he would have educated with such care for the purpose of making them citizens preferred reams of the headline-tabloid press and sensational movies to any five minutes of genuine consecutive thought.” (Stepman, J. & Feltscher, I)

It makes one wonder what he would have thought about the educational system today. The addition of measuring the value of a college experience based on a financial return on investment laid out in ***Gainful Employment Regulations*** is a stark contrast to the Jeffersonian ideal. Preparing graduates for lives as active and educated citizens contrasts sharply with equipping students for the job market.

The regulations are also very selective. Only certain types of programs and schools fall under their mandate. While those in the for-profit education sector are well aware of the proximate reasons for these new regs and “tough” attitude on the part of regulators, the trend towards measuring the value of a college education in financial terms has a much deeper and more pervasive history. And there are a number of recent social and technological developments driving that trend.

The Power of the Consumer

First some background on the huge changes in both consumer behavior and the availability of information about college and career options since the 1990’s. Once upon a time, prospective students had to write letters or fill out postcards requesting information from any college they were considering. In this world, the number of choices was limited to those schools with a local presence, that appeared on a list provided by a guidance counselor, or that had been mentioned by friends or other influencers (think family members, neighbors, a pastor, etc.)

This model (and the technological limitations that came along with it) allowed college admissions and marketing offices to act as information gatekeepers. Their brochures and communications assets told the entire story available about a school outside of hearsay. The psychological investment required to make the initial inquiry meant that prospects were pre-disposed to take what they received from a school at face value. It also predisposed them to limit the number of schools initially included in the search process.

The disruptive effect of eliminating geography as the determining factor in the awareness of an institution came at the cost of radically expanding the universe of viable options for prospects … and drastically reducing the initial investment required to initiate a relationship with a college.

DR. JEAN NORRIS began her educational pursuit in a 10-month medical assisting diploma pro-gram, Jean went on to earn a doctoral degree in organizational leadership. Her love of higher edu-cation turned into a 26 year career in which she has served in the role of admissions rep, dean of admissions, faculty member, dean of admissions, vice president of marketing, vice president of enrollment, and vice president of organizational development at private schools, colleges and universities. Currently Jean is a managing partner at ***Norton | Norris, Inc.***, a Chicago-based marketing/consulting/training firm focused exclusively in the higher education sector.

Dr. Norris is the developer of ***EnrollMatch® – The Ethical Enrollment Process***, a comprehensive admissions training program offering proven results to balance compliance and performance. Jean is also a Licensed Master Neurolinguistic Programming Practitioner.

Norton | Norris, Inc. (Nn) is a full-service marketing, training and consulting firm dedicated to the education vertical. Founded in 1998, Nn provides innovative approaches to all facets of enrollment including direct mail (Print on Demand), creative services, radio/television production and placement, high school presentations, mystery shopping, eLearning, public relations, vendor management, digital media, and training - featuring ***EnrollMatch® – The Ethical Enrollment Process***.

Perhaps **Norton | Norris** is most well known and respected for taking the lead and responding to the negative attacks on the for-profit college sector led by the Government Accountability Office (GAO). Nn authored two reports, *Mystery Shopping Reveals Important Information Withheld from Prospective Students* and *GAO Bias Evident in Report to HELP Committee* that significantly strengthened the position of the career college sector.

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Beginning in the mid-1980's, third party College Guides and rankings (think of the feared and hallowed US News rankings) became more widely available. In addition, the advent of the World Wide Web and email created both new media channels as well as larger audiences. If the effective radius of awareness of a "local" college was it's geographic market in 1980, by 1995 that radius was limited only by how much awareness they could drive to their website. And that website was available to anyone with an Internet connection regardless of where they were on a map.

The net effect of these trends is to make prospects ever more accessible to college marketers by virtue of technology adoption and low costs. This rush into the digital landscape leads to an increase in the amount of "noise" that prospects experience.

As colleges began taking advantage of this freedom from the limitations of geography by setting up informative, marketing driven web sites, they also gave up the gatekeeping power that came with the old "request info" model. In essence, a college's website became it brochure/viewbook and was available 24/7 to anyone who stumbled across it.

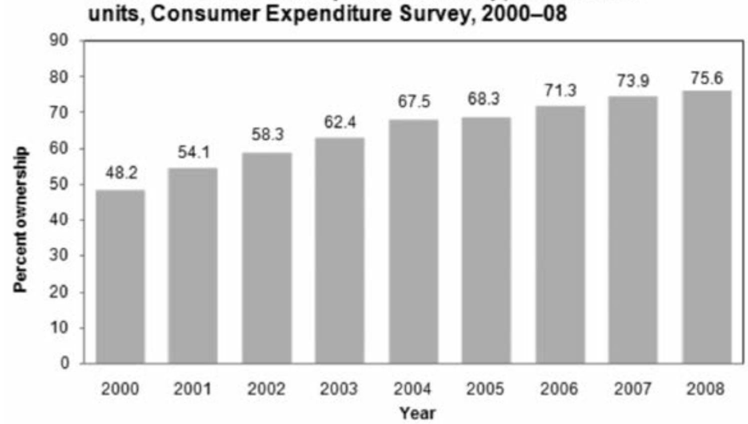
This meant that, not only did schools no longer **know** who had "inquired" (because they could not track and identify individual website visitors like they could individual postcard "fillerouters"), they also lost the psychological advantage of "investment" on the part of prospects that was at the heart of the old model. The disruptive effect of eliminating geography as the determining factor in the awareness of an institution came at the cost of radically expanding the universe of viable options for prospects… and drastically reducing the initial investment required to initiate a relationship with a college. If you can find any info you want with the click of a mouse button – and you can find any number of third party sources of info in the bargain – then your investment in any particular information request is really quite low. The cost to the prospect in time, attention, and effort is so low that it reduces the emotional attachment to any one college until deep into the decision making cycle.

In addition, the number of channels available to marketers of all stripes has expanded quickly. Websites, email marketing (both as initial contact and for ongoing communications plans), social media networks, low-cost call centers, and on-demand lead vending/generation have all made it possible to communicate with prospective students at a low cost and asynchronously.

The cost comparison between sending an email to 40,000 prospects in a school's database versus sending a postcard to those same 40,000 prospects hardly bears pointing out. (This does not imply that the email is more **effective** than the postcard.) In a world where communication options are relatively cheap and can be executed on very rapid turnaround times, it becomes easy to simply increase the volume of outbound words and pictures in the hopes that some (or enough) of it "sticks".

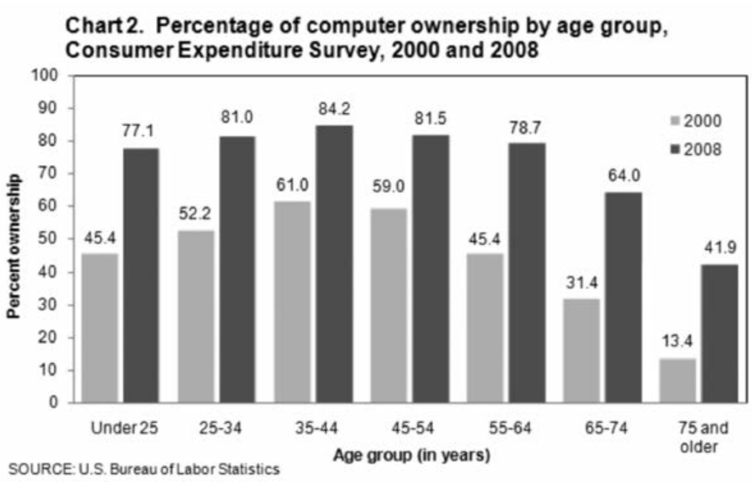
As the number of channels has increased, so has the number of methods people use to access those channels. Desktop computers, laptops, tablets, and smartphones have all made it possible for marketing channels to become ubiquitous features of every day life. But more important – the percentage of the population having access to these devices has skyrocketed. The increase in computer ownership alone between 2000 and 2008 is startling in its implications.

Chart 1. Percent of computer ownership, all consumer units, Consumer Expenditure Survey, 2000–08

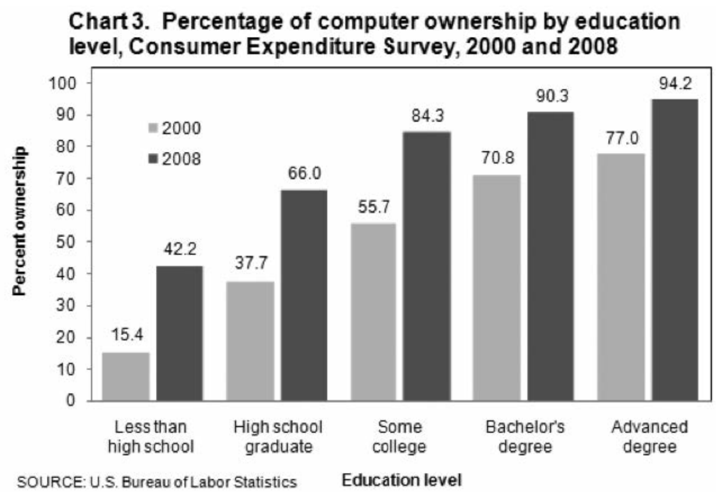


SOURCE: U.S. Bureau of Labor Statistics

The percentage of computer ownership in the general population has almost doubled as prices have decreased and processing power has increased.



In addition, the fastest overall growth in computer ownership has taken place in older "late adopter" demographics as the devices have become easier to use.



Finally (and of most interest to the career college market), those Americans with the least amount of formal education have experienced the most rapid growth of computer adoption.

The net effect of these trends is to make prospects ever more accessible to college marketers by virtue of technology adoption and low costs. This rush into the digital landscape leads to an increase in the amount of "noise" that prospects experience. When prospects inquire at an ever-increasing number of schools – and those schools in turn bombard them with more and more communications, the raw amount of information prospects see becomes overwhelming.

This set of trends created a perfect environment for the kinds of abuses and poor practices that have placed for-profits under increased federal scrutiny and public scorn. Quota driven admissions offices given access to cheap, push-button access to prospect's voicemail and inboxes, creates a situation where there will inevitably be an increase in consumer complaints. And the tendency of information to spread rapidly **and** be available for years means that the actions of a few dishonest agents can taint the perception of the entire sector more powerfully than could happen when information was doled out by gatekeepers and relatively hard to come by.

The explosive expansion of ecommerce rounds out the profile of today's college "consumer". Just take a look at the sales stats on Cyber Monday.

Online spending was up 18 percent versus a year ago ($1.735 billion in online spending), representing the "heaviest online spending day in history" (ComScore, 2013). 24-hour availability of information as well as trans-action capability (ordering from Amazon, checking your bank balance, etc.) has created the expectation that the consumer/prospect drives the process.

They want answers when the question occurs to them – not tomorrow or the next day. And they want online tools that will allow them to weigh options, complete "paperwork", and apply for admission.

Colleges who look to control this process need to present an extremely compelling reason for doing so if they are to avoid irritating their potential students.

Finally, even as colleges have begun to adapt to the changes wrought by the personal computer and the 24/7 Internet, the landscape has changed again with the growth of tablet and mobile devices. The most recent Gartner survey of worldwide device shipments predicts that 2014 will see the combined number of monthly tablets and "ultramobile" devices (like the new Chromebook) will surpass that of desktops. Mobile phones (smart or otherwise) already dwarf both desktop and tablet sales combined by a factor of three (Gartner, 2013).

The Changing Landscape of Work

A brief look at the Bureau of Labor Statistics (BLS) projections for the fastest growing job fields by 2018 is instructive. Here are 22 of the top 30 fields that the BLS lists as having the highest growth. (Note: duplicative entries have been eliminated).

- Fitness Trainers
- Occupational Therapists Assistants & Aides
- Environmental Engineering
- Technicians
- Personal Financial Advisors
- Physical Therapists
- Software Engineers
- Pharmacy Technicians
- Environmental Engineers
- Compliance Officers
- Physical Therapists Assistants & Aides
- Medical Assistants
- Dental Assistants
- Veterinary Techs and Assistants
- Dental Hygienists
- Athletic Trainers
- Biochemists/physicists
- Skin Care Specialists
- Medical Researchers
- Personal & Home Care Aides

It's interesting to note the complete lack of fields like Art Historian, English Teacher, Attorney, or Business Administrator. Instead, we see a list populated with fields that require both a highly specialized set of skills and have a significant regulatory framework governing their practice. The traditional world of college is simply unsuited to prepare students to work in these fields while the old manufacturing model of apprenticeship doesn't suit the small size of most businesses in these fields either.

Career colleges have stepped in to address the need for effective instruction in these areas – and have also concentrated on providing access to traditionally underserved populations. In doing so, they have been forced to wrestle with the problems inherent in an information based instructional model and have begun exploring more effective, competency based models that can effectively address the need for quality training.

The rapid growth of technological change is also leading to competency-based learning. Like it or not, we are now living in a post-literate world. *YouTube* is the third largest search engine on earth (and will soon be number two), which means that a tremendous amount of the content being consumed by web surfers is in the form of sound and video rather than written words.

Career colleges have a unique opportunity in this environment because they tend to be more nimble in terms of program design changes and because they are already focused on areas of study with high skill components rather than knowledge mastery components. Most non-profits are entrenched in a model of education perfected during the renaissance and aimed at upper class/upper middle class students. Lots of reading, writing and discussion about a very broad range of topics combined with more or less rigorous memorization of whatever body of facts and ideas is relevant to the class at hand. While the traditional "Liberal Arts" methodology has served well for a long time, the growth of largely skill-specific careers means that programs devoted to focused, rapid training of those skills can gain an advantage.

The rapid growth of technological change is also leading to competency-based learning. Like it or not, we are now living in a post-literate world.

Career colleges are at the forefront of new models and increased access. Here are some key elements in the most successful career college models out there.

Increasing focus on outcomes based programs/education. No one goes to a career college because they think it would be neat to major in being a Pharmacy Technician. They embark on that program of study because they want a job. This trend towards "getting a job" as the logical outcome of the college experience has been encouraged both by the economy (see the list of fast growing professions above and compare to current unemployment figures) as well as the entire post-secondary education market's dogged determination to equate college attendance with the attainment of the American Dream. Given that the vast majority of college students will need to have some kind of employment (in order to pay for housing, food, and student loans) the notion that employment is a logical and desired outcome of education makes enormous amounts of sense. We see the problem with the new Federal Gainful Employment requirements to lie in the fact that they are so selective and do not go far enough! Why shouldn't all colleges, regardless of their profit/non-profit status be held to the same litmus test if they are to take taxpayer dollars of any kind?

Intern/externships and active partnerships with companies and organizations. The most successful career college models concentrate heavily on partnerships with potential employers and intern/extern opportunities for students. The culinary school framework has used this model for years as young chefs graduate to externship positions in real restaurants. Those schools who make real-world work experience part of the curriculum will benefit not only in terms of perceived value to students (and better employment numbers), but will also have an active laboratory of students and employers providing feedback on which skill progressions are the most effective.

Competency based learning over Information based learning. The traditional model of education (read "Medieval" if you like) amounts to the notion that mastery of a discipline = a layered structure of knowledge in a field. In this model, knowledge is broken down into principles and facts and delivered in a progression of increasing complexity. Sometimes technique (lab) and skills (writing – a soft skill) are promoted, but not by and large.

Competency based education is suited to the technical fields that career colleges focus on – a layered set of actual skills that are essential to the understanding of a field and the performance of a job. If you are a digital animator, you have a work product to produce using particular techniques and tools. Technical fields are the "new manufacturing" – and can be taught outside of an apprenticeship model, providing workers to business who cannot afford lengthy ramp-up times. These fields also have a tendency to fall under very specific (and often rapidly changing) regulatory structures. In effect, the potential liability associated with a skills-based career is quite a bit higher than one that is purely information based. Few, if any, bloggers get sued for malpractice.

How Can Schools Stand Out in this New World?

Create distinction. As always, having a strong and emotionally powerful marketing message is the key to both attracting interest and qualifying potential leads. The challenge lies in making sure that message passes regulatory muster and can be backed up by fact-based data about outcomes. Most of the prospects considering career education and the unique opportunities it provides (see below) are passionately interested in jobs with some degree of security and a path for advancement. Demonstrating a powerful academic program, unique instructional or experiential opportunities, and a solid track record of placement should be the core concerns of any for-profit (or in our opinion non-profit) college.

Target spending and drive changes based on rigorously collected data. The ease of gathering data on prospect/applicant behavior and characteristics is a double-edged sword. Lots of data and charts means lots of information… and also means lots of time spent poring over the information… and lots of effort put into understanding the information… just in time for the next wave of reports to arrive. Be sure to use the ever increasing (and ever more awesome) set of data gathering tools – reports from student information systems, keyword data from PPC campaigns, inbound links and searches from webmaster tools at Google and Yahoo – to guide actual decisions rather than serve as meeting agenda items. Don't be afraid to bet on your winners and either put your losers into triage or out to pasture.

Understand the admissions officer's role as advisor. There are very few trusted advisors and a heck of a lot of info-bombers/lead churners. Become an advisor who can genuinely connect to student interests and needs. The crucial element in your forward facing marketing work (**before** the prospect ever sits down one-on-one with one of your reps) is to convey that the institution and the prospect are both best served if and only if the fit is right. Position your school in all of your marketing materials as a place that cares more about doing the right thing for students than it does about "putting butts in seats". This alone will help forward thinking schools stand out from the sea of noise that assaults today's prospective students.

For most people who have spent any time at all in admissions, it's no secret that the recruitment models are outdated. Admission representatives struggle to even get in contact with an inquiry and when they do, they resort to the old standard – come on campus for an interview. And then they wonder why the prospective students don't show up. While there is comfort in generating a copious bank of inquiries to make up for all the spillage pouring out the sides of the enrollment funnel, inquiries are not new students. And there is more we can do.

While the career college sector has been busy deflecting the blows of increased federal scrutiny and fighting for their existence against declining market perception, an opportunity has unveiled itself. High school students do not currently have the resources they need to make an informed decision about college choice. According to the American Counseling Association, the average student to school counselor ratio is recommended to be 250:1. In reality, the average stands at 451:1 with some states over 800:1 (California is over 1,000:1).

Think about it. The students needing the most guidance have the least resources to explore options related to what careers exist and what options are out there. Could this be one of the reasons students are underprepared?

Another key audience is that of the adult student who was never college material or has been out of school for a long time. Don't they need guidance more than ever? And couldn't the admissions representative of the past become the guidance coach they need now?

The bar to certification as a guidance counselor is quite high – generally involving a master's degree in school counseling and various additional certifications. That said, there are key skill sets that can be taught to and admissions representative to improve the interaction with prospective students and make it more meaningful. We don't all have to be guidance counselors to adopt a model of admissions communication that offers more and better counseling on the best college options.

Remember, would-be students want to know why a particular program is for them and want to understand that program in the context of the future opportunities it can bring them.

Develop quality content and make sure your basic Internet bases are covered. Many schools have a hard time keeping up with the basic blocking and tackling type work that comes with having a consistent and well-established presence on the Internet. An exhaustive list of what needs to happen in this arena is beyond the scope of this article, but good places to start are accurate and updated Google+ and Yahoo directory listings, regular review of the accuracy of the information included in the school's top inbound links, accurate and complete Facebook and LinkedIn profiles, and search friendly web pages. In addition, schools would do well to develop content that is both authoritative and meaningful to prospects. Remember, would-be students want to know **why** a particular program is for them and want to understand that program in the context of the future opportunities it can bring them. They also want to better understand what they are getting into and how your school is different (and better) than other options. Make sure your web copy (or video assets) address these problems rather than just providing "keyword rich" bulleted lists of program features.

Conclusion

College admissions and marketing staffs have unprecedented access to an ever growing prospective student population. The explosive growth of technology has created an expanded toolset for communicating with students. But this very growth has also made it impossible for admissions offices to control how and where prospects get information while at the same time making prospects ever more sophisticated shoppers. Add to this mix a new found interest on the part of federal regulators to "measure" the value of a college program based on the employment of its graduates and you have a volatile market fraught with uncertainty.

But in every challenge and crisis lies opportunity. There are, in essence, two competing models of higher education in the U.S.. The old information based model aimed at helping students master a body of knowledge relevant to a field and the newly evolved competency based model aimed that helping students master an increasingly complex series of skills. Yet this distinction between program types and their suitability are often lost for a particular student because of the severe shortage of guidance professionals available.

Colleges who are willing and able to create a recruiting strategy based on powerful messaging and a consultative/guidance based model of building relationships in the admissions process will ultimately win both student approval and the regulatory war being waged against them.

Sources

ComScore (December 3, 2013). **Cyber Monday Jumps 18 Percent to $1.735 Billion in Desktop Sales to Rank as Heaviest U.S. Online Spending Day in History**

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Thomas Jefferson and School Choice (Stepman, J. and Feltscher, I.). *American Thinker*, April 14, 2013.

U.S. Bureau of Labor Statistics

Career Education REVIEW

Integrated Learning System can Help Students, Faculty and Schools

By Barbara A. Schmitz from an interview by Michael Cooney

A school operating software system that aligns itself with campus administrators' expectations and outcomes regarding employers' needs, best practices, accreditation compliance, and industry standards can help students, faculty and schools succeed.

Gary Carlson and Dennis Spisak, managing partners for Campus Performance: Integrated Learning Environment (CP ILE), say the beauty of their integrated learning environment system is that all four of its major components work together. The major components include:

- **Learning Object Repository (LOR)** — Stores all types of files, including images, documents, presentations, video, etc., in a digital object repository that can be easily discovered and used; and more
- **Learning Outcomes Mastery System** — Provides mastery and remediation through online teaching and assessment in a social networking environment that includes group dynamics, learning collaboration, and structured learning communities with multiple learning widgets. Can used in traditional classroom settings, as well as with online programs
- **Digital Portfolio and Personal Branding System** — A secure, portable and personalized career support solution that addresses the gaps, deficiencies, and inefficiencies that exist between resumes, job sites, legacy enterprise applications and social networking. Integrates with the Learning Outcomes Mastery System, and can extract and publish student skills and outcomes, making it easy for students to share their profiles through a variety of media including social media such as LinkedIn and Facebook
- **Learning Management System** — Tracks the student mastery of objectives and correlates the outcomes with each student's learning modality. Provides Intelligent reports designed to highlight learning outcome opportunities or pinpoint gaps and deficiencies in the quality of instructions (faculty/

A school operating software system that aligns itself with campus administrators' expectations and outcomes regarding employers' needs, best practices, accreditation compliance, and industry standards can help students, faculty and schools succeed.

trainer & delivery), learning outcomes (students/trainees), and content (curriculum/training & instructional resources)

> ***"We need to spend more time assessing what's happening in that classroom, and that doesn't mean just visiting each class twice a year, observing and then reporting that the instructor is really a nice guy or lady."***
> ***– Gary R. Carlson***

Carlson and Spisak say they have seen schools spend a lot of money on different systems that they feel they need to function within the regulatory environment, the learning environment, and other environments. "But most of these systems are quite expensive," Spisak says, "and then the schools find out that the systems do not work together."

But Campus Performance's system has one price for all four components. Spisak says, "The price is very fair because we purposely wanted this to fit every school, and not just the schools that have quite a bit of funds to do things like this."


Gary P. Carlson

GARY R. CARLSON and **DENNIS J. SPISAK** are managing partners for a product called Campus Performance: Integrated Learning Environment (CP ILE).

Carlson has more than 42 years of experience in the academic field. In 1970, he became the first special education teacher in a junior high school in Omaha, Neb. His love for special education programs and the challenges that come with integrating special education students into the public schools provided him opportunities to become supervisor for special education for the Omaha Public Schools District, and later director of special education for 33 school districts in Iowa.


Dennis J. Spisak

In 1990, Carlson became campus director for a business college in Lincoln, Neb. Most recently, he was the first vice president for academic affairs for ITT Technical Institute in their Indianapolis, Ind. corporate office, where he was responsible for academic administration and academic leadership for 127 colleges. He retired after 14 years with ITT, and in 2010 started gCarlson Inc., a consulting company for higher education colleges and universities.

Carlson has served as president for the Nebraska Council for Exceptional Children, served on many committees of the Association of Private Sector Colleges and Universities, and has worked with the Accrediting Council for Independent Colleges and Schools for 21 years as an evaluator, committee member, commissioner and chairman.

He received his bachelor's degree in secondary education and his master's degree in special education, both from the University of Nebraska-Omaha. He also earned his doctorate in administration, curriculum and instruction from the University of Nebraska-Lincoln.

After 10 years of teaching at the secondary and postsecondary levels, Spisak began a 32-year career in publishing with McGraw-Hill in 1981, holding several management positions including regional manager and vice president of sales/national sales manager for the career education division of McGraw-Hill Higher Education. After leaving McGraw-Hill in 2011, he served as senior consultant for Pearson Learning Solutions and in 2013, he started DJSpisak Consulting, which concentrates on the career college sector of postsecondary education. DJSpisak Consulting deals with new technology companies working with career colleges, as well as working with individual career colleges to enhance performance and outcome achievement.

Spisak was named one of the 25 Most Influential People in the Career College Sector by Career College Central magazine in 2008, and he was recognized as one of 25 who are "Making an Impact in Career Education" by Career College Central magazine in 2012. He currently also serves as vice chairman on the executive board of the Imagine America Foundation.

He earned his bachelor's degree and master's degree in business education from Shippensburg University of Pennsylvania, and he is a recognized national speaker on topics dealing with faculty development, retention, handling and embracing change, teaching methodology, the impact of technology on all aspects of the teaching/learning process, and more.

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Carlson says for more than 40 years he has watched as groups try continuously to improve schools. "Schools focus on the student; they build new assessments and do all kinds of things about the student," he says. "But the last thing schools do is assess the faculty member on his or her capability to teach."

However, Campus Performance's new system assesses faculty members through objectives, goals, a comprehensive look at individual courses, programs and more. "All of those can be looked at and specifically determine the strengths of the instructor and where we need to use professional development to help them get better," Carlson says.

That's particularly important since many instructors come from industry and don't have knowledge of teaching methodology. "We need to spend more time assessing what's happening in that classroom, and that doesn't mean just visiting each class twice a year, observing and then reporting that the instructor is really a nice guy or lady," Carlson says.

Campus Performance's new system really does assess faculty, and that causes faculty and overall programs and courses, to improve, he says. By meeting with faculty members on a regular basis and going over the metrics, you can discuss what needs to happen and you create a plan for improvement.

"One of the major features of CP ILE is what it can do in terms of professional development," Carlson says. "The other thing that happens is that if everybody makes average, the average goes up. So what you've just done is improved the school."

The system also creates the learning path for the student, Spisak says. "In other words, it's not just assessment; it's the entire learning process."

For example, the system points out deficiencies, as well as competencies. So if a student is in the mastery-learning segment of the program, and if the program determines that a student is not working to the level they need to be working at to move forward, it will stop them and take them back to different areas so they can build on the foundation of a particular concept, Spisak says. "In other words the program can actually give students remediation activities to do — readings, videos, whatever — based upon their particular learning style," he explains.

> ***After the rollout of the academic solution, other functional areas can begin to create their metrics for development and implementation in their area. This is definitely a way to pinpoint expectations and desired outcome.***
>
> ***– Gary R. Carlson***

Since no two schools are alike, this is a system that can be tailored to fit each school, Carlson explains. Each school works in unison with the developers to set the metrics for retention, attendance and overall student success based on three years of data. "Let's say I'm looking at English 101," Carlson says. "You objectively take that average and expect every instructor that teaches English 101 to teach to that average of success, attendance, retention or the metric they feel appropriate."

Carlson says schools can be addressed individually with their own needs and desires created in the solution. School training is provided to introduce and implement the use of the technology and skills needed to utilize the educational solution. After the rollout of the academic solution, other functional areas can begin to create their metrics for development and implementation in their area. "This is definitely a way to pinpoint expectations and desired outcome," Carlson says. "These options put schools in ideal positions to meet the requirements of the accrediting organizations, and state and local criteria." Adjustments are possible for the differences by state or accrediting authorities.

In addition, the system is easy for schools to adopt, Spisak says. "It drops right in," he says. "If a school is using a medical assisting book from Cengage and they have this program, the syllabi drops in, the objectives drop in and everything is driven by the learning objective."

"This portfolio is way beyond the traditional portfolio that includes a resume and transcript. It exists from the very first day the student starts school. They can choose to share certain portions of their overall objectives and skills they've learned, or not to share them. It's really about getting the students to develop a personal brand, and that puts them ahead of most students who are looking for jobs."

– Gary R. Carlson

Schools considering the system should also know that the career path and the objectives that the students are working on are assessed. "The program identifies the objectives that have been mastered," Spisak says. "That all flows into a portfolio. The portfolio does a lot of different things, but it also focuses on outcomes that allow a student to go in and actually print out various reports or transcripts showing the specific objectives they have mastered." It also allows badges and certificates to be granted based on competencies mastered.

Thus, a student going for a job interview could go in with a transcript showing very specific objectives he or she has mastered, he says. The instructor can also go in the portfolio and see how many times a student has tried different assessments or activities, and see if a student has mastered a concept.

The system can also match those competencies with employer needs. "Suppose a company calls your school and is looking to hire someone with a specific set of competencies or skills," Spisak says. "The school can simply type in the competencies that are being asked for and the system will give them the names of students who have mastered those particular skills."

It can also be taken one step further. "The portfolio is a lifelong portfolio, so even after a student graduates, it is to his or her benefit to keep it up to date," Spisak says. "So each time a student changes jobs and keeps his or her portfolio up to date, that data goes right back to the school. And because the school has access to that lifelong portfolio, when a company calls and says they want someone with specific competencies, we can give them names of not only students, but also alumni."

However, a student could choose when they graduate not to continue that relationship with their alma mater. "But it is a nice plus for the student," Carlson says. "This portfolio is way beyond the traditional portfolio that includes a resume and transcript. It exists from the very first day the student starts school. They can choose to share certain portions of their overall objectives and skills they've learned, or not to share them. It's really about getting the students to develop a personal brand, and that puts them ahead of most students who are looking for jobs."

The portfolio also takes into account social media sites such as LinkedIn, Facebook or Twitter, Spisak says. Each of those media allows students to present themselves a little differently and makes it easier to build from one area to the next. In other words, it allows each student the opportunity to create his or her personal brand.

"For years we've been looking at how to … automate things for schools so teachers and administrators can spend more time in classrooms helping students, rather than doing spreadsheets," Carlson says. "This provides required data and takes care of compliance. As we look at what's happening around the country, the Department of Education and the accrediting bodies are going to start demanding success levels for certain programs and if they don't reach those success levels they're going to ask the schools to drop those programs. Schools will be proactive by doing something like this because they can see where they're being successful clearly."

Spisak says the system does not handle admissions, although it does work with CampusVue and other similar systems. It simply imports into the system all the data a school currently has in so that schools have students' names and other information they need.

In the future, however, they plan to add recruitment to the admissions side, Carlson says, that will "qualify applicants better than we've done before…"

Carlson and Spisak are managing partners with Campus Performance: Integrated Learning Environment because they believe in the system. What they bring to the company is their reputations with schools.

"If I ever sold something to a school, I always made sure it worked, no matter what it took because I understand schools and I understand how vital it is for them to do things right ... " he says. "The program we have works for any size school: The Corinthian Colleges, Inc. of this world and so forth down to the smallest one. Gary and I also made sure that pricing was fair for each level of school, from the one-school operations to those chain schools with 90 campuses."

Carlson says this system really will benefit small schools that haven't been able to upgrade their school and may still be using PDFs for online books or those that don't have a learning management system because of the cost. "This puts everything on an equitable basis," he says. "With this overall comprehensive tool, you just tell us what you want and we'll figure it out and get it done for you…"

The system is as good as it is because it was built by educators, rather than by some corporation that went out and found what a school wanted and then built it, Carlson says.

"We don't want to do anything that will tarnish our names because we have spent many, many years building up our reputations," Spisak says. "So we are very serious about making sure that what we're putting out to the market is exactly what we say it is and that it works exactly like we say it works."

"So we are very serious about making sure that what we're putting out to the market is exactly what we say it is and that it works exactly like we say it works."

– Dennis J. Spisak

Improving Student Learning is Everybody's Business

By Carolyn Jarmon, Ph.D., with Cheryl Hentz

Everybody in higher education talks about the same things these days, it seems: Improving student outcomes and doing something to keep the cost of education under control and affordable, reducing wherever possible. The problem is schools don't necessarily know how to accomplish those objectives. Part of that may stem from the fact that schools don't really know who is responsible for those things.

Some people would say it's the faculty's problem; other people would say overall it's the administrator's problem. But, in fact, we believe that ultimately it's everyone's problem and everyone's responsibility. The institutions need to work together toward improving student learning.

To date, the National Center for Academic Transformation (NCAT) has conducted four competitive national programs funded by private foundations and government agencies and multiple state-based programs, with each seeking to demonstrate a particular aspect of improving learning and reducing cost. Within the programs there were a total of 195 redesign projects that were initiated impacting some 250,000 annually. Because we believe that institutions need to work together toward improving student learning, each one of these projects has had a team associated with it. That includes an administrator, and depending on the size of the institution, that may be the Chief Academic Officer, Dean, or Department Chair. In bigger institutions, it tends to be either the Department Chair or the Dean. One of their objectives is to keep everybody below and above them informed.

Everybody in higher education talks about the same things these days, it seems: Improving student outcomes and doing something to keep the cost of education under control and affordable, reducing wherever possible. The problem is schools don't necessarily know how to accomplish those objectives.

Then every team, of course, has faculty, because they are the ones who determine the learning outcomes for the course. So we have technology folks who know how to use the technology most effectively and efficiently. Frequently faculty isn't aware of the capability of the technology; they've never done it, so why would they be? That's not their area of expertise.

Finally, the team includes somebody responsible for assessments, because we want to be sure that students are learning at least as much Math, English, Biology, whatever the content may be, as they were before. We don't want people to say that we've dumbed-down the course. We have mechanisms for measuring learning in the traditional format, and then in the redesigned formats of the course. Our teams include all levels and all kinds of personnel. We do believe that's the institution's mission is to improve student learning. So to say it's this group or that group doesn't make any sense to us. It really must be an effort that has everyone's support and participation.

We do know that if a particular class has a high drop, fail or withdraw rate, particularly at the introductory level, it's a problem the institution needs to look at.

Some may say "What do you know about my individual students or teaching my class? We may know nothing about your individual students, but we do know that if a particular class has a high drop, fail or withdraw rate, particularly at the introductory level, it's a problem the institution needs to look at.

Most of these large enrollments introductory classes are taught by multiple people, and they are prerequisites to something else. Frequently what we're seeing is these courses are barriers to students' graduations. All of these reasons are ones to say to everybody, whether it's an adjunct or anyone else, let's take a look at the learning situation in this course; it's not apparently going well. What's going on that's causing students difficultly, and what will the technology allow us to do that we haven't been able to do before? Some faculty find that a difficult transition, but if they're truly interested in student learning, then looking at what everybody's doing, what others are doing outside this institution-i.e. what successes have other schools found, is a reasonable thing to do.

Of course, this kind of redesign doesn't come without a significant cost attached to it. But the reason for that is to weed out the schools that are just curious and think it seems kind of cool, after seeing our web site, from those schools that are serious

CAROLYN JARMON is Vice President of the National Center for Academic Transformation. From 1996–1998, she served as the Educom Visiting Fellow, working with member institutions, including California State University System and the University of Wisconsin-Madison, redesigning learning environments to make them more cost-effective. Carolyn has given numerous presentations and been published widely on the topics of effective delivery of student services and distance education and she consults regularly with institutions and corporations about learning in distributed environments. Prior to joining NCAT, Carolyn held several academic and administrative positions at SUNY Empire State College. Carolyn has also taught and held administrative positions at several traditional institutions, both public and private. Carolyn has a Ph.D. from Cornell University, a Master's in Business Administration from East Tennessee State University, and a Bachelor of Science degree from the University of Delaware. She can be reached by email at cjarmon@theNCAT.org.

about revamping those things which are problematic for schools, and not only improve learning, but reduce costs at the same time. Some schools only want to improve learning and really aren't interested in reducing costs. For them, there are lots of other organizations or groups they can work with. We, as an organization, are focused on both goals – improving student learning and at a reduced cost to the institution. If people don't want to do both goals, frankly they should look for help elsewhere.

The other thing is that doing the redesign is a serious institutional initiative. So schools need to go through the process of methodology, which we know works. If they don't want to do that, they're not going to get the kinds of improvements that we've been able to show in almost 200 institutions across the U.S. We are expensive for the simple reason that we want people to be serious. We want them to make an investment in their institutional change. That change comes from the provost or Chief Academic Officer all the way down to the faculty as an institutional initiative, not merely somebody thinking they'll add a little technology to their course. They can do that on their own.

We work at multiple levels, but we start with the course because we felt that's the way people think in higher education. Degrees are made up of courses. They are organized in particular ways, whether it's the program or a major. Each student takes some collection of courses where the collection has been approved and vetted by various groups at the institutions. The idea is if you can improve each course, one would theoretically assume you could improve a major or a degree, or eventually potentially the institution. Once a school understands the principles involved in redesign, it can use them in other places. They are very transferrable. It still requires somebody to lead the process, and it still requires faculty to understand the benefits and buy in. Some departments are more willing to do that than others, but that's what academic leadership is supposed to deal with. But the principles themselves are extremely transferrable.

The idea is if you can improve each course, one would theoretically assume you could improve a major or a degree, or eventually potentially the institution.

We have so many good examples in various fields and they're sorted on our website by academic area. And we provide contact information for the people we've worked with at every institution. The people at the institutions know that they're going to get calls. So when you click on the name their email comes up and you can send them a note and say 'I'd like to have a conversation about your redesign in Statistics or your redesign in Psychology' or whatever it may be and then you set up a conversation with them. We've tried to develop a network of people who can help others. We call that network Redesign Scholars and there are over 50 of them. They're listed on our website under Redesign Scholars and people can contact them directly and talk to them and hire them if they want to.

Of course, a few institutions have done redesigns without our involvement at all. There are resources on our web site that are free and can be used by institutions. They are copyrighted, so if someone uses them we would appreciate attribution, but there is no charge to use them. We also have two guides completed on how to redesign Math and more guides are coming later this spring and fall. The next one will focus on how to redesign "non-math" courses such as social sciences, humanities, sciences etc. So there are resources available if schools want to do redesigns entirely on their own and feel comfortable doing so.

It doesn't matter what the content is because we're not content expert, nor do we need to be. But we do have knowledge of how to restructure what they're doing with students to make their engagement greater.

If, on the other hand, someone wanted to engage directly with us, we would set up a process that seemed good for them, depending on what they want to do and depending on what they've done already. Then I will usually visit the school for a day and do some kind of an orientation for as many people as they cared to invite. What happens next depends on how the school thinks about it. Sometimes I meet with administrators. Others feel that the provost can spread the idea and I don't need to go there. Sometimes I meet with small groups who have expressed interest. Sometimes the institution decides to send out a letter after the public presentation to see who's interested. So I work with the institution to point out the things they need to think about and potentially work on. We explain how the process works and what we recommend. From there, we plan the best way for that school to put our recommendations into place. Our level of involvement can be as detailed and hands-on, or hands-off as a school wants it to be. But essentially I talk with them about the key concepts they ought to be looking for, the things they ought to say, the follow-up they should be prepared to offer and support. Many of them have teaching and learning organizations already that have people prepared to support them on any new redesigns that they have. It just depends on where the institution is for what kind of process we develop.

When it comes to career colleges, we haven't worked with them as much as we have four-year colleges, universities and community colleges, but we are equally comfortable in doing so. There's no problem applying the methodology. The same thing is true of redesigning online programs. It doesn't matter what the content is because we're not content expert, nor do we need to be. But we do have knowledge of how to restructure what they're doing with students to make their engagement greater. That's exactly what the faculty is after. The schools have the content experts.

Of course, whenever you make an investment of time and money, you expect a return on your investment and there are a couple of ways we can provide that. One of them is that you, in fact, could teach more students with the same institutional resources. What does faculty do in a course? They lecture. They grade papers. They have office hours. They work in a lab with students. In fact, if you have a lot of quizzes and a lot of kinds of things that require manual work, that takes up a lot of faculty time. We know that if you could reduce the amount of time faculty spends doing some of these activities, they could work with more students. For example, if they could offload to technology some of those activities, particularly grading, and if students could be more engaged with the content using the technology, then the faculty member might be able to add five or more students to his or her class. If you could do that across the college, you could make a big difference financially. Also, if a school could offer fewer sections of something, or eliminate something altogether that is not popular or well-attended, that would automatically save money. We also know that some institutions would like to expand, but they don't have the resources. If you could offer fewer sections of 'X' course, you could then add another course that might be useful. The institution could then enroll more students in the new course. That's also a cost savings to the institution.

In summary, my message to career colleges is you're probably very aware of the drop/fail or withdraw rates that you have; and that's where you ought to be looking. What courses do you think have drop/fail or withdraw rates that are too high, and would these be candidates for a redesign where the goal is both to improve student learning and to reduce instructional costs? What institutional problems in a learning situation do you have that redesign would help with? Schools usually know this already, but often don't know what to do about it. My suggestion would be to look at what they've got and which of these would make a huge difference to a lot of students if more students could be successful. That's where I would focus, and that's where we can help.

About the NCAT

The National Center for Academic Transformation (NCAT) is an independent, not-for-profit organization that provides leadership in using information technology to redesign learning environments to produce better learning outcomes for students at a reduced cost to the institution. NCAT is headed by Dr. Carol A. Twigg, an internationally recognized expert in the field. The NCAT staff has extensive experience in higher education as faculty members, administrators and researchers in both traditional and non-traditional higher education environments. The web site address is www.thencat.org.

Career Education REVIEW *Written by Cheryl Hentz.*

Six Models for Course Redesign

The following summarize the characteristics of the six course redesign models that emerged from NCAT's course redesign programs.

The Supplemental Model

The supplemental model retains the basic structure of the traditional course and a) supplements lectures and textbooks with technology-based, out-of-class activities, or b) also changes what goes on in the class by creating an active learning environment within a large lecture hall setting.

The Replacement Model

The replacement model reduces the number of in-class meetings and a) replaces some in-class time with out-of-class, online, interactive learning activities, or b) also makes significant changes in remaining in-class meetings.

The Emporium Model

The emporium model replaces lectures with a learning resource center model featuring interactive computer software and on-demand personalized assistance.

The Fully Online Model

The fully online model eliminates all in-class meetings and moves all learning experiences online, using Web-based, multi-media resources, commercial software, automatically evaluated assessments with guided feedback and alternative staffing models.

The Buffet Model

The buffet model customizes the learning environment for each student based on background, learning preference, and academic/professional goals and offers students an assortment of individualized paths to reach the same learning outcomes.

The Linked Workshop Model

The Linked Workshop model provides remedial/developmental instruction by linking workshops that offer students just-in-time supplemental academic support to core college-level courses.

A full description of the six models with examples from the projects can be found on NCAT website: www.thencat.org

Bookstore Best Practices: What's in it For Your Students, and What's in it For You?

By Bruce Schneider, Ambassador Education Solutions

Course material distribution has changed dramatically. Students receive and access their course materials through a variety of channels and methods that didn't exist not too long ago. Some commute to the campus-based bookstore; some go online to order from a required list of titles matched with their course registrations; some access eContent directly from their LMS; and some pick up their resources from the school or instructor.

Regardless of the method, there are several course material management and acquisition processes that will make things easier and more efficient for both you and your students. Based on our work with hundreds of schools and campus networks over the last several decades, direct feedback from these schools on what works and what doesn't, and the technological advances that have emerged, our team at Ambassador Education Solutions has assembled a set of recommended best practices for course material sourcing, procurement and distribution. They are designed to optimize the experience for your students and lead to increased student satisfaction, while providing your organization greater control and saving you money.

BRUCE SCHNEIDER has more than 20 years experience developing, delivering and managing business technology solutions. He leads the advancement of Ambassador's integrated, customized bookstore services and has helped large career and proprietary colleges implement unique course materials strategies to meet their academic and financial goals. He has spoken at several education conferences, including ABHES, ACCET, CAPPS, and APSCU. Since 1973, Ambassador has supported higher education institutions in simplifying the adoption, management and delivery of all student course materials and learning resources, resulting in an optimized student learning experience and extensive student and faculty support, while enabling institutions to maintain control and streamline costs.

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Student Considerations

When assessing the purchase and delivery experience for students, keep in mind they prefer to get all of their textbooks, eResources, custom content, scrubs, kits, supplies, and logo apparel from one source. They want the process to be easy, they want access to help should the need arise, they want choice of format, and they don't want to spend too much. The schools that are most successful in supporting the course materials needs of their students and see the highest levels of student satisfaction typically follow these five recommendations:

1. **Deliver one-stop shopping with seamless purchasing.**
   If students are ordering materials online, enable them to login in with single-sign-on 24x7x365, and automatically view their registered courses and required resources available for purchase. Students should be able to complete the order, payment, and address verification in just a few clicks, so make sure the website is intuitive. As an alternative, consider an auto-fill option where students automatically receive their materials without any legwork on their part. For campus-based bookstores, we have found it to be most efficient when students simply present their course schedule and ID at the service counter. The point of sales system should then automatically match the student to his or her required materials. Have your staff pick, bag and deliver the items to the student at the checkout counter. This practice means students no longer have to navigate the aisles looking for their items, instead they are handed right to them.

2. **Accept multiple payment options.**
   For online, auto-fill and on-campus purchases, we have found that flexible purchasing options are important. When you allow students to pay by voucher, cash or credit card, you deliver added convenience. With school-authorized vouchers (which can be used by schools that include course materials in tuition and/or by schools that wish to generate revenue), you can also ensure students only purchase each item one time, unless you approve otherwise.

3. **Provide unsurpassed student support.**
   An open line of communication with students is imperative for delivering technical assistance, setting expectations, and resolving issues. Whether online or in-person, your staff should be knowledgeable, friendly and efficient. For students visiting your on-campus bookstore, make sure you have enough staffing support, especially during peak times at the start and end of a term. For students completing transactions online or via auto-fill, provide an easy-to-find "Contact Us" support line, enabling students a clear method to submit any and all inquiries.

4. **Give your students a choice in how they access curriculum materials.**
   From new and used materials, to traditional textbooks and eBooks complemented with print-on-demand (POD) versions, personalizing the education experience through choice is key. As the digital literacy demands of students increase, give them the choice to select online curriculum as an alternative or supplement to

traditional textbooks. Consider allowing students to access digital materials from within their LMS, or in some cases, download them to their computers or tablets. Be sure to include IT in all your discussions of electronic materials. These alternatives to textbooks add a significant amount of bandwidth demand to your network infrastructure and insufficient planning can lead to poor results and negatively impact student satisfaction.

5. **Provide students with a dedicated inventory.**
   Ensuring students receive the right materials in a timely manner is often dependent on those materials being in stock and ready for delivery. A dedicated inventory backed by necessary planning and demand estimates means your students won't experience delays in obtaining their course materials.

Administrative Considerations

The course materials supply chain isn't just about your students, it's about you too. While the way your school manages and delivers course materials can influence the education experience and overall student satisfaction, it can also have a dramatic impact on your operations and financials. Career college leaders have told us time and again that the ability for their systems to talk to each other, coupled with the availability of data and analytics, has enabled them to maintain the right level of administrative and cost control. These five strategies will likely help you do the same:

1. **Define your financial goals.**
   It is important to clearly identify your revenue targets. For example, does your school want to pass along cost savings to students or retain those savings as revenue? When it comes to pricing models, consider a formula that will allow you to meet your revenue objectives, while also keeping student pricing in check.

2. **Integrate a bookstore operations portal with your other systems.**
   By integrating a bookstore operations portal with your LMS, SIS and digital content platforms, you can not only expedite your processes, but you also increase the accuracy of transactions and better manage and track account activity, history, and more. You can transmit information and post transactions to the student ledger, eliminating missed revenue recognition and data entry mistakes.

3. **Efficiently and safely manage your student records.**
   Keeping on top of your student records will not only ease your administrative and financial bookkeeping, it will also help you maintain compliance with new and evolving federal regulations. It is important to automate the logging and reporting of student registrations, course material purchases, and financial aid spending. The online "paper trail" of reports can also mitigate risk when it comes to regulatory inquiries. Keep your records secure, and be certain to audit regularly who has access to those records and determine if that access is necessary for his or her job.

4. **Consolidate your sourcing.**
   Regularly tracking and managing your publisher agreements will ensure you get the most out of

those relationships, both from a service and financial standpoint. Consider analyzing and standardizing your course materials purchases from specific publishers and vendors. This will not only reduce your overall cost of course materials, it will also reduce staff hours spent tracking down deliveries and order status from multiple providers.

5. **Leverage a system for booklist and transaction management.** Through a dedicated portal or extranet, you can simplify the management of your booklists by staying on top of new or out-of-print titles, the most in-demand and current titles, and the usage of all course materials. You can also track all orders, returns and buybacks in real-time for greater inventory visibility and more accurate future ordering.

Operational and Financial Risks to Avoid

With every set of best practices comes lessons learned. Implementing a comprehensive course materials strategy that serves the needs of your students and your school isn't without its challenges. Just as we have created a series of best practices, we have also learned pitfalls to avoid along the way:

1. **Don't allow students to receive more than one copy if payment via voucher.** Regardless if you roll the cost of course materials into tuition or generate revenue, if students are permitted to use a school voucher to purchase materials, you are likely anticipating a set number of items in your inventory and financial estimates. If students are permitted to purchase additional copies of the same item via voucher because, for example, they left their materials at home, you will incur additional costs because the student will have exceeded his or her course material allowance. The exceptions will be if you approve the additional purchase or if the student pays by credit card, as that will be their own out-of-pocket expense.

2. **Don't maintain excessive quantities of materials.** When ordering inventory, do not anticipate a lot of overage. After distribution of the materials to students, return extra materials to the publishers in a timely manner, which will help with cash flow, ensure timely compliance with a publisher's return policy, and eliminate rejected returns.

3. **Don't simply ship to the address provided by the student.** When students order materials online, it is imperative that you have a pre-ship validation process in place to identify invalid addresses in advance. This will eliminate address correction fees imposed by carriers and ensure timely delivery of materials.

4. **Don’t base your order solely upon the faculty booklist.** It is a good idea to vet the booklist submitted by your faculty so you can identify appropriate editions and notify faculty of new editions. You should also review requested quantities and determine whether they are too low or too high based upon historic metrics.

5. **Don't assume eBooks are the only way to go.**
Treating all courses the same when it comes to offering eBooks in place of textbooks is generally a bad idea. Consider that some students simply like the touch and feel of a printed textbook. Beyond that, many programs of study require certification exams at the end of the program, and since eBooks expire after a period of time, students may not be able to access them for further studying. Negotiating longer eBook license terms can help you overcome this limitation. Offering POD options is also a good idea, but be mindful to set quota limits or implement a per page charge for students who use your printing facilities, or your costs will skyrocket.

At Ambassador Education Solutions, we know your course materials adoption, management and delivery strategy requires dedication in order to ensure everyone's needs are being met effectively and efficiently. For your students, it's about getting the right materials into their hands, the right way at the right price. For you, it's about standardizing processes in a way that meet your operational and financial objectives, while providing greater visibility and control.

The stakeholders in the course materials supply chain are many, and there's a little something in it for everyone.

Career Education REVIEW

Lessons Learned From Thunderbird/Laureate Proposed Joint Venture

With Florence Tate, SWAT Educational Services, Inc.

A proposed joint venture between Thunderbird School of Global Management and Laureate Education is causing trepidation, especially among Thunderbird's students and alumni who view the move as an effort to leverage the Thunderbird brand and its stellar business school reputation in order to deepen the pockets of a for-profit institution.

The deal looks to allow Thunderbird, based in Glendale, Ariz., to open new centers in Latin America, Europe and Asia and to expand its online and executive education programs, while allowing Thunderbird to erase nearly $25 million in debt and other financial challenges caused, in part, by the specialized nature of its graduate programs and its small endowment and enrollment. Under the proposal, Laureate, formerly Sylvan Learning Centers, would purchase the Glendale Thunderbird campus in a $52 million, 20-year sale-leaseback deal, the *Phoenix Business Journal* reported, while also gaining three seats on Thunderbird's Board of Directors.

The Thunderbird Independent Alumni Association, or TIAA, hired Florence Tate, president of SWAT Educational Services, Inc. in Concord, Mass. as a consultant to help the group understand the accrediting and licensure processes, and to help them prevent

> ***Thunderbird graduates are all "brilliant people who just wanted to be a part of the action being considered by the administration".***

Laureate from taking over Thunderbird's operations. Tate is a higher educational consultant advising institutions seeking regulatory assistance for state license to either national or regional accreditation as well as with institutions that may be in the status of show cause.

"It has been an amazing experience working with a group of very talented graduates who were very pained by the actions taken by the institution's administration," she says. Tate started working with the group in September 2013, and one of the first things she did was have conversations with the Thunderbird Board of Trustee members who had resigned. Since March 2013, seven trustee board members have left.

She says career colleges and others

can learn many lessons from what has become a proverbial can of worms for Thunderbird administrators.

Lesson 1: Don't take action when you're emotional. First, calmly investigate the options and then decide what is the best action to take.

"I had conversations with the Board of Trustee members who resigned, and told them it was too bad they didn't remain on the governing board and try to get a temporary restraining order," she says. "But they said hindsight is 20-20; we were emotional and we left."

To be successful, a school must continuously do operational analysis of its institution to see where the gaps are.

One of the Board of Trustee members had significant money and was willing to provide investment dollars to help Thunderbird out financially. "But they wouldn't take any," Tate says. "And the one trustee who was willing to support the institution was one that walked."

Tate says Thunderbird graduates are all "brilliant people who just wanted to be a part of the action being considered by the administration."

The group also worried about how Thunderbird would maintain control. "Thunderbird's administrators said they'd maintain control," Tate says, "but the alumni group asked how they could do that when three board seats are now going to the investors."

Lesson #2: Don't mislead your alumni about the accreditation process or fire alumni from your Board of Trustees, particularly when they are trying to serve as liaison between graduates and the school.

"Thunderbird's 40,000 graduates were trying to access the board and get some idea of what was happening," she says. "But the board said that everything was resolved — that the school would be assisted by Laureate in August and then come up for its accreditation review in November with the Higher Learning Commission." The HLC of the North Central Association of Colleges and Schools is an independent corporation that accredits degree-granting post-secondary educational institutions in the United States.

Yet the timing was inaccurate, Tate says. The Higher Learning Commission did a fact-finding visit in late October, and gave Thunderbird's alumni an opportunity to comment. "When you listened to the individual students,

FLORENCE TATE's professional career spans 40 years with 30 of those years as a chief executive officer for institutions of higher education. She has been a successful manager in every functional phase of institutional operation. During this time she has successfully guided two- and four-year national accredited institutions through regional accreditation.

In addition to serving on well over 400 evaluation visits for three of the national accrediting bodies, she has been on two commissions. Some of the committee activities Ms. Tate has participated in include preliminary review, educational planning and financial review.

Ms. Tate currently serves on the Executive Committee of the Accrediting Bureau of Health Education Schools (ABHES), as its treasurer, and chairs the Standards Review Committee which develops the agency's standards (SRC).

Ms. Tate participates on several boards, regulatory councils and advisory groups, and has spoken on issues of higher education for major publishing companies, state employment and training councils, and private school associations.

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you could tell they had magnificent ideas in terms of possible alternatives for the administration to consider," Tate says.

But because of the sheer volume of comments and complaints from students and alumni, there was no way the HLC could have a recommendation by its November 2013 meeting, especially considering that the evaluation team's recommendations first had to be compiled into a report and the institution then needed to respond to the report.

Based upon conversations she's made with HLC leaders, Tate says she doesn't expect the HLC to make a decision on whether the deal has any impact on Thunderbird's accreditation status until its August 2014 meeting, In addition, Thunderbird was unwilling to review any of the other options they had in front of them as it relates to their financial crisis, Tate says.

Lesson 3: Even institutions with elite status must update their programs.

The Association to Advance Collegiate Schools of Business also accredits the MBA program offered at Thunderbird School of Global Management. For business degree programs at the undergraduate, masters, and doctorate level, AACSB accreditation is the largest and most recognized specialized accreditation worldwide. In fact, less than 5 percent of the world's 13,000 business programs have earned AACSB Accreditation.

Yet after receiving the elite accreditation, Thunderbird did little to its program to keep it current as industry and the economy changed.

"Frankly, Thunderbird got lazy," Tate says. "They sat back and were living off the well wishes of everything that had transpired in the past. They also did little for professional growth for the faculty or for placement for their graduates. Until several years ago their graduates were sought after, but they are no longer enrolling the same numbers as they had originally."

To be successful, a school must continuously do operational analysis of its institution to see where the gaps are, she says. "Proprietary institutions have to do institutional evaluations, and they have to keep those evaluations up to date every year with the accrediting body. Regional accreditors have a different process that is not as immediate as national accreditors. As a consequence, it put this institution in chaos."

The lesson here is to never cut out your alumni because they are with you forever.

Lesson 4: Never cut out your alumni.

When Thunderbird cut its alumni out of discussions, they united and created an independent alumni association, which has hired a public relations firm, and the public relations firm started sending out press releases.

According to an October 2013 press release: "The Thunderbird Independent Alumni Association called on the Thunderbird Board of Trustees to publicly disclose all alternative plans that would have spared such a storied institution from a partnership with Laureate Education, a for-profit institution seeking to exploit Thunderbird's reputation at the expense of its long-term standing as a leader in the field."

The press release went on to state that full transparency is vital as the Higher Learning Commission is still reviewing the Laureate alliance, and that hopefully the HLC would force the Thunderbird Board of Trustees to reconsider offers from more reputable institutions whose missions and values align with Thunderbird.

Another October press release stated, “The Laureate take-over would be like transforming the Supreme Court into Judge Judy.”

That publicity was followed up by a November press release that challenged Thunderbird’s current administration to first release all the terms of the pending Laureate alliance, and secondly, to agree to an on-campus discussion about its proposed alliance with the for-profit, highly leveraged Laureate Education.

Transparency, disclosure and collaboration with your constituents may not satisfy all involved, but at least the issues of concern will be clearly visible and provide a basis for discussion and negotiation.

“Since the Administration rushed into this deal with almost no real discussion or transparency with alumni, we think they ought to take this opportunity to discuss the full terms of their decision in a public setting,” says Will Counts, a 2009 alumni and executive director of the TIAA, according to the press release. “This open discussion will allow alumni and current students to see the thinking behind this questionable step the current Administration has taken, so as to gain a truly informed view.”

Thunderbird at a Glance

- Opened in 1946 as the world’s first school exclusively dedicated to educating global business leaders
- Offers full-time master’s degree programs in global management, finance, marketing and global affairs, as well as a post-MBA program
- Also offers working professional programs, including a global MBA program online and an executive MBA program where students attend class alternating weekends, and participate in field seminars in multiple overseas locations
- Its Fall 2013 student body represented 67 countries and were 71 percent male
- Enrollment for Fall 2013 was 530 in its full-time programs and 485 in its working professional programs
- Has more than 40,000 alumni

The release stated that the TIAA believes diminishing Thunderbird’s legendary reputation as an educator of international business leaders should not be sacrificed to make a quick dollar, and stated that it is attempting to raise $30 million to operate the school should the transactions be scuttled.

“The lesson here is to never cut out your alumni because they are with you forever,” Tate says. “In this case, they were concerned about their institution losing its accreditation, but at the same time, they didn’t want their institution scandalized by the brand of the purchaser.”

Lesson 5: Investigate who is buying you and its brand perception.

The independent alumni association was not only concerned about their alma mater losing its accreditation. “They also didn’t want their institution scandalized by the brand of the purchaser,” she says. “There is a great conflict with the independent alumni association about who is buying Thunderbird because of the issues Laureate is having in some countries,” Tate says.

The TIAA says that the financial security of Thunderbird could be irreparably damaged if the alliance with Laureate moves forward.

According to Standard & Poor’s, Laureate has a highly leveraged profile and has a weak business risk profile. Its report states: “We view Laureate’s business risk profile as ‘weak’ based on our criteria, because of the risks inherent in undertaking its rapid overseas expansion, which involves considerable execution risk, country risk, and currency risk, in our view. The company has a ‘highly leveraged’ financial profile, in our view, because of high debt leverage and limited cash flow generation relative to total debt burden.”

A report in *Dynamo* noted that at least seven universities are suspected of profiting from teaching in Chile, and that behind many of the institutions is Laureate International Universities, a group that opened in Chile in 2000 and owns one of the largest global networks of universities and private institutions. In October, Chile's National Accreditation Commission voted to strip accreditation from one of the company's schools, Santiago-based Universidad de Las Americas, or UDLA, *Bloomberg Business Week* reported. In its decision, the commission wrote that, since 2010, UDLA's academic standards have suffered as it has added almost 10,000 students while reducing the number of full- and half-time teachers to 399 from 408 and had graduation rates as low as 15 percent in some majors.

Tate says she doesn't know if Thunderbird did a thorough investigation of Laureate before they agreed on the joint venture. "I don't have the full picture other than what I read on my own and what I have aligned with the accrediting issues," she says.

But she says she knows Laureate's bonds are rated as junk bonds, in part because of its high debt of more than $3.5 billion, making them far below investment grade and actually preventing some investment firms from purchasing them.

"The alumni really investigated this and found out that Laureate is currently paying between 9 and 13 percent for their offerings, which is extremely high for corporate bonds," she says. "Simply put, Laureate is over leveraged. If any of the economic conditions deteriorate in Latin America, they are at very high risk. If they default on their bonds, their investors could expect to get only 0 to 10 percent of their investment back."

Lesson 6: Survey your graduates and other constituents to determine other demands for program offerings prior to making decisions.

"One of the strategies that Laureate proposed to generate revenue was to change the institution and add undergraduate degrees and online programs, and that alarmed the alumni," Tate says.

According to The Chronicle, the Laureate deal offered $13 million to start up online and undergraduate programs at Thunderbird, as well as open classrooms in Europe and Latin America, including MBA programs in Paris, Madrid, Brazil and Chile.

Schools shouldn't make quick decisions that require them to create a new mission and different operating services without first talking to all of its constituents, Tate says. Transparency, disclosure and collaboration with your constituents may not satisfy all involved, but at least the issues of concern will be clearly visible and provide a basis for discussion and negotiation, she adds.

"I am not sure how this will play out," Tate says, "but what is obvious from the lessons learned is that this will continue until all parties involved are able to negotiate a resolution together."

Career Education REVIEW

Written by Barbara A. Schmitz

Establishing Federal Financial Aid Eligibility for Competency-Based Education

By Geraldine Muir and Michael B Goldstein

Competency-based education certifies students' mastery of institutionally-identified learning outcomes through the evaluation of student work product and directed assessments. Unlike traditional academic programs that are structured in credits or clock-hours, and require documentation of instructional time supported by student work-product for financial aid eligibility; eligibility for a competency-based education requires evidence of student learning. And where, credit and clock-hour programs are structured around instructional time convenient to the faculty's delivery of instruction, competency-based programs allow students to progress through their academic program at a pace that is best for the student.

However, for many years, or, to be precise, forty-nine, counting from the passage of the seminal *Higher Education Act of 1965*, it was assumed that only instruction that could be measured either by credit hours or clock hours could qualify as Title IV eligible. Of course, during that time, seismic advances occurred in the technology and pedagogy of higher educations, and a few brave schools sought to operate as competency-based institutions. Sadly, the lack of statutory authority rendered it impossible to qualify students enrolled in these programs for Title IV assistance – unless their learning activities were transmuted into credit or clock hours. Western Governors University is a prime example of an institution that was established in 1997 on the basis of competency-based learning, and until very recently dutifully made the necessary conversions to standard credit hours upon which financial aid could be calculated.

Sadly, the lack of statutory authority rendered it impossible to qualify students enrolled in these programs for Title IV assistance – unless their learning activities were transmuted into credit or clock hours.

In theory, that all changed eight years ago, when, in enacting the *Higher Education Reconciliation Act of 2005*, Congress made what was then regarded as a minor tweak in the legislation governing the Title IV student aid programs. In the words of the Department of Education:

Well, more on that in a moment.

In November, 2006, the Department published final rules governing the implementation of the changes made by the Congress in the 2005 Act. Out of scores of pages of regulatory language and explanation, roughly half a page was devoted to "direct assessment," and that did no more than describe in broad outline the methodology an institution must apply. From that date until March, 2013, the Department was silent on competency-based learning, at least insofar as it could be supported through student aid. It is not surprising that over the *course of the intervening 7 years only one institution applied for that authority*. It was only in March of last year that the Department released a "Dear Colleague" letter encouraging institutions to seek approval of competency based programs, and later that Spring small New England college, Southern New Hampshire University, secured the first Department of Education approval to implement a truly competency-based program. It is in the March, 2013 Dear Colleague letter that the Department says the following about the 2005 amendment:

> [The new provision] established the eligibility of direct assessment [competency based] programs to participate in the title IV, HEA programs. Specifically, the HERA provided that instructional programs that use direct assessment of student learning, or that recognize the direct assessment by others of student learning, in lieu of measuring student learning in credit hours or clock hours, may qualify as eligible programs if the assessment is consistent with the institution's or program's accreditation.

The Dear Colleague letter, although late in coming, had a salutary effect. In 2013 interest in competency-based education exploded throughout the postsecondary education community. It is not difficult to understand why.

As the movement to provide competency-based programs continues to grow and mature, best practices are evolving that can save institutions in the initial stages of competency-based academic program development valuable time and resources.

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Ms. Muir advises colleges, universities and other postsecondary institutions on issues related to programmatic and institutional accreditation, federal and state regulatory compliance, and the management of regulatory reviews and adverse actions. She specializes in issues related to Title-IV compliance for distance education programs, credit hour assessment, regulatory approval and appeal processes, FERPA, FOIA, The Jeanne Clery Campus Safety Act, and competency-based education.

Prior to Dow Lohnes, Ms. Muir served as a university administrator at several public and private institutions, overseeing financial resource management, strategic planning, student conduct, diversity initiatives and supervision of staff. As the Associate Dean of Student Affairs at Drew University, she was recognized nationally for her leadership role in student volunteer and service learning initiatives.

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With many in the U.S. questioning college affordability, completion rates, and the attainment of learning outcomes, it's not surprising to see a growing number of institutions, including (at last) the Department and industry supporters such as the Bill & Melinda Gates and Lumina Foundations, investing significant resources into the development of these programs.

Yet several institutions of higher education have had their efforts to develop competency-based educational programs delayed, or derailed, due to uncertainty as to how they can comply with the federal financial aid eligibility rules. Academic leaders lament the lack of clarity as to which competency-based programs require approval by the Department before being eligible for federal student aid program participation, and which competency-based programs are governed by the standard Title IV definitions. As the movement to provide competency-based programs continues to grow and mature, best practices are evolving that can save institutions in the initial stages of competency-based academic program development valuable time and resources. Below are a few of the first steps institutions should take to ensure their competency based education programs are eligible to participate in the federal student aid programs.

In contrast to direct assessment, the broader category of competency-based education also includes programs that are developed by mapping learning outcomes from established credit or clock hour programs or from industry-based rubrics into the basis of the competencies that are then measured and evaluated by the institution.

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Mr. Goldstein leads a group of lawyers and professionals with long experience and deep expertise in serving clients in the postsecondary sector, including public, independent and for-profit institutions, national, state and regional organizations, institutional and professional accrediting commissions, courseware developers, service providers, lenders and many of the private equity groups active in the field.

Mr. Goldstein has been a pioneer in the development and rational regulation of higher education in general and online learning in particular, and in the creation of innovative approaches to combining the resources and interests of the non-profit, public and for-profit postsecondary communities. He has served on numerous panels and committees on a variety of higher education issues, including as an expert member of the UNESCO-CHEA Task Force on Degree Mills and as a member of the National Advisory Panel for the enactment of the State Authorization Reciprocity Act. He has long served as General Counsel to the American Association of Community Colleges (AACC) as well as in the past as general counsel to other higher education organizations, including the State Higher Education Executive Officers (SHEEO) and the Middle States Commission on Higher Education (MSCHE). He is the author of the chapter on Legal Issues in the Encyclopedia of Distance Learning as well as many papers and chapters in professional journals and publications and is a frequent speaker at higher education conferences.

Mr. Goldstein has been named in Best Lawyers in America for Education Law and recognized in Washington, DC Super Lawyers for Schools and Education.

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First Steps toward Financial Aid for Competency-Based Education:

1. **Determine if the program is direct assessment or a different type of competency-based instructional program.**

- The determination of whether a program qualifies as direct assessment, or another form of competency-based education, is paramount for institutions to know if the program will require express approval from the Department to participate in the federal student aid programs, or if the institution is authorized to establish the program's eligibility under the traditional Title IV rules. Institutions that err with this decision risk a liability of total repayment of Title IV funds issued for the program to the Department. If a program is deemed to be a direct assessment program, then the institution must receive approvals from both its accreditor and the Department to establish the program's Title IV eligibility. If the institution deems the program to be competency-based education that is not direct assessment, then the program can be administered under the traditional Title IV rules.

The need to explain how a direct assessment program equates to a credit hour program has lead institutions to map what was intended to be a direct assessment program to a traditional credit hour program: effectively changing the direct assessment program enough to make it no longer direct assessment, but rather a competency-based program governed by the traditional Title IV rules.

- Although the terms, "competency-based" program and "direct assessment" programs are often used interchangeably in articles, training sessions, and even Department guidance documents, in fact direct assessment programs are a subset of the larger, more diverse category of academic programs that qualify as "competency-based." Direct assessment programs, for federal student aid purposes, are "instructional programs that, in lieu of credit hours or clock hours... [utilize] direct assessment of student learning." The few direct assessment programs that are currently Title IV eligible can be distinguished from other competency-based education due to direct assessment programs' development outside of the traditional credit and clock hour construct. Instead of credit hours, these programs focus on identifying the competencies and skills students need to master, as well as the assessments required to document mastery. The direct assessment program is then structured to deliver instruction, assignments and assessments from the foundation of the core competencies. The College for America at Southern New Hampshire University's offerings are well-known examples of direct assessment programs.
- In contrast to direct assessment, the broader category of competency-based education also includes programs that are developed by mapping learning outcomes from established credit or clock hour programs or from industry-based rubrics into the basis of the competencies that are then measured and evaluated by the institution. The identification of competencies and adequacy of instruction to warrant a credential is expressly tied to a traditional credit or clock hour model. Examples of competency-based programs can be found at Northern Arizona University

and Western Governors University, among others.

Avoid a Misstep – Take the time necessary to determine whether your institution's program fits into the traditional or direct assessment Title IV rules.

There are a few reasons why institutions struggle when determining if a program is governed by the traditional or direct assessment Title IV rules. First, what constitutes a "credit hour" for federal student aid purposes was only recently defined to clarify that federal student aid awards could be are based on time (instructional hours) or institutionally-defined equivalencies, such as competencies. The fact that some competency-based education would be governed by the traditional Title IV rules applicable to credit and clock-hour programs was unclear until 2011. With the current definition for a "credit hour" being relatively new, there's been little time, guidance, or examples of different types of competency-based educational programs that institutions just initiating efforts into developing competency-based education could consider as models.

Second, while the federal student aid regulation authorizing direct assessment programs for Title IV eligibility makes clear that these programs are not to be measured by credits or clock hours, the regulation also expressly requires institutions to provide a statement as to the "number of semester or quarter credit hours that are equivalent to the amount of student learning being directly assessed for the [credential]" and "the methodology the institution uses to determine the number of credit or clock hours to which the program is equivalent." The need to explain how a direct assessment program equates to a credit hour program has lead institutions to map what was intended to be a direct assessment program to a traditional credit hour program: effectively changing the direct assessment program enough to make it no longer direct assessment, but rather a competency-based program governed by the traditional Title IV rules. This change from a direct assessment program to a competency-based program can be further exacerbated by the need for direct assessment programs to comply all of the federal financial aid rules, such standard academic progress (or SAP) and return for Title IV (or R2T4), which are rules tied very closely to time-based measures. These requirements tether the direct assessment programs a credit or close hour structure, despite the intention to free the programs from a time-based limitation, and require institutions to translate students' progress through the competencies to the traditional time-based measures.

Documentation of "regular and substantive interaction" policies and activity is important to protect the eligibility of the direct assessment program.

And finally, accreditors have varying approval requirements related to competency-based education programs; differing accreditor approval standards can lead schools that initially conceived of their competency-based programs as direct assessment programs to modify their description of the direct assessment program to more closely align it to credit hour programs. In order to obtain accreditor approval in a timely manner, institutions may forego a direct assessment program for a competency-based model and not realize the change to meet their accreditor requirements affects their federal financial aid eligibility.

As an institution works on developing a competency-based program, it is a best practice to have academics and administrators expert in curriculum design, subject matter, financial aid regulation and accreditor standards evaluate the relevant state, accreditor and federal aid requirements at multiple stages of the program's development and implementation. Shared review will minimize the risk of a costly error, delays and potential liabilities.

The definition and documentation of "regular and substantive interactions" is one example of the tension caused by federal financial aid's time-based regulatory structure, and the competency model.

Recognizing that competency-based programs require advance approval of the Department, going forward the best practices will focus on the processes for securing those approvals. For direct assessment programs, Title IV regulations require institutions submit an application to the Department to establish the direct assessment program's Title IV eligibility. And prior to applying to the Department for approval, the institution's accreditor must provide documentation of its review of the institution's offering of direct assessment program, its agreement with the institution's determination of the direct assessment program's equivalence with credit hour programs, and that the programs is included in the institution's grant of accreditation. The following best practices will facilitate this application process.

2. Confirm that the type of program is not ineligible to be classified as a direct assessment program.

While promoting flexibility in program design, the direct assessment regulation does expressly exclude certain types of otherwise Title IV-eligible programs and courses from being eligible when offered in a direct assessment format. The Departmentwill not approve the following types of programs for Title IV eligibility if offered in a direct assessment format:

- programs at foreign schools,
- prepatory education required for students to enter an eligible program,
- remedial education, or
- courses necessary for teaching credentials outside of a degree program.

Note that the Department will also not recognize a program as direct assessment if parts of the program are offered in credits or clock hours. This limitation can prove significant in states where licensure regulations dictate a completion of a certain number of clock hours of instruction in a related academic program for individuals to qualify for licensure.

Seeking eligibility for these types of programs under the direct assessment regulation will result in lost time and energy for institutions. For the type of programs listed above its best to develop competency-based programs aligned with credit hours or simply provide the programs/courses in a traditional credit or clock-hour format.

3. Determine how the institution will document "regular and substantive" interactions between the faculty and students in the direct assessment programs, as well as other financial aid regulatory requirements.

Title IV funds cannot be applied to the assessment of prior learning for students enrolled in direct assessment programs, nor can they be applied to the assessment of competencies where the student did not receive any instruction from the program that facilitated their attainment of the competency. To show that a direct assessment program meets the eligibility requirements, the institution must document how the institution "assists students in gaining the knowledge needed to pass the assessments," and that the student, as an individual, "interacts with the faculty member of a regular and substantive basis to assure progress within the course or program."

Institutions that fail to create a policy that clearly identifies the types of substantive educational activities that will occur between the students and faculty, or fail to retain documentation of these educational activities for each student, will risk significant financial liabilities, up to and including total repayment of Title IV funds distributed to students in the program. The absence of policies and documentation outlining the "regular and substantive interactions" occurring between faculty and students in a direct assessment program can lead to the program being deemed correspondence education, and have significant effects on the students', program's and institution's federal student aid eligibility.

Correspondence education, which has unique Title IV eligibility requirements, is effectively self-paced instruction, where an institution provides the instructional material to a student, interaction between the student and faculty is limited and often student-initiated. Absent documentation of regular and substantive interaction between the faculty and students, a direct assessment program would be treated as a correspondence education program for Title IV purposes, and if the program did not meet the correspondence education eligibility requirements, it would risk a significant repayment liability. Documentation of "regular and substantive interaction" policies and activity is important to protect the eligibility of the direct assessment program.

While it is counter-intuitive that direct assessment programs, which are valued for the autonomy they allow students to self-direct their learning pace and to show mastery of various topics without redundant work, would require documentation of regular and substantive interaction throughout the whole of the program, it is an express requirement for receiving and retaining Title IV eligibility. Defining what constitutes "regular" interactions when one enrolled student spends ten hours a day on their academic program and another student spends two hours, but is able to show mastery of the same competencies can be a significant challenge for some programs. Definitions of what constitutes a regular and a substantive interaction are included in both the definitions of direct assessment programs and distance education, but the institution has some discretion in defining how these terms are applied to its own direct assessment program, so long as that definition is deemed acceptable to the Department when the institution submits its application. The definition and documentation of "regular and substantive interactions" is one example of the tension caused by federal financial aid's time-based regulatory structure, and the competency model.

While the path to establish a direct assessment program's Title IV eligibility remains complex and still rather murky, it can be traversed successfully, one step at a time.

The Department is working with institutions individually, based on the specifics of the direct assessment program, to review the proposed policies and procedures to ensure compliance with all of the federal financial aid requirements that contain a time-based element, such as SAP, R2T4, and student eligibility requirements. This is not an insignificant review which can take several exchanges between the institution and the Department. To facilitate this review, it is the responsibility of the institution to define and articulate how its direct assessment program's policies and procedures comply with all of the various time-based federal financial aid rules. Again, successful articulation of these policies, how they apply to the academic program and how they comply with the federal regulations will require the collaboration of academic and administrative leadership from the earliest stages of the program's development.

4. **Bring Both Academic and Financial Aid Leaders to the Planning Table Early and Often.**

Expertise on translating direct assessment programs to the federal financial aid regulatory requirements is not readily available on every campus. As institutions begin to explore developing competency-based educational offerings, it is imperative that they bring both academic and financial aid leaders to the planning table to assess how the program's goals can be met while complying with the proper financial aid eligibility regulations. The experience and expertise of both academics and administrators is necessary ensure the steps necessary to minimize the cost and frustration of lost time and misdirected efforts.

Institutions developing competency-based education are further encouraged to get involved with, or otherwise monitor the publications being developed by various professional associations, such as the Council for Adult and Experiential Learning (CAEL), professional journals, and through the Competency-Based Education Network ("C-BEN"), which is supported by grants from the Lumina Foundation. C-BEN is supporting institutions developing competency-based programs so that they can build guiding principles as a collective, sharing information on each program's strengths and successes. C-BEN is closely aligned with an "incubator" project, funded by the Bill & Melinda Gates Foundation, which supports the development of competency-based education programs that are not as developed as those participating in the Lumina funded C-BEN initiative. Foundational materials, such as the Department's "Dear Colleague Letter" that details the information required for an application for Title IV federal student aid eligibility for direct assessment programs should be reviewed early, and often.

After waiting forty years, the Congress recognized that there may be better and more economical ways to convey learning to the American people than sitting in a classroom in 50-minute bites. And it only took the Department seven more years to actually act on this authority. But act it has, and there is now, finally, the opportunity for institutions to develop competency-based education programs. The initial success of Southern New Hampshire University's College for America (which had its first associate degree student graduate in less than one hundred days), and those of other competency-based programs that are reporting substantial success with degree completion initiatives that are responsive to the students' pace of learning, coupled with increasing concern about the cost of higher education, has created significant political, financial and popular support for these initiatives. It is therefore important that excellent competency-based programs be made available to the largest population possible, and that demands establishing their Title IV eligibility so that students with financial need are not effectively excluded. While the path to establish a direct assessment program's Title IV eligibility remains complex and still rather murky, it can be traversed successfully, one step at a time.

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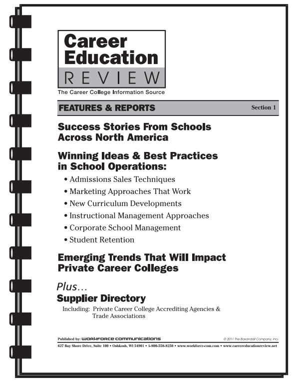

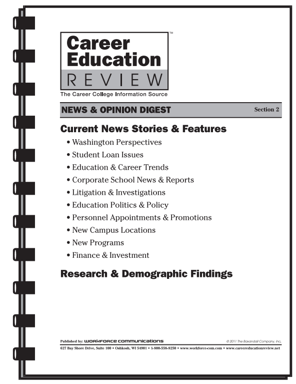

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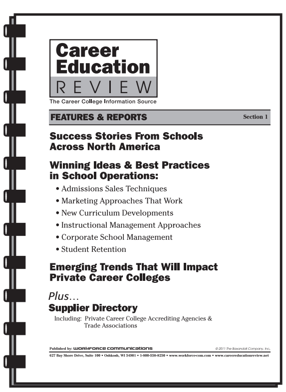

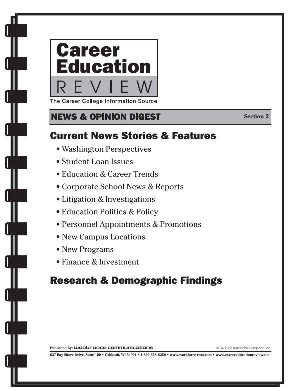

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