

For-Profit College Accrerator

A threat to 320,000 students' success—that Trump can't undo.

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The largest accrediting agency of for-profit educational institutions—some of which, like ITT and Corinthian Colleges have shut down, displacing thousands of students—now faces its own undoing by a vengeful administration. The Accrediting Council for Independent Colleges and Schools had its federal recognition officially revoked on December 12, after a five-month tug-of-war with the Department of Education.

Federal de-recognition, made official when Education Secretary John King denied ACICS's appeal last Monday, means these schools will become ineligible for federal funding under Title IV of the High Education Act. With ACICS derecognized, hundreds of for-profits formerly accredited by the agency have until Christmas Eve to agree to the conditions of an eighteen-month provisional "accreditation" under the Department's oversight.

And there's little the Trump administration will be able to do to repair the brunt of the damage—even if ACICS wins its injunction, scheduled for February, against the department's de-recognition decision. And even if incoming Education Secretary Betsy DeVos's department reopens the lengthy process of re-recognizing ACICS on their very first work day, schools will have already agreed to notify their combined 320,000 students of their unaccredited status—a condition of the department's interim accreditation. And at the state level, many schools will have already lost licensing authority and funding for veterans benefits as a result of their lost accreditation.

Since the for-profit Corinthian Colleges closed down last April, cloaked in financial scandal, the Department of Education has hewn to an unrelenting hard line against for-profit colleges. The displacement of thousands more students, enrolled at for-profits forced to close, is for their own good and it's even better for posterity—or so the department has determined.

Massachusetts senator Elizabeth Warren, the breakout star of the Great Recession, made them a principal target. ACICS's de-recognition results from a campaign Senator Warren kicked up in time to stymie their renewed federal recognition. In June, Senator Warren petitioned Education Secretary John

King to encourage a review board, comprised of political appointees, to reconsider their renewal. Her appeals leaned on a report from the Center for American Progress alleging that ACICS's insufficient oversight extended far beyond Corinthian Colleges.

"These failings stretch beyond ACICS's decision to continue accrediting campuses of Corinthian Colleges until the for-profit's ultimate collapse; analyses have found that ACICS also accredited an additional sixteen institutions that have faced investigation by state or federal agencies," Warren's letter read.

Counterargument, that investigations and ideologically-driven allegations do not constitute conclusive evidence, would have done little good. Rather than requesting reforms from the accreditor and giving them a year in which to comply, the review board, the National Advisory Committee on Institutional Quality and Integrity (NACIQI), agreed with Senator Warren that ACICS was beyond repair. They voted not to renew ACICS's recognition.

At the time, the Council for Higher Education Accreditation, a non-partisan accreditation advocacy organization, called out the department's creeping politicization. "Just as accreditation has been federalized, the ACICS decision makes clear the extent to which both NACIQI—and accreditation—have been politicized," wrote Judith Eaton, president of the Council for Higher Education Accreditation.

Since then, ACICS has lost one battle after the next. The final derecognition decision on December 12 only sealed its fate. And the federally-inflicted damages to for-profits and their students are largely irreparable.

Still, shortly after ACICS's "black Monday," Senator John McCain urged action by the Trump administration to reverse the regulatory legacy of Obama's assault on for-profits. The Arizona lawmaker, chairman of the Senate Armed Services Committee, principally condemned the Pentagon's probationary restrictions on tuition assistance for veterans attending for-profit University of Phoenix. But his timely statement also broadly indicted a partisan assault on for-profits. "Undoing the Obama Administration's eight-year war on for-profit colleges through onerous rulemaking and regulatory actions should be a priority of the next Administration and Congress," he said.

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For-profits are preparing for the worst regardless, said lawyer Katherine Lee Carey, who advises higher education institutions with the firm Cooley, LLC. "Schools are all scrambling to become accredited by another accrediting agency," said Carey.

No matter how quickly Congress and the next administration come to their defense, these schools have to pursue re-accreditation and manage the fallout from the federal assault they've faced so far.

"This damage has been done already, and in the next month damage will continue to be done, because these schools are going to start losing students." The feds, as a probationary measure, require these schools to notify their students they've lost accreditation. And, "With ITT and Corinthian closing precipitously, [students may] be really nervous that that's going to happen, and they'll start transferring and dropping out."

Former ACICS-accredited colleges, even if they find another accreditor in due time, may not recover from so swift a blow to their credibility nor from the inevitable depletion of their student bodies.

"Will schools have to close? Some of them will, and some of those schools have students in them now that are going to end up being closed-school discharges." The federal government cancels enrolled students' loans in the event that their school closes.

For-profit colleges' sometimes unscrupulous practices and need for oversight notwithstanding, their politically-motivated undoing represents a reckless abuse of power. The case for for-profit colleges might, for some, hinge on a blind faith that free markets can reform any field, even higher education. But, the case against dismantling them indiscriminately is more urgently obvious: Administrative whim—in essence, an executive agency's concern for its reputation—should not control an independent institution's ability to operate freely, or, as it happens, to operate at all.

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