

THE WILLIAM D. RUCKELSHAUS CENTER

UNIVERSITY OF WASHINGTON

Situation Assessment of the Regulation of For-Profit Degree-Granting Institutions and Private Vocational Schools in Washington

Prepared for the Washington Student Achievement Council
by the **William D. Ruckelshaus Center**

By Chris Page, Phyllis Shulman, & Trevor Robinson (Ruckelshaus Center)
and Erich Stiefvater & Angela Roccograndi (Education Northwest)

WILLIAM D. RUCKELSHAUS CENTER
901 Fifth Avenue, Suite 2900
Seattle, WA 98164-2040
-and-
Hulbert Hall, Room 121
Pullman, WA 99164-6248

DISCLAIMER

The following report was prepared by the William D. Ruckelshaus Center, a joint effort of the University of Washington and Washington State University whose mission is to act as a neutral resource for collaborative problem solving in the State of Washington and the Pacific Northwest. University leadership and the Center's Advisory Board support the preparation of this and other reports produced under the Center's auspices. However, the key themes contained in this report are intended to reflect the opinions of the interviewed parties, and the findings are those of the Center's assessment team. Those themes and findings do not represent the views of the universities or Advisory Board members.

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY	4
II. PROJECT CONTEXT	7
A. INCREASED FEDERAL SCRUTINY	7
B. FOR-PROFIT HIGHER EDUCATION IN WASHINGTON	7
III. RESPONSE TO ISSUES SPECIFIED IN THE LEGISLATIVE REQUEST	11
IV. REVIEW OF FINDINGS	17
A. GENERAL AGENCY OVERSIGHT	17
B. MEETING STUDENT NEEDS/STUDENT GUIDANCE	21
C. PROCESS FOR HANDLING COMPLAINTS	27
D. SCHOOL PRACTICES	32
E. LOAN/GRANTS/FINANCIAL AID AND OTHER EDUCATION BENEFITS.....	39
F. DATA COLLECTION, REPORTING, AND SHARING	41
V. PROSPECTS FOR COLLABORATION.....	45
A. BASICS OF A COLLABORATIVE PROCESS	45
B. PARTICIPANTS	46
C. POSSIBLE TOPICS TO OPEN DIALOGUE	46
D. STRUCTURE: LEADERSHIP TASK FORCE WITH ISSUE-FOCUSED WORK GROUPS.....	47
VI. RECOMMENDATIONS FOR CONSIDERATION	51
VII. APPENDICES	58
APPENDIX 1: EXCERPT FROM SECTION 609 OF HB 0329 (LEGISLATIVE PROVISOR AUTHORIZING THIS STUDY).....	58
APPENDIX 2: PROJECT TEAM, METHODOLOGY, AND LIMITATIONS.....	60
APPENDIX 3: INTERVIEW LIST	62
APPENDIX 4: INTERVIEW QUESTIONS.....	64
APPENDIX 5: OVERVIEW OF ITT CLOSURE AND STATE RESPONSE	65
APPENDIX 6: ESTIMATED NUMBER AND ENROLLMENTS OF FOR-PROFIT DEGREE GRANTING INSTITUTIONS AND CAREER COLLEGES IN WASHINGTON	67
APPENDIX 7: SUMMARY COMPARISON OF REGULATORY AGENCY LAWS (RCWS) AND REGULATIONS (WACS)....	68
APPENDIX 8: DETAILED COMPARISON OF REGULATORY AGENCY LAWS (RCWS) AND REGULATIONS (WACS).....	71
APPENDIX 9: PERFORMANCE REPORTING AND ACCOUNTABILITY SYSTEM UTILIZATION.....	80
APPENDIX 10: COMPARISON OF SELECTED STUDENT RECORD LEVEL DATA ELEMENTS COLLECTED BY REGULATORY AGENCIES	81
APPENDIX 11: CASE STUDY OF VOCATIONAL SCHOOL REPORTING REQUIREMENTS	82
APPENDIX 12: OTHER STATE APPROACHES TO FOR-PROFIT SCHOOL OVERSIGHT AND STUDENT SUPPORT	83
APPENDIX 13: ASSESSMENT OF SELECTED WASHINGTON STATEWIDE OMBUDS OFFICES.....	84
VIII. SOURCES AND SUGGESTED READINGS	85

I. Executive Summary

A 2013 report by the National Council of State Legislators states, “*Critics of for-profit institutions argue that many schools and programs leave students with large amounts of debt, few employable skills, and at a greater risk of not completing a degree at all.*” While this report came out a few years ago, continued reports of related issues prompted the Washington state Legislature to take action in its Fiscal Year 2017 Supplemental Budget. The Legislature provided funds to the Washington Student Achievement Council (WSAC), in collaboration with the Washington State Workforce Training and Education Coordinating Board (Workforce Board) and the Washington State Department of Licensing (DOL), to collaborate “*to objectively analyze and make recommendations about systemic overlaps and gaps in jurisdiction regarding for-profit post-secondary degree-granting institutions and private vocational schools in Washington state*” (see Appendix 1).

The William D. Ruckelshaus Center (The Center) was commissioned to conduct the study utilizing a neutral situation assessment complemented with applied research, providing this report with recommendations by January 2017. The purpose of this assessment is to understand and address issues associated with “for-profit degree-granting higher education institutions and private vocational schools” (referred to collectively herein as career colleges and degree-granting institutions; see box) in Washington, including the state system of oversight and the experiences of students who attend these schools. In order to capture a wide range of perspectives, The Center held 35 structured interviews with a balanced cross-section of parties between August and December, 2016.

Education Northwest, based in Portland, Oregon and subcontracted through a competitive bid process, conducted the technical analyses. These consisted of:

- A review of relevant sections of the Washington Administrative Code (WAC) – and, to a lesser extent, the Revised Code of Washington (RCW) – guiding the regulatory practices of WSAC, the Workforce Board, and DOL;
- A summary of data collection and reporting practices of the state’s career colleges and degree-granting institutions, with a comparison of these practices to those utilized by the state’s community and technical colleges; and
- A review of oversight and student-support practices employed by other states and federal agencies, including ombuds offices.

These analyses utilized primary and secondary data sources, including follow-up interviews with state agency staff and selected stakeholders. The review of agency regulatory practices focused primarily on the

A Note about Nomenclature

*The legislation authorizing this work requested “an assessment...” related to oversight of “for-profit degree-granting institutions and private vocational schools” in Washington. This description does not encompass all the pertinent schools. More than one for-profit degree-granting institution now operates as a nonprofit (subject to identical state regulatory oversight as for-profit degree-granting institutions). With both degree-granting and non-degree-granting schools operating under multiple business models, any terminology attempting to encapsulate all the relevant institutions grows cumbersome. Recognizing that public degree-granting institutions are not under consideration, **for simplicity, this report uses “career colleges and degree-granting institutions” to encompass those educational institutions offering vocational or career-oriented programs of study regulated by WSAC, the Workforce Board, and DOL.***

WACs, with some review of agency administrative practices and materials.

The institutional system under study is immensely complex and “decentralized,” involving multiple state agencies, multiple federal bureaucracies, and both regional and national accrediting agencies. The short duration of the assessment did not allow for a complete, comprehensive mapping of all relevant programs and actors within this sprawling system; therefore, this report attempts to capture a high-level snapshot of the important components while suggesting follow-on work.

Based on the interviews, the project team catalogued major themes and documented interests and perspectives on key issues (recognizing that individual interviewees may not have a full understanding of the system of oversight). The team assessed interview findings and the technical analyses to: summarize current regulations governing career colleges and degree-granting institutions in Washington; review the jurisdictions and practices of agencies and schools; consider student-support services in place; analyze prospects for collaboration to address issues and identify desired policy changes; and recommend constructive steps for the state (agencies and Legislature) to consider. Details about the project team and the research methodology and its limitations can be found in Appendix 2. A list of individuals who participated in the structured interviews, and the questions asked, are in Appendices 3 and 4, respectively.

This assessment uncovered several current state agency practices that work well, including some existing cross-agency collaborations. It also yielded numerous specific suggestions for strengthening oversight, finding efficiencies, and continuing to improve state practices.

This report begins with notes on the context for the study, including recent federal actions against certain for-profit institutions and a high-level outline of the oversight of career colleges and degree-granting institutions in Washington. It then addresses the tasks specified by the Legislature. Next, a “Review of Findings” section organizes issues raised by situation assessment interviewees and findings from the technical analyses into six general categories, summarizing each and including relevant recommendations for consideration. The last major section describes “Prospects for Collaboration” in the form of a potential task force with issue-specific work groups. This is followed by an aggregated collection of potential recommendations provided in earlier sections of the report in a single, accessible table for easy reference.

The higher education system in Washington plays a vital role in the state’s economic health and quality of life. The career colleges and degree-granting institutions under consideration in this study provide an important alternative to the more traditional public (and private four-year) schools, and offer a viable path to a degree or credential for many students. They are also important contributors to building a well-trained workforce.

The state has the opportunity to bolster its system of oversight at a crucial juncture; with a new administration, there could be changes in federal oversight of for-profit colleges and their accreditors. By focusing on principles and standards of quality, performance, and service to students, agencies and the Legislature can strengthen oversight and accountability practices in ways that benefit both education consumers and providers.

This assessment suggests that overarching next steps to address identified issues should include the following high-level recommendations to consider for immediate action:

- Informed by representatives of career colleges and degree-granting institutions, state (agency and legislative) leaders in higher education should develop principles or values to guide the decision-making on regulatory and administrative improvements.
- Staff at the three state agencies should continue existing inter-agency collaboration and explore opportunities to:
 - Align WACs;
 - Establish explicit school performance metrics; and
 - Provide a single data-reporting portal.
- Agency and legislative leaders, in concert with key stakeholders, should consider and act on the goals and structure of a collaborative work group.

II. Project Context

A. Increased Federal Scrutiny

The U.S. Department of Education (ED) has moved in recent years to address concerns related to for-profit postsecondary institutions, most notably by increasing scrutiny of federally-approved accrediting agencies and implementing the Gainful Employment Act of 2014. This law requires most certificate programs at for-profit, private non-profit, and public institutions to prepare students for "gainful employment in a recognized occupation." Schools and programs are considered to provide gainful employment *"if the estimated annual loan payment of a typical graduate does not exceed 20 percent of his or her discretionary income – what is left after basic necessities like food and housing have been paid for – or eight percent of his or her total earnings."*

In June of 2016, ED revoked recognition of the Accrediting Council for Independent Colleges and Schools (ACICS) on the grounds of lack of compliance with federal standards for accreditors. This jeopardized access to federal financial aid for 243 ACICS-accredited institutions nationwide. Many affected schools are for-profits, which collectively have more than 800,000 students enrolled across 766 branch campuses. ACICS appealed the revocation, but ED officials stood by their decision. The upheld decision was announced on December 12, 2016. A memo issued by ED Undersecretary Ted Mitchell that same day notes that ED can *"provisionally certify ACICS-accredited institutions for continued participation in the federal student aid programs for up to 18 months from the date of the Department's decision, to enable those institutions to seek alternative institutional accreditation from another recognized accrediting agency."* As of mid-December, five ACICS-accredited degree-granting institutions in Washington have each submitted plans for accreditation with another approved accrediting body and two are in teach-out.

The September 2016 closure of ITT Technical Institute (ITT), which had about 660 students at three Washington campuses, provided a real-time glimpse of how the fallout from questionable practices by for-profit institutions and the regulatory response can impact students. ITT's parent company, ITT Educational Services, had been subject to multiple sanctions, investigations, and lawsuits by state and federal agencies, and had recently been prohibited by ED from enrolling new students who use federal financial aid. More details about the ITT closure, and an overview of Washington's response to it, are provided in Appendix 5.

As ED has stepped up scrutiny of for-profit colleges and universities, it has developed accountability tools based on data it collects from institutions. The goal is to educate students and their families about college options by allowing them to compare schools on factors that include costs and student loan debt levels—and by flagging institutions on a "watch list." ED and the federal Consumer Financial Protection Bureau have also created student loan ombuds positions to help students resolve disputes with the holders of their federal and private student loans. These practices offer potential models for Washington to consider adopting or implementing.

B. For-Profit Higher Education in Washington

As in other states, the higher education sector in Washington is overseen by multiple state and national agencies and organizations. State agencies are responsible for licensing or authorizing institutions to operate, monitoring compliance, and protecting consumers. Federal agencies, primarily ED and the Department of Veterans Affairs, oversee institutions participating in federal

financial aid and/or veterans educational benefit programs. Finally, regional and national accrediting organizations certify the academic quality of institutions and programs through a self-regulation and peer-review process. Figure 1 below illustrates these multiple layers of oversight, identifies the types of institutions focused on by this study, and lists the key Washington state agencies overseeing them.

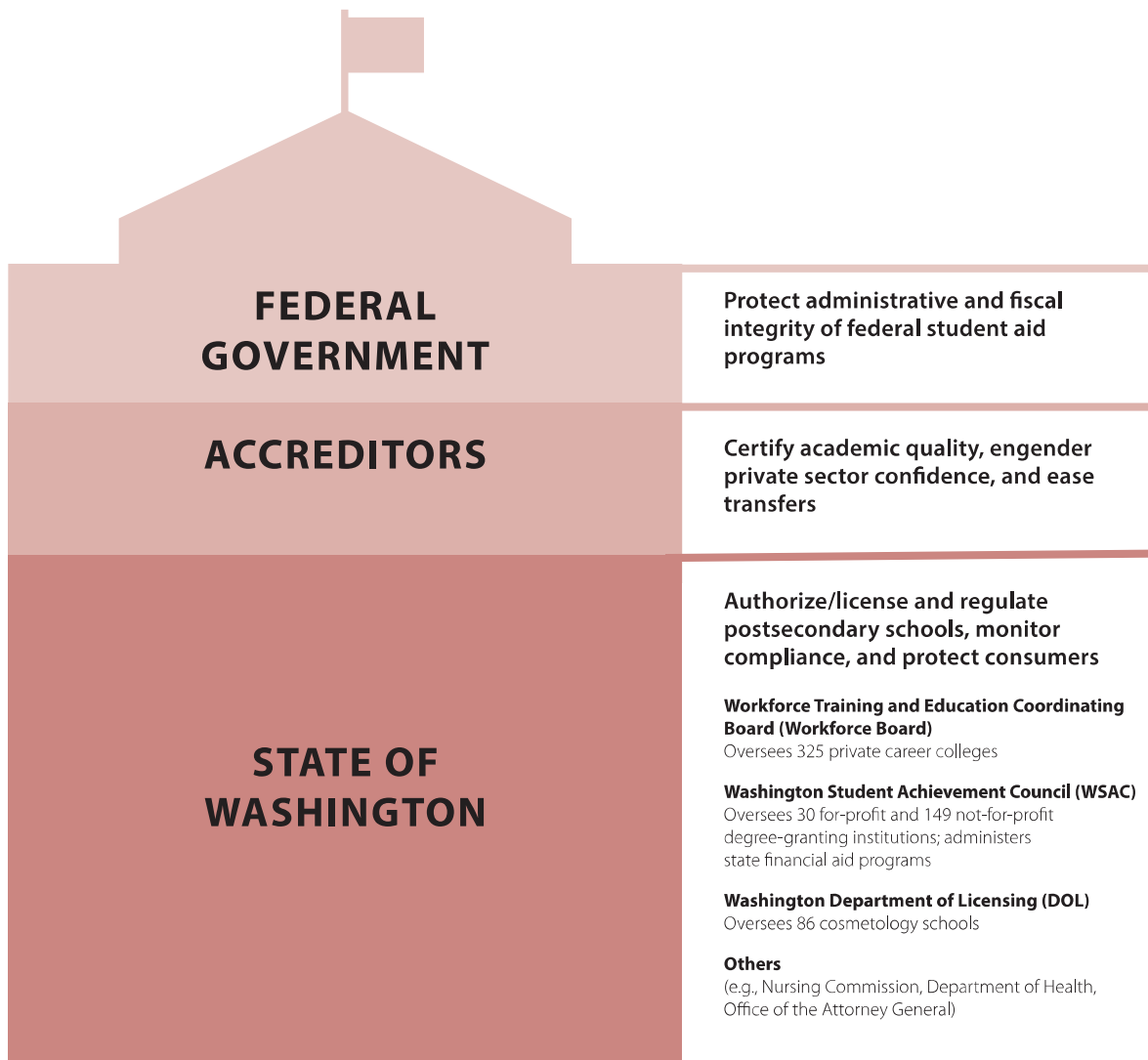


Figure 1: Regulation of Career Colleges and Degree-Granting Institutions in Washington

Career colleges and degree-granting institutions in Washington comprise a diverse mix of sizes, enrollments, program offerings, student demographics, and practices, from universities offering bachelor's, master's, and even doctoral degrees to truck driving and beauty schools. As shown in Figures 2 and 3, 436 for-profit career colleges and degree-granting institutions serve an estimated 48,600 students, representing about 12% of all postsecondary enrollments in the state (Appendix 6 provides more details about and sources for these estimates).

630 POST-SECONDARY EDUCATION INSTITUTIONS IN WASHINGTON

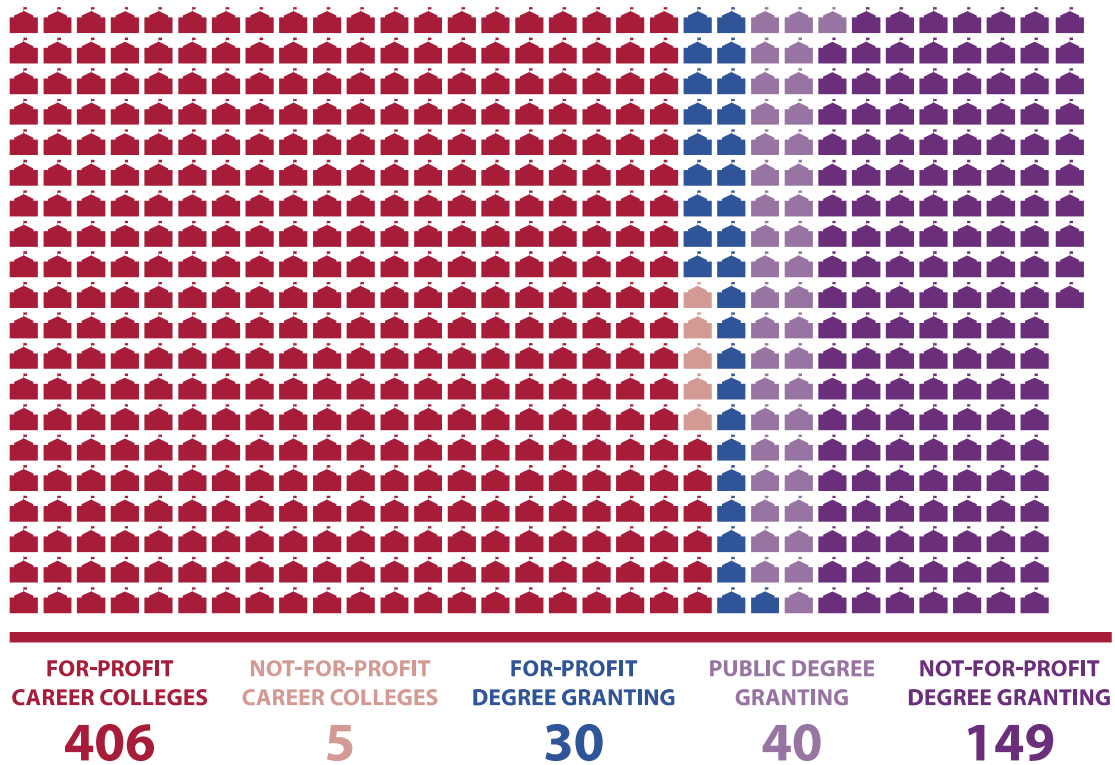


Figure 2: Estimated Number of Postsecondary Institutions in Washington by For- and Not-For-Profit Status
(See Appendix 6 for details)

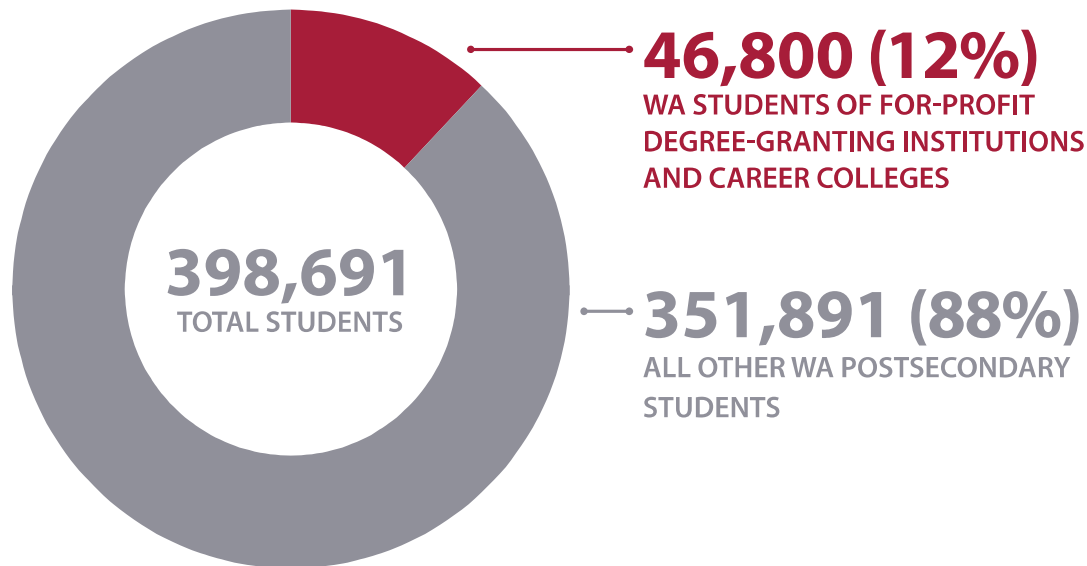


Figure 3: Estimated Enrollment of Washington Students in For-Profit Career Colleges and Degree-Granting Institutions (See Appendix 6 for details)

The existence of three distinct state regulatory agencies overseeing career colleges and degree-granting institutions in Washington stems from the agencies' different foci and areas of expertise. WSAC maintains purview over degree-granting institutions, which are characterized by relatively longer-term programs and general-education courses of study. In contrast, the Workforce Board focuses on schools providing skill-specific career training with targeted occupational outcomes. The DOL, in turn, has an advisory board (not a board of directors) whose members hold subject matter expertise; this advisory board is intended to ensure that licensee schools provide trainees sufficient knowledge and skills to protect consumers receiving cosmetology services.

As career colleges and degree-granting institutions offer primarily career-oriented degrees and certificates, their operation and regulation must be examined in the context of overall workforce development. Other relevant actors in this milieu include high school vocational programs, public community and technical colleges (CTCs), Workforce Development Councils (WDCs), state WorkSource employment centers, business and industry, and students. Career colleges have the ability to be flexible and respond quickly to changing industry needs. WDCs can provide the role of "brokers" among employers, CTCs, and career colleges and degree-granting institutions, assisting with communication to private companies in the business sector on workforce needs and appropriate curricula. WDCs can also play an important role in making prospective students aware of school programs and financial considerations. Additionally, WorkSource, "a statewide partnership of state, local, and nonprofit agencies that provides an array of employment and training services to job seekers and employers in Washington," refers job-seekers to career training programs. All of these efforts combine with a framework of state and federal aid programs to assist students in locating, selecting, and financing the cost of whatever career training they opt to pursue.

III. Response to Issues Specified in the Legislative Request

The budget proviso authorizing this study (see Appendix 1) listed six discrete tasks to address in the study. The following set of high-level responses does so by synthesizing technical information with interviewee statements. The headings of the following six sub-sections are verbatim from the legislative language in the proviso. More detailed information is provided in subsequent sections.

i. Summary of the current Washington state regulations governing for-profit degree-granting and private vocational schools

A detailed analysis of the relevant sections of the Washington Administrative Code (WAC), and when necessary, the Revised Code of Washington (RCW), identified substantial differences in how the three primary state regulators exercise oversight. These differences, confirmed in interviews with regulatory agency staff, are summarized in Appendix 7 and detailed in Appendix 8.

ii. Review of whether, and how, different standards are applied to the institutions and schools by different Washington state agencies

The review of relevant WACs, interviews with agency staff, and a sampling of agency authorization/licensure materials identified differences in oversight and accountability standards among the regulatory agencies. The WACs applied to career colleges under authority of the Workforce Board are generally more explicit than those applied to schools and institutions regulated by WSAC and DOL. Other key differences include:

- **Waivers:** Only the WSAC WACs have language enabling the agency to waive authorization requirements for in-state schools. In addition, Washington is a member of the State Authorization Reciprocity Agreement (SARA), which allows member states to accept authorization from the home state of degree-granting distance education programs.
- **Application and renewal processes and data reporting:** There are differences in the amount of detail in the WACs regarding application and renewal requirements, including financial documentation, participation in site visits, renewal frequency, and fees. In addition to information requested in these forms, the WACs for the Workforce Board and DOL address specific data career colleges must report to the agency on a regular basis. WSAC's regulations do not include this provision, though that agency does receive data from schools participating in the state's financial aid programs.
- **Suspensions:** All WACs address the ability of the regulating agencies to suspend schools for noncompliance. Only the Workforce Board can designate a school "at risk." This designation allows the agency to offer technical assistance and work with a school to take corrective action.
- **Admissions:** The WACs differ in the way career colleges and degree-granting institutions must approach determining eligibility for enrollment, including the use of minimum educational requirements, testing, and determination of students' potential for program completion or job placement.
- **Contracts/enrollment agreements:** The Workforce Board and DOL require an enrollment agreement in the form of a contract each student must sign; for WSAC, this document is

optional, although agency staff note that WSAC has a catalog requirement that meets some of the same goals as enrollment contracts.

- **Consumer protection:** Students of all regulated schools are covered under the Consumer Protection Act (RCW 19.86; *more information in section IV.C.v*), but additionally:
 - The Workforce Board’s WACs include just-cause language and further define “unfair business practice,” “substantial violations,” and “significant violations;”
 - The WSAC WACs further define false academic credentials; and
 - The DOL WACs include language that addresses violations of professional conduct and the Uniform Regulation of Business and Professions Act.
- **Complaint processes:** While all agency WACs address how career colleges and degree-granting institutions or the agencies must deal with complaints, only the Workforce Board WACs specifically addresses what information schools must provide students about complaint procedures. Overall, the Workforce Board plays an immediate role in pursuing resolution of student complaints, WSAC becomes involved only after a student first goes through their school’s complaint process, and DOL refers students with complaints to the civil courts.
- **Tuition recovery:** All regulated schools must establish a fund for settling substantiated student complaints. The Workforce Board uses a pooled fund using contributions from all schools; WSAC and DOL require schools to obtain a surety bond (or other security). Funds vary, from a minimum of one million dollars in the Workforce Board’s Tuition Recovery Trust Fund (TRTF) to a surety bond maximum of \$250,000 and \$50,000 for WSAC and DOL schools, respectively. Criteria differ among agencies as to when the funds can be accessed and what costs can be reimbursed.
- **Credit transfer:** The Workforce Board requires that schools not imply their credits will automatically transfer to another school. Achieving the accreditation required of WSAC schools aides students in transferring credits from a school—though it does not ensure credit transferability. Unaccredited schools file an affidavit showing their credits transfer to other schools. The DOL’s WAC language addresses how students can transfer between schools.
- **School closure:** Workforce Board and WSAC require schools to notify the agency and students about closures. Schools are also required to address teach-out (if applicable), refunds, and records management. The DOL’s WACs do not address this. None of the WACs for the state agencies differentiate between planned and abrupt school closures.

These differences are described at greater length in following sections of the report. They are accompanied with recommendations for how agency regulations can be aligned to provide more consistent oversight and accountability.

iii. Recommended changes necessary to achieve consistent regulatory oversight and accountability of these institutions in Washington State.

In addition to support for improving alignment of agency laws and regulations, the interviews conducted as part of this assessment revealed that a majority of respondents favor aligning the performance measures the three state regulatory agencies use. Related to performance metrics (using “authorizer” to describe a core function of the three state agencies collaborating on this study), an American Enterprise Institute (AEI) report from November 2016 (entitled *Report and Disclose: State*

Oversight of Institutional Performance in Higher Education) lists specifics that echo suggestions made by interviewees:

“This report offers recommendations for states looking to shore up, standardize, and streamline their regulatory frameworks. It suggests that authorizers should:

- Implement explicit minimum performance thresholds for institutions, which would help identify and sanction poorly performing schools;*
- Require and disclose program-level outcomes, in addition to institution-level outcomes;*
- Work to standardize outcomes reporting across agencies, and potentially use existing state authorization reciprocity agreements as a vehicle for producing common definitions for student outcomes measurements; and*
- Rely less on institutions to report certain outcomes indicators and, instead, require only basic and essential reported data from institutions. Authorizers should then link that information to independently verifiable, administrative data sources so as to produce more and better information on outcomes.”¹*

The project team reviewed other states’ oversight and student-support practices to identify common or promising models or practices Washington might consider adopting. A summary of these approaches is in Appendix 12. Approaches implemented by other states include:

- Curtailing or limiting allowed activities and/or access to state resources;
- Streamlining, integrating, or consolidating regulatory structures and processes; and
- Improving outreach to the public.

These and other suggested changes are discussed in sections below, and are also provided in the “Recommendations for Consideration” section.

iv. Data collection and reporting practices by these institutions compared to community and technical colleges in Washington state, along with recommendations on the methods of collecting, analyzing, and reporting data—including what measurements to use to ensure that data from for-profit degree-granting institutions and private vocational schools can be accurately compared to data from the community and technical colleges.

Interviews with agency staff and a review of agency reporting requirements, guidebooks, and tools identified differences between the definitions, breadth, and depth of data collected by career colleges and degree-granting institutions, in particular in comparison to the data-collection practices of the state’s 34 community and technical colleges (CTCs). Appendix 9 summarizes the reporting systems usage by the different types of schools and how data reported by schools is validated and shared with the public. Appendix 10 reviews reporting metrics utilized by the State Board for Community and Technical Colleges (SBCTC), Workforce Board, DOL, and WSAC.

Annual reporting requirements and practices are most comprehensive for the CTCs overseen by the SBCTC. While not as comprehensive as the SBCTC, the reporting systems utilized by the Workforce Board and the DOL do support a minimum level of ongoing compliance monitoring for schools they license. Several interviewees raised concerns about overlapping and duplicative reporting requirements, including a representative of a small vocational school who shared the

¹ The AEI report highlights the Workforce Board online “report card” system, www.CareerBridge.wa.gov as a best practice in this regard.

multiple reporting systems she was required to use (see Appendix 11). State data collection is less comprehensive for degree-granting institutions under WSAC regulation.

All three agencies ask for student-level identifying information. SBCTC, DOL, and the Workforce Board ask for detailed program and enrollment information, including course descriptions and which programs students have completed. SBCTC goes further by collecting student financial information. WSAC also requests financial aid information from career colleges and degree-granting institutions participating in the state financial aid programs it manages.

State regulators could look to the SBCTC for metrics that allow a finer-grained view of access, completion, and outcomes for different student subpopulations. All state reporting systems could benefit from adopting or expanding reporting measures that assess debt loads of postsecondary students. Additionally, there may be opportunities to standardize performance metrics and reporting tools across institution types to achieve consistent oversight and accountability.

A detailed discussion of differences in reporting practices, and potential recommendations for changes, is provided later in this report.

v. Determination of whether there are inconsistencies and discrepancies in the practices of the for-profit degree-granting institutions and private vocational schools.

Stakeholder interviews and a review of recent research highlighted areas of concern regarding the educational and business practices of some schools, particularly those of national, corporate degree-granting institutions. Multiple interviewees emphasized differences between the practices of these national, corporate institutions and private, Washington-based career colleges and degree-granting institutions. These interviewees said the larger, corporate institutions are far more likely to engage in problematic practices relating to student recruitment, marketing of loan products they own (especially using federal funds), and restitution.

The practices mentioned included aggressive recruitment targeting specific populations (see box); low barriers to entry; marketing of loan products with high interest rates; lack of transparency on the total cost of education (including tuition and loans with interest); lack of student-support services; delivery of poor student outcomes, including low quality of education; and lack of assistance with job placement. Of note, recent ED enforcement actions have increased pressure on these corporate degree-granting schools to produce better results. As a result, several interviewees expressed belief that any schools not reforming their practices in light of the stepped-up federal enforcement will be forced to go out of business.

Targeted Populations

- Limited financial literacy
- Easy access to federal financial aid
- English language learners (ELLs)
- Low literacy
- Military veterans
- Limited family support
- Parents of young children
- First generation college students
- Less success in public school system
- Minorities
- Non-traditional students

vi. Recommendations to implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns, including whether an ombuds position is needed.

Legislators during the 2016 Legislative session showed significant interest in creating an ombuds position. In this assessment, more than half of the interviewees saw a need for an ombuds; however, many did not—especially given the limits on state resources. A large majority of respondents representing consumer points of view supported establishing an ombuds position. The project team also interviewed stakeholders about how best to create such a position (where to house it and what responsibilities or authority it should have). Those in support of creating an ombuds position offered a broad range of ideas for where to house the ombuds, with the most common suggestions including the Attorney General’s Office and WSAC. There was also a range of ideas about the nature of the responsibilities of an ombuds position.

On the other hand, some interviewees thought the prospective ombuds position would duplicate existing protections. Others suggested that existing resources are better spent on prevention of problems through effective oversight of schools and programs, improved student outreach and services, stronger consumer safeguards, improved access to accurate information and guidance on financial issues, complaint procedures, and other topics. The most broad cross-sector support favored this preventative approach centered on the front end of the student experience, coupled with stronger tools and resources for enforcement actions by existing agencies.

The legislature requested a recommendation on whether to create an ombuds position. With diverse stakeholder opinions, it is hard to say simply “yes” or “no.” To augment interviewee input, the project team reviewed what other states do to oversee and support the students of career colleges and degree-granting institutions (see Appendix 12). The team also looked at uses of ombuds in higher education and in state or local government in Washington.

This review did not find an example of a specialized, statewide, publicly-funded ombuds position serving students of career colleges and degree-granting institutions in other states. The project team chose to examine in greater detail four existing statewide ombuds positions in Washington that might serve as models for how to establish a statewide ombuds position serving the issues related to career colleges and degree-granting institutions (see Appendix 13).

Creating an ombuds position has the potential to address a number of issues raised in this assessment, depending on the scope of the responsibilities. Other approaches might include authorizing one of the existing oversight agencies as the entry point and coordinating entity for all complaints. Additional research on the potential constituency and caseload of an ombuds position is needed to obtain accurate estimates of its utility and costs.

It is important to first clearly identify needs either currently not being met or needing improvement, and consider the benefits of an ombuds compared to other approaches. In addition, given limited resources, it is important to identify the most strategic and targeted ways to benefit and protect students. Some of the needs and issues brought up through this assessment that could be addressed by developing an ombuds position and/or other approaches include:

- A dedicated advocate and intermediary to assist with complaints and guide students to needed resources;

- A single portal for complaints;
- The ability to track patterns of complaints and identify significant issues early;
- Increased agency coordination on tracking and resolving complaints;
- A complaint hotline;
- Identifying and recommending additional legal actions to students and policy changes to legislators; and
- Leading an outreach campaign to students regarding their rights and resources available to assist them.

The project team recommends an ombuds position (or alternate approach) as a topic of discussion for a collaborative multi-party task force (see Section V). The discussion could be informed by the development of a joint framework of values, objectives, and vision for the state higher-ed sector, which would help clarify the gaps or needs in the system and how best to address them.

Recommendations

- Develop a coordinated, focused outreach campaign by WSAC, the Workforce Board, DOL, and the Office of the Attorney General to students regarding rights and resources available to them.
- Require pre-enrollment guidance and disclosures to increase student access to consistent and culturally appropriate information, neutral financial advising, and adequate consumer protections.
- Give regulations more “teeth”, e.g. establishing explicit minimum performance thresholds for schools to obtain authorization (or reauthorization).
- Make sure agencies have both the authority and the resources to take enforcement actions against schools when violations are identified.
- Identify the objectives, roles and responsibilities of an ombuds position as well as alternative approaches and discuss what it is the best approach in order to achieve these objectives as part of a collaborative multi-party taskforce.

A Note about Recommendations

This report groups the challenges and opportunities raised by participants in this assessment into general issue categories, beginning on the next page:

- General Agency Oversight;
- Meeting Student Needs/Student Guidance;
- Process for Handling Complaints;
- School Practices;
- Loans/Grants/Financial Aid; and
- Data Collection, Reporting, & Sharing.

However, many challenging issues, and consequently the opportunities to address them, apply to multiple categories. For this reason, the report lists the same (or similar) recommendation(s) in more than one place in the report.

IV. Review of Findings

The diversity of stakeholders and the breadth of technical analysis for this report provided broad and deep views into the nature of the issues, opportunities, and challenges in the oversight of career colleges and degree-granting institutions. Many of the issues raised had multiple facets and showed the importance of focusing on the interactions (or lack thereof) between nonprofit organizations, businesses, state and federal agencies and programs, private financial institutions, private legal entities, and individuals and their families. The lack of appropriate and comprehensive data, particularly around student debt and quality or utility of education, makes it difficult to analyze the full nature and the extent of problems. Also, without shared values, objectives and clarity on the desired state of higher education, it is difficult to align policies, processes and evaluation metrics.

This section represents a consolidation of interview feedback, grouped under overarching themes that emerged. Where appropriate, data from the technical analyses – especially the WACs analysis – are interspersed to reinforce, test, or expand on the stakeholder perspectives shared.

A. General Agency Oversight

i. Differences between National Corporate vs. Other For-Profits

As noted, respondents generally believe that the profit motive compels so-called “Wall Street-traded” institutions to engage in business practices that favor profit over educational and financial needs of students, while smaller Washington-based schools tend not to engage in such practices. Stakeholders noted ED’s actions to curb problematic practices, in part by cracking down on accreditors. Interviewees mentioned that some for-profits (including at least one large national company) have been purchased by private nonprofit entities; agencies clarified that this has no significant ramifications for oversight (i.e., applicants for authorization/licensure must follow the same process regardless of their for- or not-for-profit status).

ii. Complex, Decentralized, Difficult to Navigate

The landscape of oversight of proprietary higher education is vastly complicated. The multiple layers of programs and jurisdiction can create inconsistencies and overlap among requirements across the state agencies. Furthermore, the Workforce Board, WSAC and DOL all exempt some schools from their regulation, and may have some joint jurisdiction with other state agencies. This joint jurisdiction includes schools that operate both career and degree-granting programs (addressed by MOUs within the Workforce Board and WSAC WACs). Other agencies, like the Department of Health, also share jurisdiction with the Workforce Board for programs in counseling psychology, emergency medical technician, medical assisting, and pharmacy technicians, to name a few. The extent to which this joint jurisdiction is explicitly addressed in the WACs differ.

The landscape also includes the requirements of ED, Veterans Affairs, and accrediting agencies. In addition, interviewees described challenges related to interstate oversight, specifically noting the possibility that online-only schools not based in Washington are not subject to state oversight. Although, SARA improves the state’s ability to address student complaints, students may benefit from finding ways to track and enforce against these operations (e.g. web alerts for certain key words, coupled with taking action or strengthening regulations if needed). Another model emerged

during this study, involving a for-profit honors program offered at some Washington state community colleges that is currently the subject of a complaint and under investigation by the National Collegiate Honors Committee. The dynamism of the for-profit higher education sector obviously presents challenges for state government, which are perhaps best addressed by ongoing inter-agency collaboration (see below).

Washington is a member of the State Authorization Reciprocity Agreement (SARA). SARA allows degree-granting online schools authorized by out-of-state-agencies to operate in Washington without having to be re-authorized to do so by WSAC. SARA, operated by the Western Interstate Commission on Higher Education (WICHE), is designed to fill a gap in consumer protection and oversight, and could play an increasingly important role in the event that the ED reduces oversight of distance learning entities and accreditors.

Multiple interviewees noted that workforce training involves not only career schools and CTCs, but high school skill centers and Workforce Development Councils. Some suggested that agencies with oversight and accountability of career colleges and degree-granting institutions should consider aligning their oversight to incorporate consideration of these other entities.

iii. Desire for Increased Interagency Collaboration

With such a complex landscape, agency coordination and collaboration must play a vital role in improving the efficiency and effectiveness of the system. The three agencies collaborating on this study have worked together at various levels for years. Several respondents favorably acknowledged current efforts by agency staff to update and align their WACs as well as to identify more opportunities to collaborate. Beyond pursuing specific initiatives for targeted, increased inter-agency collaboration, some respondents suggested exploring the prospect of consolidating agencies, as other states have done. This consolidation could occur in the relatively near term, if the Legislature chooses, by placing the staff and operations of all three core state agencies under one agency aegis. This could achieve efficiencies, increase consistency (for schools) and accountability (for students), and lessen the reporting burden for schools while simplifying oversight and enforcement.

iv. Authority to Protect Students

An overarching common theme crystallized throughout this study: that students have the right to the education they were told they would get, at the price they agreed to pay, that provides them the chance to attain the outcomes they understood the program would allow them to achieve. Clearly, this does not always occur. When agencies identify schools not providing students with the training required (or advertised) to afford them the opportunity to earn a living wage in their field of study, the agencies need the wherewithal to take action. Action consists of three basic elements: assessing school quality, enforcing quality, and the having the resources to prevent and address problems. Agencies (and accreditors) collect data to assess school quality, but may not have sufficient staff capacity to conduct site visits and inspections at the level needed for enforcement. Also in question is whether the regulatory framework has sufficient “teeth” to allow enforcement. As the AEI report states, *“only a handful of state agencies have explicit thresholds for institutional performance in their rules and regulations...it is also rare for regulations to explicitly allow agencies to act on these performance standards.”*

Still, multiple layers within the existing system are designed to instill accountability for quality. All agencies require prospective schools to gain state approval to offer programs. This initial and

ongoing renewal process includes a review of many elements (see Table 1), at least biennially, including:

- **Programmatic quality:** For degree-granting institutions, this comes from accreditation and review of programs by WSAC staff; for vocational schools it comes from agency review and student-level performance data, and for cosmetology schools it comes from the Cosmetology Advisory Board.
- **Financial viability:** Providing evidence of financial viability in initial applications is difficult, but both the Workforce Board and WSAC address required documentation to differing degrees; at renewal, all agencies require an audit.
- **Staff qualifications:** All agencies include minimum qualifications for faculty and some staff. The qualifications of administrators in degree-granting schools are more rigorous than those in vocational schools. Names of teaching staff in vocational and cosmetology schools must be reported to their agency annually, as well as any staffing changes that occur midyear.

WAC Reporting Requirements	Workforce Board	WSAC	DOL
Program approval	●	●	●
Accreditation	◐	●	○
Finances	●	◐	◐
Staffing	●	●	◐
School Visit	●	◐	●
Renewal	Annual	Biennial	Annual
● Addressed/required ◐ Addressed to lesser extent/ optional ○ Not addressed			

Table 1: Comparison of Agency WACs Addressing Applications

Both the renewal application process and ongoing monitoring afford agencies the opportunity to enforce quality. All three agencies can suspend or withdraw/revoke the authorization or license of an operating school for a variety of reasons, including any violations of law or regulations. The agencies also provide some time after issuing a suspension to allow the school to respond before they take further action. The Workforce Board has the additional authority to designate a school as “at-risk.” It can do so for issues related to financial viability, misrepresentation, decreased enrollment, substantiated complaints, and staff turnover. While designated at-risk, the agency can work with the school to address problems before they worsen. Even if existing accountability mechanisms are sufficient, agencies report limited resources and capacity to do regular site visits. Those non-agency respondents who touched on whether state agencies have the resources to provide adequate oversight tended to think the agencies could use more resources. Those non-agency respondents who touched on whether state agencies have the resources to provide adequate oversight tended to think the agencies could use more resources.

In addition to monitoring for compliance, the Workforce Board established performance criteria² for programs to qualify for the Eligible Training Provider List (ETPL). Inclusion on the ETPL makes education programs eligible to receive federal and state training dollars. All states are required to maintain an ETPL by the U.S. Department of Labor. In Washington, the Workforce Board sets the minimum performance standards for programs included on the ETPL and then makes performance results, such as employment and earnings, available to the public through the agency's CareerBridge.wa.gov website. However, via legislation, the state could strengthen its oversight in the interest of protecting students by applying this performance criteria to schools seeking reauthorization to operate from any agency.

Recommendations

- Clearly delineate definitions (exempt and joint jurisdiction) of the different agencies regulating the sector. In cases where multiple agencies have jurisdiction over different programs at a single proprietary school, consider opportunities to streamline oversight to reduce regulatory burdens for schools. For example, consider
 - Exploring requiring the schools to meet only one set of requirements (the most stringent of the agencies), or
- Consider consolidating school authorization and licensure into one entity or aligning the existing regulations.
- Consider redefining the schools licensed by the DOL as private vocational schools, giving those students access to the protections addressed in the Workforce Board WACs but not DOL's.
- As Washington is a member of SARA, it might want to engage in some type of analysis to determine the degree to which other SARA states are more or less rigorous in their authorization processes. If Washington is more rigorous than other states, belonging to SARA and accepting schools authorized to operate by their respective state's authorization entity might not be in the best interest of Washington residents.
- Consider establishing explicit thresholds (e.g. student completion rate, job placement rate) for institutional performance and tying these to the relicensing and reauthorization process. In the event an institution falls below a threshold, the relevant agency could place the school on an improvement plan (for retention or placement), with periodic progress reports due to the agency. It may be appropriate for thresholds to account for differences in schools' student bodies, rather than having a single threshold applied uniformly to all schools.
- Regulatory agencies should explore alignment of standards for accountability across multiple elements and hold career colleges and degree-granting institutions to them. These elements would include: approval to operate; school finances; staff qualifications; the content of information presented to the public via catalogs and websites and to students via enrollment agreements and complaint processes; admissions eligibility determinations; student outcomes; accessing student files; and methods of redress.

² The Workforce Board establishes minimum thresholds each year. Current performance criteria for ETPL include a completion rate of at least 20 percent; an employment rate of at least 50 percent, and earnings at least equal to \$3,878 in a calendar quarter or \$10.46 per hour.

B. Meeting Student Needs/Student Guidance

Stakeholders indicated that career colleges and degree-granting institutions should provide students with a quality education, a credential, fair and honest engagement, and the ability to get a paid job in the field/profession they studied for. These core elements of a so-called “student bill of rights” should be complemented by easy access to information to compare schools, along with an awareness of state resources and guidance, adequate advising for the duration of training, and counseling related to loans and credit.

Interviewees report that, for various reasons, students have trouble accessing information. Several interviewees expressed concern over the lack of resources for public agencies to do adequate outreach to students on the front end. This front-end outreach is important for helping students understand their rights, options, or recourse in the event of problems. The lack of resources for outreach presents acute challenges and impacts, especially when students make financial decisions without adequate information or understanding of available information.

i. Lack of Student Awareness of State Resources and Services

Some interviewees see current practices for notifying students of available state resources and services as sufficient. The agencies require schools to disclose to students (in writing) their rights and recourses. These written disclosures must appear in any enrollment agreements and student catalogs; however, respondents repeatedly stated that students simply do not know where to go when they have a concern (citing language barriers or difficulty reading and understanding contracts or other written materials). Thus, the number of complaints brought to state agencies does not necessarily indicate the number of students who have had problems.

ii. Need and Support for Student Services

Schools differ in the level of support they provide students, whether related to loans and credit, navigating classes, gaining adult basic education skills, or translating their training into job opportunities. This variation may result, in part, from differences in agency regulations regarding support services that schools must provide students, as shown in Table 2 below. As a result, some colleges may not have the range of services that can help a student to succeed. This may especially be true for certain populations.

Interviewees suggested that when state agencies see schools doing a good job providing support to students, the agencies might identify them as exemplars of “best practices” and suggest or require other schools to adopt them. Interviewees also expressed support for the proactive provision of a range of student services and resources (from schools and agencies) comprising “wrap-around services.” Interviewees noted that some of these sorts of support services are provided by the state’s Workforce Development Councils and WorkSource Centers, and to some extent by agencies providing workforce development programs through the Temporary Assistance to Needy Families (TANF) program and the Department of Vocational Rehabilitation (DVR).

WAC Component	Workforce Board	WSAC	DOL
Catalog	●	●	●
Enrollment agreement	●	◐	●
Student Services	●	●	◐
Financial Aid	●	●	○
Job counseling/ Placement	●	●	○
Admissions	◐	●	◐
Advising/Guidance	○	●	○
Student records	◐	●	◐
Disability accommodations	●	●	○
Library	○	●	○
Student Notification of Complaint Process	●	○ ³	○
● Addressed/required ◐ Addressed to lesser extent/ optional ○ Not addressed			

Table 2: Comparison of Agency WACs Addressing Student Support

iii. Student Financial, Cultural, and Personal Challenges

Almost universally, interviewees report that students who attend career colleges and degree-granting institutions face financial challenges. Schools may attract individuals who have limited financial resources, and/or who need fairly quick access to income. Interviewees often described students as: parents of young children; the first generation in their family to attend higher education programs; English language learners (ELL); individuals who have not been successful in traditional education; and/or veterans of the U.S. military.

iv. Meeting Differing Education Needs by Having a Range of Educational Options

Traits characterizing students of career colleges and degree-granting institutions may lead them to select schools based on their flexibility, responsiveness, evening classes, and efficient (short-term) programs. A lack of educational achievement means some students enter career programs without some elemental learning skills. Respondents suggested considering requiring all career colleges and degree-granting institutions to gauge each student's readiness to learn. The Workforce Board requires an "ability to benefit" determination for each student; however, agencies could require schools to accept only students in a position to benefit from the relevant program. The state could also improve students' readiness-to-learn by encouraging schools to provide information and build partnerships to enable students to access Adult Basic Education and other building blocks provided by community and technical colleges (e.g., associate/transfer degrees). The WACs address

³ In WSAC's application process schools are required to provide the contact information of the staff member responsible for dealing with student complaints in the catalog; this requirement is not addressed in the WACs.

admissions requirements, including minimum education requirements, testing, program completion, and job placement to varying degrees, as shown in Table 3 below.

WAC Admissions Requirements	Workforce Board	WSAC	DOL
Admissions test	●	●	○
Language proficiency test	●	○	○
HS diploma/GED, or beyond the age of compulsory education	○	○	●
Graduate can work in field	●	○	○
Applicant can complete program	○	●	○
● Addressed/required ● Addressed to lesser extent/ optional ○ Not addressed			

Table 3: Comparison of Agency WACs Addressing Admissions

v. Student Ability to Make Informed Decisions

Students may make relatively uninformed choices for career training; some interviewees described how students tend to apply to career colleges and degree-granting institutions based on advertising or word of mouth rather than informed “comparison shopping.” The majority of participants in this study would like to see a system in which students have easy access to information that allows them to make “apples-to-apples” comparisons between schools and programs. For example, the ED’s “Federal College Scorecard” (collegescorecard.ed.gov) provides school-level information to prospective students. The Workforce Board’s CareerBridge site (www.careerbridge.wa.gov) also represents a helpful framework for students to “shop around” for educational programs and apprenticeships. This report recommends agencies and stakeholders collaborate to determine the best ways to ensure that uniform advance online school performance metrics are disclosed.

vi. Marketing/Recruiting Tactics, Disclosures to Students

In order for this information to enable such “apples-to-apples” comparisons, data must first be uniformly collected from schools and, as noted, performance metrics must be easily available online in advance to students. The WACs address required annual reporting differently as described in Table 4. The Workforce Board monitors student completion and job placement rates for schools it regulates, and independently cross-checks wage statements from the Washington Employment Security Department (nine months after program completion) to arrive at average starting salaries. DOL does collect data regarding the number of hours students spend engaged in different employment activities, but does not necessarily use that data to identify schools that might consistently fail to allow students to apply for and/or receive their license. The WSAC WACs do not address collecting data from schools outside of its renewal application process.

WAC Component	Workforce Board	WSAC	DOL
Compliance	●	○	●
Outcomes	●	○	◐
● Addressed/required ◐ Addressed to lesser extent/ optional ○ Not addressed			

Table 4: Comparison of Agency WACs Addressing Reporting

vi. Pecuniary Damages

The WACs for all three regulatory agencies require career schools and degree-granting institutions to establish a fund for the purpose of settling pecuniary damages as a result of substantiated student complaints. The agencies take varied approaches in establishing these funds. For example, the Workforce Board established a Tuition Recovery Trust Fund (TRTF) into which all licensed schools contribute (a “pooled fund”). The monetary value of the TRTF is larger than any one school could maintain on its own and allows the agency more leverage in settling student complaints. The WSAC and DOL primarily use a surety bond, requiring schools to establish a bond at a minimum amount, held by an outside party, to be accessed by the agency in the event it needs to award damages to a student who successfully lodges a complaint. Awarded damages cannot exceed the liability established in the bond. Therefore, some students may not receive the full restitution for their claim. The three agency funds have varied monetary limits, and reimburse students for varied costs for varied reasons (see Table 5). Whether these funds are sufficient and should be consistently applied among agencies is an area for further analysis and consideration.

WAC Component	Workforce Board	WSAC	DOL
Source	Fund	Surety bond	Surety bond
Liability Amount	At least \$1M	\$250,000	\$50,000
Liability covers:			
Tuition & fees	●	●	●
Other educational costs	●	○	●
Other claims	○	○	●
In the event of			
Unfair business practice	●	●	●
School closure	●	○	●
Other	○	○	●
● Addressed/required ◐ Addressed to lesser extent/optional ○ Not addressed			

Table 5: Comparison of Agency WACS Addressing Student Refunds

Recommendations

- The state should consider specific tools to prevent and mitigate financial difficulties for students. Suggestions include:
 - Exploring ways to increase surety bonds to make all students who are financially impacted by school closure whole;
 - Creating an office or agency staff position tasked with outreach and education related to financial planning, loans, and credit;
 - Offering an independent loan counselor;
 - Working with a non-profit to provide a financial guidance hotline; and
 - Requiring schools to refer students to entities that provide financial and educational counseling (e.g. WDCs, Departments of Labor & Industries, and Department of Social & Health Services).
- Agencies could require schools to accept only students in a position to benefit from the relevant program.
- The state could mitigate issues associated with readiness-to-learn by encouraging schools to provide information and build partnerships to enable students to access Adult Basic Education and other building blocks provided by CTCs (e.g., associate/transfer degrees).
- Topics for collaborative state and stakeholder consideration:
 - Consider establishing uniform monetary amounts and funding mechanisms for the purpose of settling student complaints;
 - Identify resources needed and best approaches to increase students' awareness of and access to tools and information that can assist them in making informed decisions (such as providing easily accessible uniform advance online school performance metrics) and increase their awareness of state resources and services;
 - Identify how to improve the range of student services and resources (from schools and agencies) comprising "wrap-around services" that focus on specific student demographics and needs, including literacy, ELL, first-generation higher education students, minorities, veterans, students with children, and non-traditional students;
 - Consider requiring schools (based on developed criteria) to contribute to a fund that is utilized for neutral financial and/or educational advising, perhaps with a percentage of each school's annual profits going to such a fund;
 - Develop strategies to partner with, enhance, and expand the work of existing programs, services and non-profit organizations that can provide educational and financial aid guidance and other necessary supports to students or prospective students (e.g. community colleges, federal Education Opportunity Centers' program for first generation college-goers and low-income adults). Build on the strengths of existing efforts and identify additional resources needed to support these strategies;
 - Consider specific ways schools do a good job providing support to students, identify these as "best practices," and suggest or require other schools to adopt them; and

- Consider aligning minimum requirements for how students navigate the complaint process. All students, regardless of school type, should have explicit information about the process to use when experiencing a problem, who to contact, what to expect from school and agency administrators, their eligibility for monetary reimbursement, and how to pursue appeals.

C. Process for Handling Complaints

i. Student Complaint Process Notification and Student Consumer Rights

The biggest issue interviewees raised about complaints is that students do not know where to go when they have problems. Existing practices by some state agencies require schools to notify students (in enrollment agreements, school and student catalogs, and/or other notices) of how to register a complaint. The Workforce Board WACs are very specific:

WTECB WAC 490-105-042

(9)The school's grievance procedure. The policy must be preceded by "Nothing in this policy prevents the student from contacting the Workforce Board (the state licensing agency) at 360-709-4600 at any time with a concern or a complaint, workforce@wtb.wa.gov."

*(18) The following statement must appear prominently on either the first or last printed page or inside the front or back cover: "This school is licensed under chapter 28C.10 RCW. **Inquiries, concerns, or complaints regarding this school can be made to the Workforce Board, 128 10th Avenue S.W., Olympia, Washington, 98501, 360-709-4600, web: www.wtb.wa.gov, e-mail: workforce@wtb.wa.gov.**"*

The WSAC WACs are less explicit, although their application process directs schools to include the contact information of a staff member responsible for handling complaints in their catalog:

SWSAC WAC 250-61-120

*(2)An institution granted authorization shall print a statement in a prominent position in the catalog and on its web site that reads: "(Name of institution) is authorized by the Washington student achievement council (the council) and meets the requirements and minimum educational standards established for degree-granting institutions under the Degree-Granting Institutions Act. This authorization is subject to periodic review and authorizes (name of institution) to offer specific degree programs. The council may be contacted for a list of currently authorized programs. Authorization by the council does not carry with it an endorsement by the council of the institution or its programs. **Any person desiring information about the requirements of the act or the applicability of those requirements to the institution may contact the council at P.O. Box 43430, Olympia, WA 98504-3430.**"*

DOL does not address the issue of notifying students about the complaint process in either the RCW or WACs (although it does address notifying clients receiving services in licensed facilities). The RCW gives students the right to take a claim to the superior or district court. Some students also file complaints with the Office of the Attorney General, which then routes complaints to the agency with oversight of that particular school.

Respondents characterized the current process as a “complaint-driven” mechanism. Several interviewees noted that agencies face constraints on funding, outreach tools, and staff time regarding complaint responses.

The state would do well to focus on preemptive, proactive tools and tactics to communicate with students. The state could consider adopting a principle or value of improving the flow of information to students, making sure they know their rights and options to make informed decisions.

ii. Inconsistencies across agencies

Agencies approach dealing with student complaints differently. The Workforce Board is the most involved in working with students from the time a student files a complaint. As noted, students in the Workforce Board's career schools are advised to first contact the agency with a complaint. On the other hand, WSAC asks students to first work with their school. The WACs for DOL indicate complaints are filed through the district or superior court. Students with issues with federal loans or veterans benefits are referred to (respectively) ED or Veterans Affairs in most instances; other cases go to the state Attorney General's Office. Ultimately, students may seek private legal assistance.

iii. Follow-up Authority and Resources

While interviewees noted that agencies do investigate claims, they rarely take punitive action when problems come to their attention. The Workforce Board and WSAC WACs explicitly address the steps the agency must take after receiving a complaint. The DOL WACs address how the agency can access the surety bond, but do not cover the agency's involvement in investigating a claim. These steps can include conducting some type of investigation, working with the school to negotiate a settlement, and making a final determination that includes notifying the claimant and school. All agencies have the authority to revoke licensure or withdraw authorization for violations of laws and regulations.

Some interviewees attributed the above mentioned lack of action to the need for a high burden of proof for fraud (that could risk making the state legally liable); because of this burden and liability, state agencies tend to take action as a last resort, and often only after a federal agency or accreditor has cracked down on a school. Others noted that state agencies do not have enough staff resources to conduct sufficiently regular audits and site visits to allow for identifying problems. Stakeholders expressed frustration that state agencies lack the enforcement capability, whether due to the statutes not having enough "teeth," fear of liability, or insufficient staff resources to identify problems.

iv. Possibility of Creating an Ombuds Position

While more stakeholders favored creating an ombuds position than not, opinions were sufficiently divided (and enough support for an up-front/preventative approach emerged) that a clear recommendation in favor cannot be made at this time. Those in favor of creating an ombuds position highlighted the virtue of having a centralized contact point to serve students with complaints, other concerns, or questions about their education. Those opposed to the ombuds position believe a new position would duplicate existing capacities in agencies or schools.

Establishing an ombuds position or department is one approach some higher education agencies and organizations have taken to field and act on complaints when existing grievance processes prove inadequate or difficult for constituents to access. The project team reviewed materials regarding the use of ombuds positions in higher education in the U.S., in order to complement stakeholder perspectives and identify inputs to consider in evaluating the feasibility of an ombuds position.

Ombuds in higher education most commonly work in the area of student loan borrower assistance. For example, ED and the Consumer Financial Protection Bureau have established, respectively, the Federal Student Aid Ombudsman Group and the Private Education Loan Ombudsman to support borrowers with concerns and disputes regarding federal and private student loans. Many student

loan lenders and guarantors, as well as state student assistance agencies, have ombuds or customer advocate staff to help borrowers of the student loans they originate, guarantee, hold, or service.

In addition, higher education institutions, particularly larger ones, have established ombuds positions or offices to provide confidential and informal assistance to students and/or staff with academic issues, employment, or administrative concerns or complaints. Hundreds of colleges and universities in the US have ombuds positions or departments serving students and/or staff; these positions may be located at the main institutional level or may specifically serve a constituent department or program. In Washington, examples of institutions with ombuds positions include Bellevue College, Central Washington University, the University of Washington, and Washington State University and its College of Pharmacy.

The project team's limited review of state practices did not find an example of a specialized, statewide, publicly-funded ombuds position serving students of career colleges and degree-granting institutions envisioned in prior legislation. We sought examples of existing public ombudsman positions in state and local agencies across Washington state, and selected four for closer examination (see Appendix 13).

This assessment highlights key variables to consider when evaluating the case for an ombuds position. These include the ombuds' potential: constituency (that is, who are the likely beneficiaries and how many of them are there); scope (on what issues and under what circumstances the ombuds would get involved); anticipated workload (how many complaints the ombuds is likely to receive, based on past experience); positioning inside or outside of the regulatory organization or organizations it will monitor; and available resources.

Regarding the potential constituency and scope for a for-profit higher education ombuds, as noted earlier and detailed in Appendix 6, students of such institutions represent an estimated 12 percent of all postsecondary enrollments in the state. Regarding the ombuds potential workload, interviews with state agency staff indicated they receive relatively few complaints. However, as other interview participants noted, this may be because students don't know where to go to help, or may not be aware that the state agencies can help them. Of those complaints received by state agencies, they generally focused on disagreements over how much of a tuition refund a student was due (for schools overseen by the Workforce Board and WSAC) and disagreements about the number of clock-hours of training a student had received (in the case of schools overseen by the DOL).

Interview participants were of varying opinions about where an ombuds position could be housed. Suggestions included: housing it in an existing state agency (e.g. WSAC, Attorney General's Office, Workforce Board); increasing the scope of the existing K-12 ombuds in the Office of the Governor to include higher education; and establishing a standalone office. Where the ombuds would be situated would, in turn, have an impact on the level of resources required (i.e., if it would require an increase to a regulatory agency's budget to support one or more new or additional ombuds staff, or if it would entail the Legislature funding a completely new office).

Should the Legislature continue to entertain the prospect for such a position, we recommend additional, focused research and collaborative dialogue to gauge the ombuds' potential constituency, the scope of the ombuds' responsibilities, a realistic assessment of resources required, and whether the ombuds should be housed within an existing agency or be established as an independent office.

As noted, stakeholder sentiment did coalesce around desiring the state to be more proactive, as opposed to “complaint-driven.” Multiple respondents pointed to existing tools and rules, encouraging the state to align these features across agencies and explore options for coordination with the federal government departments (ED, V.A.) and accreditors. As mentioned, when discussing challenges facing students, respondents favor front-end (proactive) measures for oversight and student guidance, along with adequate oversight and enforcement, versus after-the-fact dispute resolution.

V. Consumer Protection Act

The WACs/RCWs of the Workforce Board, WSAC, and DOL all reference the Consumer Protection Act (CPA), which provides protection against unfair business practices:

- Workforce Board: A violation of this chapter or the rules adopted under this chapter affects the public interest and is an unfair or deceptive act or practice in violation of RCW 19.86.020 of the consumer protection act (RCW 28C.10.210)
- WSAC: A violation of this section constitutes an unfair or deceptive act or practice in the conduct of trade or commerce under chapter 19.86 RCW (RCW 28B.85.220)
- DOL: The legislature finds that the practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW (RCW 18.16.250)

In Addition to the Consumer Protection Act . . .

The Workforce Board includes just-cause language and further defines unfair business practice and “substantial” and “significant” violations.

WSAC further defines false academic credit.

DOL addresses violations of professional conduct and the Uniform Regulation of Business and Professions Act.

Furthermore, each agency addresses consumer protections differently, providing additional definitions or reference to other RCWs. The Workforce Board WACs include just-cause language and further define “unfair business practice,” “substantial violations,” and “significant violations.” WSAC further defines false academic credentials. The DOL addresses violations of professional conduct and the Uniform Regulation of Business and Professions Act.

However, the statutory language does not clearly state whether an individual action from a student plaintiff may proceed under the CPA. This raises concerns that there may be a reticence to use the CPA to protect student consumers from unfair business practices because of the lack of clarity under principles of statutory interpretation.

Recommendations

- Explore ways to ensure students have access to an independent credit counselor if/when such a service exists, and require career colleges and degree-granting institutions to notify students (via video and/or culturally-appropriate materials) of its availability prior to executing any school-held loan.

- Explore ways to give state agencies the resources they need to act on problems—whether identified through information received through data collection or by other means.
- As noted in the ombuds discussion above, consider establishing a single portal for complaints, staffed by a live human being responsible for routing and tracking complaints through resolution.

D. School Practices

Several business models for career colleges exist. As a briefing paper sent to the Ruckelshaus Center by the Northwest Career colleges and degree-granting institutions Federation (NWCCF) states, “Schools in Washington are established in a variety of structures, for example:

- Privately-held business organized in Washington with one location offering multiple certificate programs (unaccredited). Example: TLG Learning
- Privately-held business organized in Washington with one or more locations in Washington offering a single program (unaccredited). Example: Commercial Driver School
- Privately-held business organized outside Washington offering certificate programs with locations in the state (accredited). Example: Cortiva Institute
- Privately-held Washington business authorized to grant degrees and award certificates (accredited). Example: Seattle Film Institute
- Privately held business organized outside Washington authorized to grant degrees and award certificates (accredited). Example: Pima Medical Institute
- Publicly traded schools operating in multiple states. Example: ITT Technical Institute
- Non-profit school (accredited). Example: Perry Technical Institute
- Non-profit school (unaccredited). Example: Construction Industry Training Council”

i. Marketing/Recruiting Tactics, Disclosures to Students

As noted, interviewees typified the problems of the sector as perpetrated by large, national, corporate schools. These problems include aggressive and high-pressure recruitment tactics (combined with low barriers to entry), overpromising outcomes, and under-communicating total costs. While a school may follow the letter of the law related to disclosing tuition raises, interest rates on proprietary loans, and other costs impacting a student’s fiscal outlook, these can be hidden “in the fine print” of enrollment agreements or loan contracts. Agencies and stakeholders can mitigate impacts of such practices by collaboratively finding ways to provide advance online school performance measures in an easily accessible, well-publicized forum. A suggestion arose for state agencies to compare the amount a school spends on recruiting with the money spent on student support services, using this metric to gauge the quality of the experience provided by each school to those attending it.

ii. Student Services and Guidance

Differing perspectives emerged about the level at which career colleges and degree-granting institutions provide support for students. Some participants in this study characterize the profit motive as prohibiting or limiting spending by schools on student support services. Others posited that without tax money subsidizing their operations, career colleges and degree-granting institutions must work hard to keep their students by providing a high level of support. Respondents suggested the state can require schools to supply generally higher levels of student services. Specific ideas included requiring schools to determine students’ readiness to learn, and to ensure each school has programs in place to support the students they enroll.

One opportunity for this relates to English Language Learning (ELL) populations: agencies could require schools to provide student catalogs, loan contracts, and other information in multiple languages. Respondents also emphasized the need for identifying and addressing the specific needs of a diversity of student populations, noting however that characteristics of students attending the schools present challenges for outreach and communications. Whether due to language barriers, lack of internet access or aptitude, or other reasons, schools and agencies alike can struggle to establish and maintain regular channels of communication with students. A collaborative work group or advisory panel (consisting of school and student representatives to help coordinate with state agencies) might provide an opportunity to share best practices in this regard.

iii. Quality/Utility of Training Programs

Several interviewees suggested that the state establish and communicate criteria to rate the quality of career colleges and degree-granting institutions and their programs, with something similar to a “Good Housekeeping Seal.” Others pointed to the 2014 Gainful Employment Act as providing the equivalency. For students to succeed in translating career training to the workforce, the following elements must work in harmony:

A. Matching Curriculum & Cohort Sizes to Local Workforce Demands

Schools must match available training and degree programs to the needs and opportunities in the evolving job market. Schools do well when they communicate regularly with employers, planning ahead to develop and deliver curricula that provide graduating students with the skills to meet demand in the job market. Some respondents report this is not always the case with the programs of some career colleges and degree-granting institutions. A failure to match cohort sizes to local workforce demands can lead to an “excess supply” of graduates being unable to find work in the field for which they trained.

B. Students Have Opportunities to Get the Jobs They Trained for, at a Living Wage

Students often select programs by looking at the program length and what percentage of graduates obtain employment. However, this does not take into account the wage scale of the available jobs as compared to the program cost. For example, students learning how to care for elderly people may have a high rate of job placement, but such jobs may not tend to pay a living wage. Interviewees mentioned the “self-sufficiency calculator” featured on CareerBridge.wa.gov and employed by Workforce Development Councils and WorkSource Centers as a tool to help students evaluate expected earnings from various career paths in relation to costs of living in specific geographic areas. This again points to the importance of finding ways to raise student awareness of available tools and resources.

C. Faculty/Trainer Qualifications

Hiring and retaining knowledgeable, experienced faculty/trainers plays an important role in the ability of schools to supply usable credentials for students. State agencies hold some responsibility for ensuring faculty members possess sufficient expertise and credentials (see Table 6). Stakeholders expressed concerns that oversight of faculty/trainer qualifications may not be sufficiently robust.

Agency	WAC/RCW
Workforce Board	<p>490-105-044: The education and experience of administrators, faculty, and other staff must be adequate to ensure that students will receive educational services consistent with the stated program objectives.</p> <p>(4) Faculty must be qualified to provide instruction in their areas of specialization as demonstrated by possession of the following:</p> <ul style="list-style-type: none"> (a) Industry recognized certification when available; and (b) Two years of relevant education or work experience or relevant, current teaching experience that particularly qualifies them to provide instruction in their areas of specialization; or (c) Current evidence of being qualified to teach that has been issued by a regulatory agency of this or another state. <p>(5) Faculty who teach a course related to an occupation for which the student must subsequently be licensed or certificated must hold or be qualified to hold such a license or certificate.</p>
WSAC	<p>250-61-100: (2) Faculty.</p> <ul style="list-style-type: none"> (a) Faculty shall be professionally prepared and graduates of accredited institutions and, as a group, the institutions from which they earned their degrees shall be diverse. (c) Faculty teaching academic courses at the undergraduate degree level shall have a master's degree in the assigned or related program area from an accredited institution. Faculty assigned to teach in vocational-technical subjects shall have educational credentials and experience compatible with their teaching assignment. Faculty assigned to teach general education courses within any undergraduate program shall have a master's degree in a related area from an accredited institution. (d) Faculty teaching at the master's degree level in programs which emphasize advanced study and exploration in a discipline shall have an earned doctorate in a related field from an accredited institution and experience in directing independent study and research. Faculty teaching in master's programs which emphasize professional preparation shall have, as a minimum, a master's degree from an accredited institution and documented achievement in a related field. (e) Faculty teaching at the doctoral level shall have an earned doctorate in a related field from an accredited institution and experience in teaching and directing independent study and research.
DOL	<p>18.16.020: (19) "Instructor" means a person who gives instruction in a school, or who provides classroom theory training to apprentices in locations other than in a school, in a curriculum in which he or she holds a license under this chapter, has completed at least five hundred hours of instruction in teaching techniques and lesson planning in a school, or who has documented experience as an instructor for more than five hundred hours in another state in the curriculum of study, and has passed a licensing examination approved or administered by the director. An applicant who holds a degree in education from an accredited postsecondary institution shall upon application be licensed as an instructor to give instruction in a school, or to provide classroom theory training to apprentices in locations other than in a school, in a curriculum in which he or she holds a license under this chapter. An applicant who holds an instructional credential from an accredited community or technical college and who has passed a licensing examination approved or administered by the director shall upon application be licensed as an instructor to give instruction in a school, or to provide classroom theory training to apprentices in locations other than in a school, in a curriculum in which he or she holds a license under this chapter. To be approved as an "instructor" in an approved apprenticeship program, the instructor must be a competent instructor as defined in rules adopted under chapter 49.04 RCW.</p>

Table 6: WAC Requirements for Staff Qualifications

iv. Tuition Increases (and Oversight of This)

The cost of programs surfaced repeatedly as an issue worth examining and potentially addressing via policy revisions. In addition to the high cost of programs and degrees, respondents raised concerns about a lack of transparency regarding tuition increases and total cost of education.

v. Access to Information

As noted in previous sections, students need access to high-quality information in order to make informed decisions and understand their rights. Easy access to student records is also important, particularly when dealing with credit-transfer situations.

This assessment identified a variety of issues related to student access to information. Interviewee perceptions and agency regulations differed on the extent to which students were provided information regarding costs, rights, matriculation, records, and credits (student disclosures). The WACs address disclosures to students differently. In many ways, the Workforce Board WACs are the most explicit. For example, the Workforce Board requires schools to disclose the student's overall financial obligation and their right to file a complaint. It prescribes what must be included in school catalogs (e.g., policies regarding admissions, attendance, student conduct, cancellations, and refunds) and enrollment agreements. WSAC and DOL are much more general in their WAC language (but may provide additional detail in their application processes).

Access to transcripts was another problematic area. Any one of several circumstances might cause a student to request a transcript from a previously-attended school. Interviewees mentioned situations in which students had not been able to obtain their transcripts from a career college, preventing them from continuing their education and attaining a degree. Both the Workforce Board and WSAC WACs indicate that to be eligible to receive a transcript, students must have satisfied all financial obligations to the school. However, stakeholders expressed support for students having the right to their transcript regardless of a school's claims of outstanding financial issues. In the case of school closure, the Workforce Board requires schools to transfer records to the agency. WSAC requires schools to submit a plan for how they will maintain records. In the event that WSAC believes records may not be accessible, it has the authorization to seek a court order to take possession of them. DOL requires monthly reporting of the hours students accumulate in different activities. This requirement ensures student records are accessible, if needed. Details about notifying students about their rights and processes for obtaining transcripts are not addressed in the WACs.

Finally, there is variation in the extent to which credits earned at one school can be transferred to another institution. Different schools handle credit transfers in different ways, and transferability is in the purview of the receiving institution. The recent closure of ITT provided a recent illustration of this problem (see Appendix 5). In that case, some schools would not accept ITT credits since ITT was not accredited by a regional accreditor (it was accredited by a national accreditor); however, other schools did accept ITT credits.

While no statewide uniform credit transfer protocol exists, Anderson and Millard (2014) found Washington does guarantee that associate's degrees (or direct transfer degrees) earned at the state's community colleges can satisfy the lower division general education requirements in the state's four

year colleges and universities⁴. Furthermore, they state that plans are being developed that will allow credits earned at four-year institutions to be transferrable to community colleges. Washington, unlike other states, does not have statewide policies that allow for universal transfer of core lower-division courses or a statewide common course numbering system. As a result, not all students have certainty that their credits can be transferred. Washington was also included in a recent 10-state study of credit mobility⁵.

All agency WACs address credit transfer. The Workforce Board requires that schools do not imply their credits will automatically transfer to another school, though student consumers of career colleges may not understand their credits may not transfer. WSAC schools are required to be accredited, which aids in but does not guarantee transfer. While students often assume accreditation means credits from that school will be transferrable, that is not always the case. In Washington, degree-granting schools that are not yet accredited must file an affidavit showing their credits transfer to other schools. The DOL WACs have language addressing how students can transfer across schools. Finally, some degree-seeking students may be able to receive competency-based credit. Each school allocates credit for prior learning via their own policy, in accordance with standards set by their accrediting body. This lack of consistency and certainty creates numerous problems for students when a school closes or a student changes programs or schools.

Recommendations

- Review the following in detail to better understand which Washington students of career colleges and degree-granting institutions are covered and/or protected by:
 - The Consumer Protection Act;
 - Just-cause language;
 - Definitions of unfair business practices, substantial and significant violations, false academic credit, and misrepresentation of credits; and
 - Possible violations of professional conduct and the Uniform Regulation of Businesses and Professions Act.
- A “Student Bill of Rights” could provide a mechanism for ensuring all students have equal protection and access to a process of redress that advocates for them regardless of the type of school they attend (public, private, non-profit). Consider (as part of this) requiring schools to provide student transcripts regardless of financial issues.
- The state (and stakeholders) might want to consider what pieces of information students most crucially need to know and understand prior to enrolling. This could include financial aid and career counseling, and any or all of a set of other conditions, to become required components of the catalog. While an actual contract might not be necessary across the board, a signed statement

⁴ Anderson, L., & Millard, M. (2014). 50-state comparison: Transfer and articulation policies. Retrieved from Education Commission of the States website: <http://www.ecs.org/transfer-and-articulation-policies-db/>

⁵ Hodara, M., Martinez-Wenzl, M., Stevens, D., & Mazzeo, C. (2016). Improving credit mobility for community college transfer students: Findings and recommendations from a 10-state study. Portland, OR: Education Northwest.

by the student acknowledging they received the information—and had an opportunity to meet with school administrators to discuss it—could be an option.

- Implement explicit minimum performance thresholds for institutions, to help identify and sanction poorly performing schools.
- Consider requiring schools to devote a certain percentage of their tuition income to addressing student services/notifications on an annual basis.
- Convene a work group with representation across the sector to approach how these requirements might be addressed by the various players.
- State agencies could compare the amount a career college or degree-granting institution spends on recruiting with the money spent on student support services, using this metric to gauge the quality of the experience provided by each school for those attending it.
- Require the provision of adult basic education classes (either offered directly by the school or in partnership with community colleges).
- Adopt a common requirement for information that must be provided to students, regardless of the type of school. This would provide students access to similar information across the sectors, allowing them to make informed decisions regarding:
 - Total tuition, fees, costs for the current year and estimates of what they might be for the usual length of time a student takes to complete the program. A history of tuition increases for the past number of years might be included as well;
 - Access to financial aid. If a school participates in state or federal financial aid programs, they could be required to provide their students with counseling about student loan debt burdens prior to starting, during, and upon graduation or departure from their programs of study. This might be via WSAC for state aid and the ED for federal aid. Conversely, the state might want to develop some type of form that students would be required to fill out that walks them through the financial aid process, allowing them to enter sources of income to pay for their education while enrolled, debt estimates, realistic earnings estimates, and repayment options. Federal Student Loans Being a Responsible Borrower might be a resource: (studentaid.ed.gov/sa/sites/default/files/responsible-borrower.pdf);
 - Potential employment outcomes (including links to information provided on job outlook and earning in the state);
 - Rights as stated under 49.60 RCW Discrimination–Human Rights Commission;
 - School refund policies for both in-state and distance learning courses;
 - Admissions policies that inform incoming students about realistic opportunities for employment;
 - Process they could anticipate in the event of school closure including tuition refunds, teach out opportunities, and credit transfer (including language that their credits/hours are transferrable to some number of similar schools/programs in WA);
 - Staff qualifications and facility and equipment statements that include feedback from alumni and the process the school uses to continually maintain and upgrade them, including steps it is currently taking or plans to take as (evidenced by budgets);

- Course content, including what completion of the program provides in terms of certificates, degrees, and the success rate of graduates in obtaining licenses and other credentials required to work in the applicable field. If the program of study, or portions of it are available online, the extent to which the course content is similar to that provided in the classroom could be documented as well; and
- Availability of student services; if key services are not readily available the school could address why not and how the student could find alternatives in the vicinity of the school.

E. Loan/Grants/Financial Aid and other Education Benefits

A common theme in this study centered on affordability issues with schools, especially when considering the total cost of attendance added to the cost of living. Most interviewees noted that the majority of students of career colleges and degree-granting institutions require aid in the form of loans or grants to pay for career training and/or higher education degrees. Financial aid comes in several different guises, via multiple programs at both the federal and state level (federal aid comprises the majority of the funding streams). Major sources of public funding for student tuition assistance mentioned frequently in this study included federal student aid (including Pell Grant, Federal Student Loans, and other Title IV aid, State financial aid (including state need grant and other state aid programs overseen by WSAC), and federal and state training dollars (overseen by Workforce Board). In addition, financial assistance including loans may be attainable from private financial institutions and the schools themselves (at times using federal aid moneys).

A common theme from respondents is that the state needs better data on the student loan picture. Though WSAC reports that it has student loan data from every institution that participates in state aid (including private loan data), interviewees reported challenges related to a lack of data from private third-party loans (often online). The scope and nature of the problem(s) are difficult to pinpoint without credible data. Specifically-cited issues associated with financial aid follow.

i. Veterans Education Benefits

WSAC and the Workforce Board, as State Approval Agencies, are contracted with the Veteran's Administration to approve programs and monitor compliance of institutions receiving Veteran's education benefits under GI Bill. One issue that surfaced is that once a military veteran uses the allocation they earned, they have no opportunity to regain eligibility for additional benefits. Interviewees noted there is no way for a school to reinstate GI Bill benefits used by its students, even if a school closes unexpectedly.

ii. Average Earnings vis-a-vis Average Debt

Respondents described situations in which a credential does not yield a job with sufficient wages to pay off loan(s), but the student still faces the debt payments. The importance of the ratio of earnings to debt payments shows in the ED's adoption of this measure as the core metric of the Gainful Employment Act. The state could consider establishing the same (or similar) ratio as the federal government.

iii. Impacts on Extended Family

Multiple interviewees mentioned instances when student debt caused negative consequences for parents and grandparents who acted as co-signors for private student loans. These impacts appear to occur when students face insufficient job prospects or earnings after graduating, have high debt, or cannot complete the program. These circumstances can lead to lawsuits against students and their families from collectors or loan buyers, and can limit the students' and their families' prosperity in the long term.

iv. Oversight of Private Student Loans

The difficulty in tracking student loans from independent (often online) purveyors inspired a handful of respondents to bring up the possibility of asking the Washington State Department of Financial Institutions (DFI) if it might be able to assist in monitoring total student debt load. While DFI can monitor state-chartered financial institutions (local banks or credit unions), it does not oversee (or have data for) federally-chartered banks—which reportedly have a much larger role in the private loan arena.

v. Independent Financial and Loan Advisors

The state could mitigate some of the fiscal challenges faced by Washington’s higher education students if it were to establish—and publicize—the service of independent loan counseling for prospective students. In theory, agencies could require schools to inform students (before enrolling them) that students have the option to receive guidance from a public servant on securing and managing loans.

Recommendations

- To protect students in the event the U.S. ED-enforced regulations get significantly weakened, the state could consider establishing the same (or similar) earnings-to-debt-payments ratio (5:1) as the federal government.
- Another area of future study might involve an inventory of existing tools for debt relief, to gauge which might make sense to put in place in Washington state.
- The State could establish and publicize the service of independent loan counseling for prospective students. Agencies could require schools to inform students (before enrolling them) that they have the option to receive guidance from a public servant on securing and managing loans.

F. Data Collection, Reporting, and Sharing

The oversight of higher education—whether by state, federal, or accrediting agencies—relies on the collection and reporting of student and program information. This study revealed a complicated framework of reporting metrics, definitions of terms, data portals/repositories, tracking systems, and data sharing or public viewing tools. Ideally, the state and stakeholders can consider best practices for data collection, reporting, and sharing at several levels: interagency (state, federal, accreditors), with the public, with nonprofits, and with other stakeholders. Even with opportunities to improve, multiple interviewees stated that compared to other states, Washington does a good job of data collection, verification, and sharing.

Clarifying the purposes for data collection could assist in identifying the utility of the data and what is useful to share with whom. Participants in this study focused on a pair of purposes: for students to be able to make “apples-to-apples” comparisons of career training programs, and for regulators to ensure career colleges and degree-granting institutions are providing students with the desired outcomes.

i. Common Measurements

Different agencies and programs use different definitions for various metrics, measuring the same basic concept (e.g. “student retention,” “employment”) using varied calculations. This prevents students from having the ability to make “apples-to-apples” comparisons among schools or programs, while subjecting schools to accusations of falsifying reporting when different agency definitions for the same metric lead to different numbers reported. While this brings up the obvious opportunity to unify metrics across agencies, respondents noted that this would impact longitudinal tracking (by making any data on indicators with changed metrics not easily comparable to data collected preceding the change in metrics).

Key Questions in Higher Education

Access: Which students attend which colleges?

Completion: How many—and which—students succeed in college?

Cost: How much do students invest in college?

Outcomes: How do students fare (financially and in their careers) after college?

ii. Reporting Burdens

With multiple state and federal agencies along with independent accreditors all playing a role in overseeing the various types of career colleges and degree-granting institutions, several respondents expressed interest in mitigating the regulatory burden facing these schools. Data reporting presents an opportunity to do so. Those familiar with the requirements facing career schools noted duplication in the state system alone. Some proprietors apparently must report the same information in multiple places. One small career college proprietor described a regulatory burden in the form of a dizzying array of reporting requirements involving painstakingly long forms and detailed information for every student, across eight different agencies and programs. A table displaying basic information about these reporting requirements is provided in Appendix 11 to illustrate some of the duplication and complexity.

iii. Utility of Data

Numerous respondents expressed interest in making school and student information more accessible and practical for use by decision-makers—whether policy makers, agency staff, or students weighing career training options. Several interviewees expressed the ideal vision that a prospective student should be able to go online and compare total program costs, employment and wage rates, and other vital metrics at the *program* level—not aggregated by school, but by specific training program—including comparing career college options with those offered by community colleges.

iv. Important Data Metrics

Stakeholders described the need for the data collected by agencies to focus on outcomes, specifically on employment and wage data. A crucial related metric is total program cost. Students must be able to understand before enrollment how much a program or degree will cost *in total*. Again, multiple interviewees emphasized the importance of tracking loan information since the brunt of problems faced by students lie in the realm of personal finance. The multiple grant and loan programs at the state and federal level, combined with students taking on private loans, make this quite challenging.

v. Inter-Agency Data Sharing

The three core state agencies in this study (Workforce Board, WSAC, and DOL) each address data collection differently. Only the Workforce Board and DOL WACs address data collection, and the data collected by those two agencies differs. Based on suggestions that inter-agency data sharing is limited, it appears there are opportunities for more data sharing. Sharing was described as important because individual actors have different pieces of the puzzle, so no one knows the full picture on their own. It will take a focused effort to inventory and assess existing systems and tools to determine opportunities to eliminate overlap, find efficiencies, and enhance viewing “dashboards” for agencies, schools, and students to enable more easily used data.

The ED may offer models for definitions, performance thresholds, and other key elements of data collection and sharing. It also may be worth exploring linkages with data metric conversations in connection with the Talent and Prosperity for All plan (Washington’s implementation of the federal Workforce Opportunity and Innovation Act, or WIOA). The U.S. Departments of Labor and Education have reportedly collaboratively issued WIOA provisions related to performance accountability. Other initiatives also exist to improve the collection of nationally-collected data, like ED’s Integrated Postsecondary Education Data System (IPEDS).

vi. Monitoring Trends, Detecting and Acting on Problems, and Coordinating Oversight

One key purpose of data collection is to enable regulators to monitor school and student performance in order to detect and correct problems. Agencies and schools operate under statutory definitions of poor performance and unfair business practices. Any single agency or accreditor can track student retention rates, completion rates, average earnings, and other important elements. However, when a school offers both degree and non-degree programs, oversight involves at least two state agencies and an accreditor. As noted, varying definitions and requirements make coordinating oversight quite difficult across agencies.

In the event a school's data (or other reports) show potential problems with a school, the state bears a high burden of proof to show fraud by a privately-owned institution. Respondents noted that without minimum performance statistics, agencies attempting to crack down on poor-performing schools can risk lawsuits (which can cost the state in time, legal expenses, and potential penalties).

vii. Virtue of a Single Data Portal for Reporting

Many interviewees expressed support for a single reporting portal that all state agencies can share, to eliminate the duplication of schools having to enter the same information for the state in multiple places. This step is reportedly feasible, though as noted, a broader-scale effort to align definitions and key metrics to the extent practicable across the multiple levels of jurisdiction will require a focused effort by those entities and individuals who deal regularly with data collection and reporting.

The Workforce Board operates www.CareerBridge.wa.gov, an online system to help prospective students find career training programs that suit their interests and background. Because of their participation in the ETP program, career colleges and degree-granting institutions authorized by WSAC and DOL are already providing data to the Workforce Board. Some interviewees noted opportunities for improving CareerBridge, stating that the dataset is incomplete (e.g., performance results are not available for all programs listed in the CareerBridge database) and includes a time lag between when a student enters the workforce and when their earnings information is available on the site.

According to interviewees, the Workforce Board's Career Bridge website has potential to get built out into a more robust and comprehensive system. The Workforce Board itself notes about Career Bridge, "*The site features over 6,500 education programs, including apprenticeship, short-term training programs, one-year certificates, two-year associate degrees, bachelor's degrees, and some master's degree programs. The Workforce Board does not accept self-reported data but uses student records to make employment and wage matches. The site has performance results for about 40 percent of the programs. Career Bridge recorded over 6 million page views in the most recent year. It's used every day at Washington's WorkSource employment center system, by high school and middle school students, and the general public.*" Also, "*Career Bridge allows potential students to go online and compare program costs, employment and wage rates at the program level. The site compares all types of programs, including private career schools, community and technical colleges and four-year institutions.*"

Recommendations

- A collaborative group might begin with the vision that a prospective student should be able to go online and compare total program costs, employment and wage rates, and other vital metrics at the program level—not aggregated by school, but by specific training program—including comparing career college options with those offered by community colleges.
- Require and disclose program-level outcomes for career colleges and degree-granting institutions, in addition to institution-level outcomes.
- Work to standardize outcomes reporting across agencies, and potentially use existing state authorization reciprocity agreements as a vehicle for producing common definitions for student outcomes measurements.
- Consider establishing common definitions for key demographic groups the state is interested in monitoring (e.g., first-generation postsecondary students) and require the reporting of this data as well.

- Since different schools serve students seeking disparate outcomes, consider establishing a common set of definitions to gauge student intent (similar to SBCTC). This could allow the state to analyze student outcomes by student intent.
- (*As the AEI report suggests,*) Rely less on institutions to report certain outcome indicators and, instead, require only basic and essential reported data from institutions. Authorizers should then link that information to independently verifiable, administrative data sources (to the extent available) so as to produce more and better information on outcomes, albeit those outcomes may be limited to jobs and wages only in Washington.
- Consider modifying the RCW and/or the WACs to allow minimum targets for completion, employment, and earnings for vocational schools a condition for licensure.
- Modify the RCW and/or the WACs to enable the Workforce Board to publish performance results for all schools it collects data for, not just those listed on the Eligible Training Provider List.
- Align reporting systems and practices for the Workforce Board and the DOL, given that both oversee vocationally-oriented providers. Such alignment could streamline reporting for career colleges and support employment matching and other outcomes-assessments for graduates of cosmetology programs.
- Identify if and how data tracking student loan debt can be integrated into all reporting systems to provide a closer look at which Washington students are accumulating loan debt and if they are finding jobs that enable them to pay back the loans.
- Establish a common reporting portal for those metrics used by multiple agencies. Consider the Workforce Board's Student Data Portal⁶ as a template or the portal itself, provided it meets the needs of the other agencies and key stakeholders. As this would entail both political and practical opportunities and challenges, it would probably be best approached through convening a multi-stakeholder data advisory group. Potential tasks the subcommittee could work on include identifying a shared, consistent set of performance measurement definitions and metrics, and assessing the feasibility of adopting a single, cross-sector portal for collecting data of common interest.

⁶ All private career schools licensed by the agency provide their student records through this portal. Public sector schools with certificate-level programs on the state's Eligible Training Provider list, such as the University of Washington, also provide data directly through this portal. The portal was featured this fall at the Governor's Lean conference as agency staff have enacted multiple process improvements to make the portal easier to use. http://www.wtb.wa.gov/PCS_AnnualReport.asp

V. Prospects for Collaboration

The legislation authorizing this assessment mentions a potential second phase, if deemed appropriate, of facilitated discussions amongst agencies, regulated entities, and other stakeholders to reach agreement on further action. Interviews included questions to gauge the prospects for a set of facilitated meetings to build broad agreement on policy changes and improvements. This section describes those prospects and offers suggestions on structure, participants, and topics for collaboration. The Ruckelshaus Center is under contract with WSAC through June 30, 2017 and has budgeted some of the legislative allocation to support its facilitation of a collaborative process, if its provision of facilitation is acceptable to all key parties.

A few respondents expressed skepticism about the chances for the success of a collaborative effort; however, most interviewees supported the idea. Interviewees stated that a clear purpose, an effective process, and focus on discrete areas that can be enhanced by collaboration would increase the likelihood of success. Neutral, knowledgeable, and skilled facilitation can allow constructive dialogue among the many public, private, and nonprofit entities involved in these schools and the related complex of issues.

Building on past collaboration (toward legislation) and current efforts (by agencies), this report recommends establishing a multi-sector leadership task force with the intent to forge agreement on both policy changes the State Legislature might adopt into law, and administrative or programmatic improvements that agencies can codify in their WACs. Any collaborative work presents challenges.

A. Basics of a Collaborative Process

As noted, an optimal structure might include a core collaborative group (leadership task force) consisting of representatives of various state entities (agency and legislative staff), plus a few others (at least the Northwest Career Colleges and degree-granting institutions Federation). That core group would start by identifying desired conditions, values, and objectives for career colleges and degree-granting institutions (in light of the whole institutional system).

That core group can identify existing state, nonprofit, and private sector joint assets and strengths—and creatively think about areas for improvements based on those. That should reveal specific areas for improved collaboration and coordination, the resources needed, and who is best positioned to take responsibility for and lead for a series of working groups to focus on specific improvements. The composition of these work groups will vary depending on the needs of the topic.

Respondents varied in what they thought should comprise the goal for a prospective collaboration. The most common themes included:

- Identifying and recommending agency best practices for data collection, audits and site visits, authorization, outreach and guidance to students, and potentially working with federal agencies (i.e. State Authorizing Agencies for financial aid from the U.S. V.A., specifics of working with the U.S. ED).
- Creating a more seamless system to address student complaints.
- Agreeing on and aligning minimum performance standards for institutions.

- Identifying other efficiencies and streamlining measures to enhance the regulatory framework. (Guiding question: What are the most important oversight functions and how can agencies' ability to carry them out be simplified and strengthened?).
- Giving agencies more tools and abilities to identify poorly performing schools and address problems.

B. Participants

The most common list of task force partners cited by respondents had, at a minimum, the three state agencies named in the budget proviso (WSAC, the Workforce Board, and DOL) and the Northwest Career Colleges Federation. Other commonly-mentioned entities included one proprietor of each major type of school overseen by the three primary agencies (private vocational school, degree-granting, and cosmetology), and representatives of the following constituencies:

- Student of a career college (perhaps a former student now teaching at one)
- Staff from Democratic and Republican legislators serving on Higher Education Committees in House and Senate
- SBCTC
- Council of Presidents
- Attorney General's office
- Four-year nonprofit higher education institutions (e.g. Independent Colleges of Washington)
- Someone with extensive knowledge of veterans' issues related to career colleges and degree-granting institutions

Ideally, individuals representing the entities at the core of the leadership task force would be insightful, experienced people who can both represent their constituency but also seek a solution that meets all parties' needs.

C. Possible topics to open dialogue

Shared Values (*Sample discussion questions: "What do we value? What will make educational experience for students fair, successful, etc.? What is our vision for an ideal set of conditions considering what we value?"*)

Several respondents expressed some version of an ideal oversight framework along the lines of "an efficient, easy-to-navigate system meeting the workforce development and consumer protection needs of both students and the private sector." However, several noted that the state has yet to articulate its own core values or principles. This could be done by the agencies together laying the groundwork, in a relatively short time, for confirmation by the legislature. This could lay an important foundation for a larger collaborative body deliberating potential policy changes.

What Issues Do We Want to Know More about?

With an overall framework (or institutional system) of great complexity, stakeholders come to a prospective collaboration from different corners of the landscape. It could prove valuable for any task force addressing these issues to collectively compile and agree on a complete institutional

system map. With the known universe of higher education entities established, the leadership task force could then identify issues it would like to address. Different issue categories could require specific work groups to address them (see below for specific suggestions).

What Information Do We Need to Make Decisions?

With a system map and issues on the table, it would be necessary to gain agreement on relevant facts and data. Without agreement on facts, collaborative groups cannot agree on solutions. Agency staff may be able to supply applied research on specific topics established by issue-based subcommittees, provided their fact-finding is credible in the eyes of each participating entity.

D. Structure: Leadership Task Force with Issue-Focused Work Groups

Collaborative processes to address complex issues and policy questions often feature one decision-making body (steering committee/leadership task force) with issue-specific work groups or subcommittees. It helps to allow the leadership group to collectively establish clear decision-making protocols and agree on group norms or ground-rules to focus behavior on solutions, keep media and public relations constructive, charter sub-groups, and determine any other relevant process design elements.

Potential subcommittees or work groups on higher education might include the following:

1. State Agencies and Legislative Staff

As noted, the creation of state principles to guide higher education policy should guide legislative and agency decision-making. This becomes more important in light of the change in federal administration, which is expected to bring unpredictability and likely great change in U.S. ED policy and practice.

State entities should also explore ways to increase efficiency or simplicity of state oversight, or at least continue existing interagency collaboration and look for ways to increase coordination among agencies. To add balance and perspective, it would help to invite other partners to contribute to this conversation (e.g. a representative of each major category of school, identified in concert with NWCCF).

2. Data Collection, Reporting, and Sharing

This set of topics represents perhaps the most complicated arena. Sub-topics and discussion questions raised during this study include:

- What data is it important to track?
- How best is the data collected?
- Establish universal/common metrics against which to compare different institutions.
- Develop integration of tools/portals; reduce redundancy of data collection; create a common interface (Career Bridge could serve as a model, or provide the “bones” of a system).
- To the extent possible, how can the system offer apples-to-apples comparisons for regulators, schools, and students (i.e. the guidance and information to make good choices)?

- Data-sharing agreements between agencies.
- Federal scorecards/accountability center as one potential model for data integration.

3. Student Guidance and Protections

Suggested goal: Provide improved information and outreach, focusing on how to inform, guide, and support students on the “front end” but also addressing complaint process(es). Discussion topics and questions might include:

- Best ways to address a number of issues related to a potential ombuds position, e.g. authorizing one of the existing oversight agencies as the entry point and coordinating entity for all complaints; research on the potential constituency and caseload of an ombuds position is needed to obtain accurate estimates of its utility and costs.
- It is important to first clearly identify needs either not being met or needing improvement, and consider the benefits of an ombuds compared to other approaches. In addition, given limited resources, it is important to identify the most strategic and targeted ways to benefit and protect students.
- Inventory existing tools, seek ways to expand/enhance resources through cross-sector partnerships and interagency collaboration.
- Adult basic education (skills/classes provided by community colleges or workforce centers could provide a structure).
- Provide information and materials and disseminate to advocacy organizations (student advocates, consumer credit counselors).
- Re-allocation of dollars (or increase authorizing/licensing fees) to support neutral student-support.
- Develop “Student Bill of Rights” (see previous sections for suggestions), considering including provisions for students to obtain transcripts regardless of financial standing.
- Ways to identify and oversee emerging for-profit higher-ed models.
- Require provision of catalogs, enrollment and loan agreements in multiple languages.
- Consider establishing uniform monetary amounts and funding mechanisms for the purpose of settling student complaints.
- Identify resources needed and best approaches to increase students’ awareness of and access to tools and information that can assist them in making informed decisions (uniform advance online school performance metrics easily accessible) and increase their awareness of state resources and services.
- Identify how to improve the range of student services and resources (from schools and agencies) comprising “wrap-around services” that focus on the specific student demographics and needs including literacy, ELL, first-generation higher education, minorities, veterans, students with children, non-traditional students.

- Consider requiring schools (based on developed criteria) to contribute to a fund utilized for neutral financial and/or educational advising, perhaps with a percentage of each school's annual profits going to such a fund.
- Develop strategies to partner with, enhance, and expand the work of existing programs, services and non-profit organizations that can provide educational and financial aid guidance and other necessary supports to students or prospective students (e.g. community colleges, federal Education Opportunity Centers program for first generation college-goers and low-income adults). Build on the strengths of existing efforts and identify additional resources needed to support these strategies.
- Consider specific ways schools do a good job providing support to students, identify these as "best practices" and suggest or require other schools to adopt them.
- Consider aligning minimum requirements for how students navigate the complaint process. All students, regardless of school type, should have explicit information about the process to use when experiencing a problem, who to contact, what to expect from school and agency administrators, eligibility for monetary reimbursement, and appeals.

4. Loans, Grants, and Finance

This topic comprises the bulk of the problems described by participants in this study. Possible discussion topics and questions suggested:

- Explore idea of independent credit counseling (require schools to ascertain student has received credit counseling before issuing loan).
- Earnings-to-loan payments ratio (a la U.S. ED).
- Consider equalizing surety bonds across agencies.

The three state agencies should consider developing a presentation and strategy for sharing the results of this assessment with the 2017 legislative assembly. Legislative presentations should also include representative(s) from the NWCCF and student advocacy organizations, if possible, to provide a balance of perspectives. The three agencies might also benefit from considering where else to present this project's findings, e.g. to representatives of the other constituencies listed in the "Participants" section above.

Recommendations

- Continue existing inter-agency collaboration and explore additional joint research, coordination, and planning efforts.
- Establish a multi-sector leadership task force (agencies plus the NWCCF, plus other agreed-on parties) to discuss and agree on both policy changes the State Legislature might adopt into law, and administrative and programmatic improvements that agencies can codify in their WACs.
- This leadership task force can determine:
 - High-level goals, e.g.:
 - Identifying and recommending agency best practices for data collection, audits and site visits, authorization, outreach and guidance to students, and potentially

- working with federal agencies (i.e. State Authorizing Agencies for financial aid from the U.S. V.A., specifics of working with the U.S. ED);
 - Agreeing on and aligning minimum performance standards for institutions;
 - Identifying other efficiencies and streamlining measures to enhance regulatory framework. (Discussion question: What are the most important oversight functions and how can agencies' ability to carry them out be simplified and strengthened?); and
 - Giving agencies more tools and abilities to identify poorly performing schools and address problems.
- Clear decision-making protocols for the collaborative process and agreement on group norms or ground-rules to focus behavior on solutions, keep media and public relations constructive, charter sub-groups, and determine any other relevant process design elements;
 - Topics for, and composition of, specific collaborative work groups; and
 - Principles or values for higher education in collaboration with core career college entity/entities.

VI. Recommendations for Consideration

High-level recommendations to consider for immediate action	
1.	Informed by representatives of career colleges and degree-granting institutions, state (agency and legislative) leaders in higher education should develop principles or values to guide the decision-making on regulatory and administrative improvements.
2.	Staff at the three state agencies should continue existing inter-agency collaboration and explore opportunities to: <ul style="list-style-type: none"> a. Align WACs; b. Establish explicit school performance metrics; and c. Provide a single data-reporting portal.
3.	Agency and legislative leaders, in concert with key stakeholders, should consider and act on the goals and structure of a collaborative work group.
Implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns	
1.	Develop a coordinated, focused outreach campaign by WSAC, the Workforce Board, DOL, and the Office of the Attorney General to students regarding rights and resources available to them.
2.	Require pre-enrollment guidance and disclosures to increase student access to consistent and culturally-appropriate information, neutral financial advising, and adequate consumer protections.
3.	Give regulations more “teeth”, e.g. establishing explicit minimum performance thresholds for schools to obtain authorization (or reauthorization).
4.	Make sure agencies have both the authority and the resources to take enforcement actions against schools when violations are identified.
5.	Identify the objectives, roles and responsibilities of an ombuds position as well as alternative approaches and discuss what it is the best approach in order to achieve these objectives as part of a collaborative multi-party taskforce.
General Agency Oversight	
1.	Clearly delineate definitions (exempt and joint jurisdiction) of the different agencies regulating the sector. In cases where multiple agencies have jurisdiction over different programs at a single proprietary school, consider opportunities to streamline oversight to reduce regulatory burdens for schools. For example, consider <ul style="list-style-type: none"> a. Exploring requiring the schools to meet only one set of requirements (the most stringent of the agencies), or b. Consolidating school authorization and licensure into one entity.

2. Consider consolidating school authorization and licensure into one entity or aligning the existing regulations.
3. Consider redefining the schools licensed by the DOL as private vocational schools, giving those students access to the protections addressed in the Workforce Board WACs but not DOL's.
4. As Washington is a member of SARA, it might want to engage in some type of analysis to determine the degree to which other SARA states are more or less rigorous in their authorization processes. If Washington is more rigorous than other states, belonging to SARA and accepting schools authorized to operate by their respective state's authorization entity might not be in the best interest of Washington residents.
5. Consider establishing explicit thresholds (e.g. student completion rate, job placement rate) for institutional performance and tying these to the relicensing and reauthorization process. In the event an institution falls below a threshold, the relevant agency could place the school on an improvement plan (for retention or placement), with periodic progress reports due to the agency. It may be appropriate for thresholds to account for differences in schools' student bodies, rather than having a single threshold applied uniformly to all schools.
6. Regulatory agencies should explore alignment of standards for accountability across multiple elements and hold career colleges and degree-granting institutions to them. These elements would include: approval to operate; school finances; staff qualifications; the content of information presented to the public via catalogs and websites and to students via enrollment agreements and complaint processes; admissions eligibility determinations; student outcomes; accessing student files; and methods of redress.
Meeting Student Needs/Student Guidance
1. The state should consider specific tools to prevent and mitigate financial difficulties for students. Suggestions include: <ul style="list-style-type: none">a. Exploring ways to increase surety bonds to make all students who are financially impacted by school closure whole;b. Creating an office or agency staff position tasked with outreach and education related to financial planning, loans, and credit;c. Offering an independent loan counselor;d. Working with a non-profit to provide a financial guidance hotline; ande. Requiring schools to refer students to entities that provide financial and educational counseling (e.g. Workforce Development Councils, Departments of Labor & Industries, and Social & Health Services).
2. Agencies could require schools to accept only students in a position to benefit from the relevant program.
3. The state could also mitigate issues associated with readiness-to-learn by encouraging schools to provide information and build partnerships to enable students to access Adult Basic

Education and other building blocks provided by community and technical colleges (e.g., associate/transfer degrees).
<p>4. Topics for collaborative state and stakeholder consideration:</p> <ul style="list-style-type: none"> a. Consider establishing uniform monetary amounts and funding mechanisms for the purpose of settling student complaints; b. Identify resources needed and best approaches to increase students' awareness of and access to tools and information that can assist them in making informed decisions (such as providing easily accessible uniform advance online school performance metrics) and increase their awareness of state resources and services; c. Identify how to improve the range of student services and resources (from schools and agencies) comprising "wrap-around services" that focus on specific student demographics and needs, including literacy, ELL, first-generation higher education students, minorities, veterans, students with children, and non-traditional students; d. Consider requiring schools (based on developed criteria) to contribute to a fund that is utilized for neutral financial and/or educational advising, perhaps with a percentage of each school's annual profits going to such a fund; e. Develop strategies to partner with, enhance, and expand the work of existing programs, services and non-profit organizations that can provide educational and financial aid guidance and other necessary supports to students or prospective students (e.g. community colleges, federal Education Opportunity Centers' program for first generation college-goers and low-income adults). Build on the strengths of existing efforts and identify additional resources needed to support these strategies; f. Consider specific ways schools do a good job providing support to students, identify these as "best practices," and suggest or require other schools to adopt them; and g. Consider aligning minimum requirements for how students navigate the complaint process. All students, regardless of school type, should have explicit information about the process to use when experiencing a problem, who to contact, what to expect from school and agency administrators, their eligibility for monetary reimbursement, and how to pursue appeals.
Process for Handling Complaints
<p>1. Explore ways to ensure students have access to an independent credit counselor if/when such a service exists, and require career colleges and degree-granting institutions to notify students (via video and/or culturally-appropriate materials) of its availability prior to executing any school-held loan.</p>
<p>2. Explore ways to give state agencies the resources they need to act on problems—whether identified through information received through data collection or by other means.</p>
<p>3. As noted in the ombuds discussion above, consider establishing a single portal for complaints, staffed by a live human being responsible for routing and tracking complaints through resolution.</p>

School Practices

1. Review the following in detail to better understand which Washington students of career colleges and degree-granting institutions are covered and/or protected by:
 - a. The Consumer Protection Act;
 - b. Just-cause language;
 - c. Definitions of unfair business practices, substantial and significant violations, false academic credit, and misrepresentation of credits; and
 - d. Possible violations of professional conduct and the Uniform Regulation of Businesses and Professions Act.
2. A “Student Bill of Rights” could provide a mechanism for ensuring all students have equal protection and access to a process of redress that advocates for them regardless of the type of school they attend (public, private, non-profit). Consider (as part of this) requiring schools to provide student transcripts regardless of financial issues.
3. The state (and stakeholders) might want to consider what pieces of information students most crucially need to know and understand prior to enrolling. This could include financial aid and career counseling, and any or all of a set of other conditions, to become required components of the catalog. While an actual contract might not be necessary across the board, a signed statement by the student acknowledging they received the information—and had an opportunity to meet with school administrators to discuss it—could be an option.
4. Implement explicit minimum performance thresholds for institutions, to help identify and sanction poorly performing schools.
5. Consider requiring schools to devote a certain percentage of their tuition income to addressing student services/notifications on an annual basis.
6. Convene a work group with representation across the sector to approach how these requirements might be addressed by the various players.
7. State agencies could compare the amount a career college or degree-granting institution spends on recruiting with the money spent on student support services, using this metric to gauge the quality of the experience provided by each school for those attending it.
8. Require the provision of adult basic education classes (either offered directly by the school or in partnership with community colleges).
9. Adopt a common requirement for information that must be provided to students, regardless, of the type of school. This would provide students access to similar information across the sectors, allowing them to make informed decisions regarding:
 - a. Total tuition, fees, costs for the current year and estimates of what they might be for the usual length of time a student takes to complete the program. A history of tuition increases for the past number of years might be included as well;
 - b. Access to financial aid. If a school participates in state or federal financial aid

programs, they could be required to provide their students with counseling about student loan debt burdens prior to starting, during, and upon graduation or departure from their programs of study. This might be via WSAC for state aid and the ED for federal aid. Conversely, the state might want to develop some type of form that students would be required to fill out that walks them through the financial aid process, allowing them to enter sources of income to pay for their education while enrolled, debt estimates, realistic earnings estimates, and repayment options. Federal Student Loans Being a Responsible Borrower might be a resource: (studentaid.ed.gov/sa/sites/default/files/responsible-borrower.pdf);

- c. Potential employment outcomes (including links to information provided on job outlook and earning in the state);
- d. Rights as stated under 49.60 RCW;
- e. School refund policies for both in-state and distance learning courses;
- f. Admissions policies that inform incoming students about realistic opportunities for employment;
- g. Process they could anticipate in the event of school closure including tuition refunds, teach out opportunities, and credit transfer (including language that their credits/hours are transferrable to some number of similar schools/programs in WA);
- h. Staff qualifications and facility and equipment statements that include feedback from alumni and the process the school uses to continually maintain and upgrade them, including steps it is currently taking or plans to take as (evidenced by budgets);
- i. Course content, including what completion of the program provides in terms of certificates, degrees, and the success rate of graduates in obtaining licenses and other credentials required to work in the applicable field. If the program of study, or portions of it are available online, the extent to which the course content is similar to that provided in the classroom could be documented as well; and
- j. Availability of student services; if key services are not readily available the school could address why not and how the student could find alternatives in the vicinity of the school.

Loans/Grants/Financial Aid

1. To protect students in the event the U.S. ED-enforced regulations get significantly weakened, the state could consider establishing the same (or similar) earnings-to-debt-payments ratio (5:1) as the federal government.
2. Another area of future study might involve an inventory of existing tools for debt relief, to gauge which might make sense to put in place in Washington state.
3. The State could establish and publicize the service of independent loan counseling for prospective students. Agencies could require schools to inform students (before enrolling them) that they have the option to receive guidance from a public servant on securing and managing loans.

Data Collection, Reporting, and Sharing

1. A collaborative group might begin with the vision that a prospective student should be able to go online and compare total program costs, employment and wage rates, and other vital metrics at the program level—not aggregated by school, but by specific training program—including comparing career college options with those offered by community colleges.
2. Require and disclose program-level outcomes for career colleges and degree-granting institutions, in addition to institution-level outcomes.
3. Work to standardize outcomes reporting across agencies, and potentially use existing state authorization reciprocity agreements as a vehicle for producing common definitions for student outcomes measurements.
4. Consider establishing common definitions for key demographic groups the state is interested in monitoring (e.g., first-generation postsecondary students) and require the reporting of this data as well.
5. Since different schools serve students seeking disparate outcomes, consider establishing a common set of definitions to gauge student intent (similar to SBCTC). This could allow the state to analyze student outcomes by student intent.
6. (*As the AEI report suggests,*) Rely less on institutions to report certain outcome indicators and, instead, require only basic and essential reported data from institutions. Authorizers should then link that information to independently verifiable, administrative data sources (to the extent available) so as to produce more and better information on outcomes, albeit those outcomes may be limited to jobs and wages only in Washington.
7. Consider modifying the RCW and/or the WACs to allow minimum targets for completion, employment, and earnings for vocational schools a condition for licensure.
8. Modify the RCW and/or the WACs to enable the Workforce Board to publish performance results for all schools it collects data for, not just those listed on the Eligible Training Provider List.
9. Align reporting systems and practices for the Workforce Board and the DOL, given that both oversee vocationally-oriented providers. Such alignment could streamline reporting for career colleges and support employment matching and other outcomes-assessments for graduates of cosmetology programs.
10. Identify if and how data tracking student loan debt can be integrated into all reporting systems to provide a closer look at which Washington students are accumulating loan debt and if they are finding jobs that enable them to pay back the loans.

11. Establish a common reporting portal for those metrics used by multiple agencies. Consider the Workforce Board's Student Data Portal⁷ as a template or the portal itself, provided it meets the needs of the other agencies and key stakeholders. As this would entail both political and practical opportunities and challenges, it would probably be best approached through convening a multi-stakeholder data advisory group. Potential tasks the subcommittee could work on include identifying a shared, consistent set of performance measurement definitions and metrics, and assessing the feasibility of adopting a single, cross-sector portal for collecting data of common interest.

Collaboration

1. Continue existing inter-agency collaboration and explore additional joint research, coordination, and planning activities.
2. Establish a multi-sector leadership task force (agencies plus the NWCCF, plus other agreed-on parties) with the intent to forge agreement on both policy changes the State Legislature might adopt into law, and administrative and programmatic improvements that agencies can codify in their WACs.
3. This leadership task force can determine:
 - a. High-level goals, e.g.:
 - i. Identifying and recommending agency best practices for data collection, audits and site visits, authorization, outreach and guidance to students, and potentially working with federal agencies (i.e. State Authorizing Agencies for financial aid from the U.S. V.A., specifics of working with the U.S. ED);
 - ii. Agreeing on and aligning minimum performance standards for institutions;
 - iii. Identifying other efficiencies and streamlining measures to enhance regulatory framework. (Discussion question: What are the most important oversight functions and how can agencies' ability to carry them out be simplified and strengthened?); and
 - iv. Giving agencies more tools and abilities to identify poorly performing schools and address problems.
 - b. Clear decision-making protocols for the collaborative process and agreement on group norms or ground-rules to focus behavior on solutions, keep media and public relations constructive, charter sub-groups, and determine any other relevant process design elements;
 - c. Topics for, and composition of, specific collaborative work groups; and
 - d. Principles or values for higher education in collaboration with core career college entity/entities.

⁷ All private career schools licensed by the agency provide their student records through this portal. Public sector schools with certificate-level programs on the state's Eligible Training Provider list, such as the University of Washington, also provide data directly through this portal. The portal was featured this fall at the Governor's Lean conference as agency staff have enacted multiple process improvements to make the portal easier to use. http://www.wtb.wa.gov/PCS_AnnualReport.asp

VII. Appendices

Appendix 1: Excerpt from Section 609 of HB 0329 (Legislative Proviso Authorizing this Study)

Sec. 609. 2015 3rd sp.s. c 4 s 612 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND ADMINISTRATION

The appropriations in this section are subject to the following conditions and limitations:

- (1)** \$182,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the student achievement council, the workforce training and education coordinating board, and the department of licensing to work together to design and oversee a study, to be administered by the council, that objectively analyzes and makes recommendations about systemic overlaps and gaps in jurisdiction regarding for-profit degree-granting institutions and private vocational schools in the state. The council may contract with a neutral third-party research organization to conduct the study. The study must be conducted in two phases, starting with an assessment of perspectives and relevant studies. A second phase, if deemed appropriate by the council, the workforce training and education coordinating board, and other stakeholders, may consist of facilitated discussions amongst agencies, regulated entities, and stakeholders to reach agreed-upon recommendations.
 - a.** The study must include recommendations to improve oversight and accountability of these institutions and schools and a review of whether, and how, different standards are applied to the institutions and schools by different agencies. Specifically, the study must:
 - i.** Examine the data collection and reporting practices of for-profit degree-granting institutions and private vocational schools compared to the data collection and reporting of the community and technical colleges. The study must determine if there are inconsistencies and discrepancies in the practices of the for-profit degree-granting institutions and private vocational schools. The study must also make recommendations on the methods of collecting, analyzing, and reporting data, including what measurements to use, to ensure that data from for-profit degree-granting institutions and private vocational schools can be accurately compared to data from the community and technical colleges;
 - ii.** Study the current regulations governing these institutions and schools and recommend necessary changes to achieve consistent regulatory oversight of the entire system;
 - iii.** Recommend ways to implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns; and
 - iv.** Review whether an ombuds position serving students of for-profit degree-granting institutions and private vocational schools should be created. If the recommendation is to create an ombuds position, the study must make a recommendation on which state entity should house the position.

- b.** The assessment phase of the study may begin July 1, 2016. The council must issue a final report, including the result of any facilitated agreed-upon recommendations, to the appropriate committees of the legislature by January 1, 2017.

Appendix 2: Project Team, Methodology, and Limitations

Chris Page (Ruckelshaus Center Project and Development Lead) led the project and partnered with Phyllis Shulman (Special Projects Advisor), Autumn Fielding and Trevor Robinson (Ruckelshaus Center staff and intern, respectively) provided project support. Chris Page and Phyllis Shulman designed the assessment process, developed the protocols and questions for the interviews (see Appendix 3), conducted and summarized the interviews, and along with Education Northwest developed recommendations.

After agreeing on a contract and scope of work with WSAC, the Center's assessment team developed a set of protocols to govern the interview process, based on university human subject research principles and best practices in the field of collaborative decision-making. The WSU Office of Research Assurances reviewed the study and protocol, and determined that the study satisfied the criteria for Exempt Research at 45 CFR 46.101(b)(2) and could be conducted without further review by the WSU Institutional Review Board.

Interviewees were invited by email and/or phone to participate in an interview and received background information explaining the process, the purpose and how information from the interview would be used. The preliminary information emphasized that the interview would be confidential (to be consistent with university research protocols and encourage interviewees to be as candid as possible), in that the results would be aggregated in a summary report and specific statements would not be attributed to individual interviewees. Interviewer notes on the conversations were not retained beyond the drafting of the report, per research protocol. Interviews were conducted by phone, with participating entities given the option to identify one respondent or hold a group interview (as three parties did).

The Education Northwest team consisted of Angela Roccograndi (Senior Advisor for Evaluation), Erich Stiefvater (Senior Advisor, Training and Technical), supervised by Chris Mazzeo (Director, Center for Research, Evaluation and Analysis) and with technical review by Michelle Hodara (Senior Researcher, Postsecondary Readiness and Success).

The Center conducted background research and consulted with the three state agencies and an initial group of additional interested stakeholders convened by WSAC, including legislative aides, Attorney General's Office representative, and the Northwest Career College Federation (NWCCF). This bulleted list shows a preliminary list of types of perspectives to include:

- Higher education institutions of different sizes, subject matters, and business models;
- Students (and/or student advocacy organizations) of for-project higher education schools;
- Representatives from three primary state agencies;
- Legislators from Higher Education Committees from both parties in the Washington state Senate and Washington House of Representatives;
- Accrediting agencies;
- Attorney General's Office; and
- Other interests as identified by initial interviewees.

The project team's findings were constrained by a small number of methodological limitations. Regarding the Ruckelshaus Center's interviews, many respondents did not have full understanding of the education landscape or the system of oversight, and this creates the potential for the interview

findings to magnify misperceptions. Regarding Education Northwest's technical analyses, time and budget constraints prevented a fully comprehensive review agency administrative practices and other materials. The technical analyses included a thorough review of relevant WACs, but these other agency materials could not be systematically included in this report. More generally, the short timeline for this assessment did not allow for a complete mapping and analysis of all relevant pieces of the state's complex education landscape. In recognition of this limitation, this report attempts to provide a high-level overview of this system, along with relevant recommendations.

Appendix 3: Interview List

Name	Category	Affiliation
Senior Administrator	Accreditation agencies	National Accrediting Commission for Career Arts & Sciences
Education Policy Advisor	Federal government: legislative staff	US Congress
Sequist, Larry	Resident	WA State House of Representatives (former)
Dubow, Emily	Schools: career colleges and degree-granting institutions	Perry Technical Institute
Gale, Nancy	Schools: career colleges and degree-granting institutions	TLG Learning
Johnston, John Paul	Schools: career colleges and degree-granting institutions	Divers Institute of Technology
Kennelly, Moira	Schools: career colleges and degree-granting institutions	Gene Juarez Academy
McNeeley, Dion	Schools: career colleges and degree-granting institutions	Commercial Driver School
Regulatory & government affairs staff	Schools: career colleges and degree-granting institutions	DeVry Education Group
Shulman, David	Schools: career colleges and degree-granting institutions	Seattle Film Institute
Wikstrom, Gena	Schools: career colleges and degree-granting institutions	Northwest Career colleges and degree-granting institutions Federation
Senior Administrator	Schools: career colleges and degree-granting institutions	For-profit degree- and certificate-granting institution, multi-state presence
Dellinger, Jennifer Mahoney, Katherine Rockwell, Michele	Schools: community & technical colleges	WA State Board for Community & Technical Colleges
Francis, Paul	Schools: public universities	WA Council of Presidents
Alves, Jason Audette, Heidi Lozano, Rafael Schmidt, Peter	State government: agency staff	WA Department of Veterans Affairs
Austin Hall, Ellen	State government: agency staff	WA Attorney General's Office
Ball, Mike	State government: agency staff	WA Student Achievement Council
Collard, Susan	State government: agency staff	WA Department of Licensing
Papadakis, Eleni	State government: agency staff	WA Workforce Training & Education Coordinating Board
Senior Official	State government: agency staff	WA Workforce Training & Education Coordinating Board
Bailey, Barbara	State government: elected officials	WA State Senate
Haler, Larry	State government: elected officials	WA State House of Representatives
Liias, Marko	State government: elected officials	WA State Senate
Pollet, Gerry	State government: elected officials	WA State House of Representatives
Tarleton, Gael	State government: elected officials	WA State House of Representatives
Zeiger, Hans	State government: elected officials	WA State House of Representatives
Aultman, John	State government: executive staff	WA Governor's Office
McCarthy, Clint	State government: legislative staff	WA State Senate Higher Education Committee
Goss, Ellisa	Students or student advocates	WA Student Association
Henry, Christina	Students or student advocates	Henry, DeGraff, & McCormick

Name	Category	Affiliation
Kellison, Julia Spenser, Ariel	Students or student advocates	Northwest Justice Project
Nepomuceno, Anna	Students or student advocates	UW Tacoma student
Scott, Martez	Students or student advocates	Former student at a career school in WA
Sotelo, Lili	Students or student advocates	Columbia Legal Services
Mattke, Mark	Workforce development (non-school)	Spokane Area Workforce Development Council

Appendix 4: Interview Questions

1. Please tell us about your background, affiliation, involvement, and interests with respect to for-profit degree-granting institutions and private vocational schools in Washington state.
2. This effort is to better understand the existing system of jurisdiction related to these schools and the issues that may be affecting the students attending them. What would you describe as issues associated with these schools and their students? Are there challenges or barriers to addressing these issues? If so, what are they?
3. Are you familiar with the data collection and reporting practices of any of these types of schools? Can you describe any inconsistencies or issues related to data collection and reporting? What information should be collected and reported that is not currently being collected?
4. Data collection, reporting, and measurements used by for-profit degree-granting institutions and private career schools may differ from community and technical colleges; likewise, different state agencies may require the reporting of different data/measurements from the same types of schools. Should those practices be the same? If yes, can you suggest specific changes? If no, why not?
5. What issues do you see associated with guiding and assisting current and prospective students who have questions and concerns?
6. Do you believe an ombuds position serving students of for-profit degree-granting institutions and private vocational schools should be created? If so, do you have an opinion on which state agency should house the ombuds? If yes: what authority or responsibility or role should that position hold?
7. Do you think a collaborative process might be appropriate to address any of the issues we are discussing? (In this context, a collaborative process means a solution-focused dialogue among all the key interests, participating willingly, that is convened and facilitated by a neutral third party). What would you hope could be accomplished in such a process—what would a successful outcome look like?
8. Who would need to be involved to reach and implement a collaboratively-developed set of solutions? Would you/your organization be willing to participate, if appropriate? What issues or rules should be part of the conversation, and which ones should not?
9. Do you think that there is incentive for those who would need to be part of a collaborative process on these issues to participate—to negotiate and seek common ground? What barriers to a collaborative process do you see, and do you see ways around them?
10. What information would be needed to provide a common information base for participants in a potential collaborative process? What entity is best-positioned to provide that information?
11. If a collaborative approach is not appropriate, what (if anything) do you think should happen next?
12. Who do you think it is important that we interview as part of this assessment? Why is it important to speak to him/her?
13. What should we have asked that we did not?
14. Do you have any questions for us?

Appendix 5: Overview of ITT Closure and State Response

As of August 1, 2016, ITT Technical Institute (aka ITT, a publicly-traded private career college operating nationwide) had 662 students enrolled across three campuses in Washington state. On August 25, the U.S. Department of Education (ED) blocked ITT from receiving federal aid for its students and required ITT to increase its surety bond by 40%. On August 28, WSAC removed ITT from eligibility to receive state financial aid for the 2016-2017 academic year, notifying students by email three days later. On September 1, WSAC suspended ITT's ability to enroll additional students at its Washington campuses. In addition, on September 6, the WSAC/State Approving Agency withdrew approval of all Bachelor of Science degree programs at all ITT locations in Washington.

On September 6, ITT closed all campuses nationwide. On September 9, WSAC emailed or mailed letters to all 662 ITT students in Washington, informing recipients of their options for continuing their education, providing resources regarding federal loans, and referring to additional online information. September 14, WSAC sent a similar message to 489 other students who had attended ITT within the last 120 days, emailing additional information to these students through mid-September. The SBCTC identified staff to respond to student queries, and it also asked its schools to identify points of contact for ITT students who were interested in continuing their studies at that school. 23 of the 34 community and technical colleges assigned an ITT-specific point person, posting these contacts to an ITT-specific website (www.sbctc.edu/becoming-a-student/itt-to-ctc-roster.aspx). The public baccalaureate institutions also identified point people, while WSAC also created and maintained a website with information for ITT students, including:

- Contact information for state community & technical colleges, other higher education institutions in WA, and for apprenticeship programs;
- Procedures for filing fraud complaints with WSAC or the WA Office of the Attorney General;
- Links to federal financial aid resources from the ED, including loan forgiveness procedures;
- Information sessions for ITT students (hosted by schools and other organizations) interested in continuing their educations; and
- Instructions for ordering transcripts.

WSAC worked with the SBCTC, Workforce Board, DOL, and a number of educational institutions to provide options and support for ITT students wanting to continue their education. WSAC, the Workforce Board, the SBCTC, and a number of individual schools each identified a point person to assist ITT students. Several programs (e.g. Western Governors University, North and South Seattle Colleges, and Spokane Community Colleges) provided funds for ITT students interested in transferring.

WSAC referred ITT students to the U. S. ED if they wanted to pursue loan relief or transfer ITT credits to another school. Each school made its own decision on accepting ITT transfer credits; a number of schools declined to accept ITT credits (due to ITT's lack of regional accreditation), though some of those schools allowed students to earn competency-based credits.

The Ruckelshaus Center finalized its situation assessment protocol after the ITT closure, so did not proactively ask interviewees about ITT. However, a number of individuals mentioned ITT in responses to other questions. Some applauded the state response, particularly praising WSAC and

the SBCTC for providing outreach and resources to help students understand their options. However, others expressed disappointment that the state did not take action until after ED suspended ITT's federal student aid eligibility—suggesting that the state should be able to take more proactive steps when it becomes aware of problems. Others suggested that state agencies had to be prodded to take action (or take more robust action) even after ED sanctioned ITT.

Appendix 6: Estimated Number and Enrollments of For-Profit Degree Granting Institutions and Career Colleges in Washington

Type	Institutions/ Colleges	Students	Notes	Sources
For-Profit				
For-Profit Degree-Granting Institutions	30	6,800	Preliminary estimates	WSAC staff (December 2016)
Private, For-Profit Cosmetology Schools	86	4,000		Department of Licensing staff (November 2016)
Other Private, For-Profit Career Colleges	320	36,000		Workforce Board Staff (November 2016)
Subtotals	436	46,800		
Not-for-Profit				
Public 4-Year Degree-Granting	6	134,616	Undergraduate and graduate students	Washington Office of Financial Management Public Centralized Higher Education Enrollment System (PCHEES), Statewide Public 4-Year Dashboard, 2014-2015
Public Community and Technical Colleges	34	179,197	Full-time equivalent students	SBCTC Annual Enrollment Summary, 2015-2016
Independent Colleges of Washington (ICW)	10	34,378		Independent Colleges of Washington, 2016-2017 Factbook (enrollments by institution, page 2)
Other Not-for-Profit Degree-Granting	139	2,500	Preliminary estimates	WSAC staff (December 2016)
Private, Not-for-Profit Career Colleges	5	1,200		Workforce Board Staff (November 2016)
Subtotals	194	351,891		
	630	398,691		

Appendix 7: Summary Comparison of Regulatory Agency Laws (RCWs) and Regulations (WACs)

This summary table and the more detailed one that follows are based on a comprehensive review of the WACs and a more cursory review of the RCWs. They do not address any additional information that agencies may require from schools as part of their day-to-day practice. The WACs allow all regulators to request additional information as necessary.

KEY AREAS ADDRESSED	Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
RCW AND WAC AREAS RELATED TO PROGRAM OVERSIGHT			
DEFINITION: Describes the type of school regulated by the laws and regulations.	●	●	●
EXEMPTION: Relieves schools from some or all of the regulations related to licensure or authorization. Accordingly, exemption criteria differ as they apply to different types of schools. The exemption process could include an annual review of schools issued an exemption to ensure compliance under the law..	●	●	●
WAIVER: Relieves non-exempt schools from some or all of the regulations related to licensure or authorization. This includes membership in the State Authorization Reciprocity Agreement (SARA) for distance education programs.	○	●	○
INITIAL AND RENEWAL APPLICATION: Provides up-to-date information regarding the program(s), staffing, and financial viability of a school seeking licensure or authorization to operate. This includes frequency of renewal, school visits, steps applicants (including new owners) can take if their application is conditionally approved or denied, related fees, and receipt and display of license or authorization.	●	●	●
SUSPENSION: Temporarily restricts or prohibits a school from some or all business-as-usual activities due to an identified issue of non-compliance. This includes provisions for when the agency can suspension a school, what activities the school must cease, grace periods for the school to comply, and possible agency intervention or support.	●	●	●
APPEAL/HEARING: Allows a school to challenge an official action, including denial of initial/renewal applications for exemption/licensure/authorization, suspension, and revocation/withdrawal of license or authorization. The appeal process is outlined in 34.05 RCW.	●	●	●
PROGRAM CONTENT: Provides a minimum set of standards a new/updated education program must meet to obtain approval. Includes accreditation; joint regulation; externships/internships, clinical/practicums, and apprentice programs; credit hours and hours; and ongoing program improvement.	●	●	●

KEY AREAS ADDRESSED	Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
DISTANCE LEARNING: Provides guidance on offering some or all the curriculum for a course of study via the Internet.	●	●	●
STAFF QUALIFICATIONS: Provides minimum standards for instructional, support, and administrative staff, including moral character, criteria for ongoing staff improvement, and regular reporting of teaching staff members.	●	●	●
EQUIPMENT AND FACILITIES: Provides minimum standards for equipment (addressing both adequacy and currency) and facilities (main and auxiliary), including language regarding safety.	●	●	●
DATA/REPORTING: Provides minimum-compliance reporting requirements.	●	○	●
RECORDS: Describes the length of time and types of student educational and financial records schools are required to maintain.	●	●	●
COMPLAINT PROCESS (AGENCY ACTIONS): Provides a process for how agencies respond to student complaints, including clarifying eligible complainants and the process eligible complainant must use to submit a complaint.	●	●	●
RCW AND WAC AREAS RELATED TO INFORMED DECISIONMAKING AND STUDENT PROTECTIONS			
NOTIFICATION STATEMENT: Provides minimum language schools need to use in statement posted or included in written/publicized documents stating agency licensed or authorized the school to operate.	●	●	●
DISCRIMINATION: Addresses protections afforded to students in 49.60 RCW (Discrimination—Human Rights Commission).	●	●	○
CATALOG: Printed information provided to students that addresses various aspects of enrollment and matriculation, such as availability of financial aid, job placement services, refund policies, staff, and school calendar.	●	●	●
SCHOOL REFUND POLICY: Describes the policy the school will use for refunding tuition, fees, and other expenses to students.	●	●	●
STUDENT SERVICES: Services and instructional resources available to assist students, such as admissions, advising and guidance, financial assistance, student records, disability accommodations, placement services, and library	●	●	○
ADMISSIONS: Addresses the minimum processes the school must apply when determining eligibility for enrollment, including minimum educational requirements, testing, and the students'	●	●	●

KEY AREAS ADDRESSED	Workforce Board (Career Schools)	WSAC (Degree- Granting Schools)	DOL (Cosmetology Schools)
potential for program completion or job placement.			
ENROLLMENT AGREEMENT: Refers to a binding agreement between the school and the student describing what the school will provide to the student and associated fees.	●	●	●
CONSUMER PROTECTION: Addresses protections in the Consumer Protection Act (RCW 19.86) and additional, protections, if any, afforded to students.	●	●	●
COMPLAINT PROCESS (SCHOOL ACTIONS): Provides guidance to schools on how they must inform students about the complaint process	●	○	○
PECUNIARY DAMAGES FUND: Establishes a required fund for settling substantiated student complaints. Includes how the school establishes the funds, initial and ongoing maintenance, what the fund can reimburse and for what reasons.	●	●	●
CREDIT TRANSFER: Addresses the extent to which students might transfer credits or hours earned at one school to another school.	●	●	●
TRANSCRIPTS: Describes the practice schools must use to provide eligible students with copies of their educational records.	●	●	○
SCHOOL CLOSURE: Describes the policies the school will follow in the event of closure, including notifying the agency and students about opportunities for teach out, tuition refunds, and records maintenance.	●	●	○

● Addressed to some extent

○ Not addressed

Appendix 8: Detailed Comparison of Regulatory Agency Laws (RCWs) and Regulations (WACs)

This table includes a description of the various regulatory components in the Revised Code of Washington (RCW) and Washington Administrative Code (WAC) and provides a definition and statement of commonality across the three agencies—Workforce Training & Education Coordinating Board (Workforce Board); Washington Student Achievement Council (WSAC); and Department of Licensing (DOL). Boxes under this description provide additional detail or highlight differences, as needed. An empty cell indicates the description above it provides an adequate summary of the regulations; “Not addressed” indicates the component is not addressed in the RCW or WAC.

OVERSIGHT

Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
DEFINITION OF SCHOOL: All RCWs and/or WACs provide a definition of school covered by the laws/regulations.		
Private vocational school, any school that provides education and training that prepares people for careers.	Institutions offering degree-granting programs and/or academic credit.	Institutions of postsecondary study.
EXEMPTIONS: Relieve schools from some or all of the regulations related to licensure or authorization. Accordingly, criteria differ as they apply to different types of schools. The exemption process could include an annual review of schools issued an exemption to ensure compliance under the law.		
WACs further define terms used in RCW; only exempts cosmetology schools.	WACs further define terms used in RCW; adds exemptions for three additional types of schools.	Effectively, only exempts apprentice programs.
Does not include agencies with joint jurisdiction.	Does not address joint jurisdiction; nursing programs are only mentioned in authorization letter.	
WAIVERS: Relieve non-exempt schools from some or all of the regulations related to licensure or authorization.		
	Can waive authorization requirements of schools operating in Washington state. Separate from waivers but related, Washington is a member of the State Authorization Reciprocity Agreement, which allows the state to accept the out-of-state authorization of distance education programs.	

Workforce Board (Career Schools)		WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
INITIAL APPLICATION AND RENEWAL: All schools must complete initial and renewal applications and receive approval to operate. Applications cover a variety of areas including minimum programmatic quality, staffing, and school financial stability.			
Requirements	Includes specific language.	Includes general language.	Includes specific language.
Process	Not addressed.	Includes visits, evaluation, and public comment period.	Requires an inspection, business license, and registration with the secretary of state.
School visit	Not addressed.	By agency discretion.	Required annually.
Approval/ denial	Applicants denied licensure can address the deficiencies and reapply within 30 days for free.	Conditional authorization may be granted, which allows the school to submit additional information. Applicants denied authorization can reapply within a year for a discounted fee.	Approval language is geared toward individuals and does not address denial. Schools that do not pass renewal inspection are provided time to address deficiencies. License renewal requires verification of the student–teacher ratio.
Frequency	Annual.	Biennial.	Annual.
Financial requirements	Includes explicit language for required financial documentation in initial/renewal application, such as a scored credit report and proposed operating budget and business plan.	Includes general language for financial documentation; requires annual audit.	Requires annual audit.
Fees	Based on tuition income of the school. Issues fee for late filings of Tuition Recovery Trust Fund deposits.	Flat fees.	Flat fees. Issues fees for late renewal.
New ownership	New owners must reapply. License extension allows a school to continue providing instruction while the application is in process.	New owners must reapply. Temporary certificate of authorization allows a school to continue providing instruction while the application is in process.	New owners must reapply.
License/ authorization	Must be displayed on the school's premises in a prominent place.		Must be displayed.

Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
SUSPENSION: Temporarily restricts or prohibits a school from some or all business-as-usual activities due to an identified issue of non-compliance.		
<p>Licenses can be suspended for just cause and unfair business practices.</p> <p>Stops instruction of new students for up to 30 days.</p> <p>Schools can be designated as “at risk” prior to suspension, which allows agency staff to provide support and schools to address issues of non-compliance. If corrected, schools receive a provisional license. Schools can be deemed “at risk” for issues related to financial viability, misrepresentation, decreased enrollment, substantiated complaints, and staff turnover.</p>	<p>Stops recruitment and enrollment.</p> <p>Provides schools the opportunity and time to address issues of noncompliance and have a suspension withdrawn.</p>	<p>Schools may be provided time to address issues of noncompliance.</p>
APPEAL/HEARING: Allows a school to challenge an official action, including denial of initial/renewal exemption/licensure/authorization application, suspension, and revocation/withdrawal of license or authorization. Appeal process is outlined in 34.05 RCW.		
		Additional actions can trigger an appeal.
PROGRAM CONTENT: Agencies have the ability to regulate the content of a course of study. Content changes or additions must be approved before they are offered to students. Programs must be reviewed by the school on a regular basis to ensure content is current (program improvement).		
<p>Reviews and approves all program and course offerings. Does not require institutional accreditation as recognized by U.S. Department of Education as a requirement for program approval or accreditation as a requirement for school approval.</p> <p>Addresses approval and requirements for externship/internship and clinical/practicum experiences.</p>	<p>Requires institutions to be accredited, to be in the process of obtaining accreditation, or to establish the transferability of credits. Programs should meet accrediting standards.</p> <p>Includes specific language on credit hours needed for degrees.</p> <p>Requires feedback from alumni as part of the program improvement process.</p>	<p>Approves curriculum.</p> <p>Provides specific language on hours needed for licensure.</p> <p>Addresses approval and requirements for apprentice programs, including inspection.</p>

Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
DISTANCE LEARNING: Providing some or all curriculum for a course of study via the Internet.		
Defines distance education, out-of-state school, physical presence, cancellation/refund procedures. Addresses sequence of course in catalog.	Defines operate in a way similar to WORKFORCE BOARD's definition of out-of-state school and physical presence. Addresses the quality of the content, including that it be similar to that of residence programs.	Restricts content to theory only.
STAFF QUALIFICATIONS: All agencies provide minimum criteria for instructional staff, a moral character clause, and criteria for ongoing staff improvement. The criteria for instructional staff credentials differ.		
Requires staffing and changes to be reported; addressed issues related to educational support staff and sales agents. Includes specific language in moral character clause. Includes general language for administrative staff qualifications.	Requires faculty to be graduates of accredited institutions. Includes specific language for minimum qualifications of administrative staff	Requires staffing and changes to be reported. Defines instructor; requires they are licensed and that they renew their license every two years. Addresses issues related to educational support staff and student–teacher ratios. Does not address administrative staff qualifications.
EQUIPMENT AND FACILITIES: All agencies provide minimum criteria for equipment (addressing both adequacy and currency) and facilities (main and auxiliary), including language regarding safety.		
Allows exemptions for auxiliary facilities.		Includes safety and sanitation standards for licensees and additional disinfection standards for school instructors, apprentice trainers, and students.
DATA/REPORTING: Minimum-compliance reporting requirements.		
Requires annual reporting on 14 specific items, including student social security number, birthdate, race, gender, age, disability status, veteran status, and prior education level. ⁸	Not addressed.	Requires monthly reporting primarily focused on time spent in educational activities; includes reporting of withdrawals, terminations, and leaves of absence.

⁸ For schools with programs on the state's Eligible Training Provider List, the Workforce Board matches with state wage records to provide a "consumer report" on completion rate, employment rate and wages through the CareerBridge website.

Workforce Board (Career Schools)	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
RECORDS: Describes the length of time and types of student educational and financial records schools are required to maintain.		
Required to maintain records similar to WSAC, for a lengthy period of time, including transcripts.	Required to maintain records similar to Workforce Board, for a lengthy period of time, including transcripts.	Required to maintain records for three years; final records must be shared with the agency.
COMPLAINT PROCESS: (AGENCY ACTIONS) Provides a process for how agencies respond to student complaints, including clarifying eligible complainants, the process eligible complainant must use to submit a complaint, determining refunds and accessing the tuition recovery fund.		
<p>Indicates the agency is the first point of student contact.</p> <p>Includes additional language about who qualifies to register a complaint.</p> <p>Includes language that makes it clear that the student has the right to appeal an agency decision regarding a complaint, as does the school.</p>	Requires students to first access the school's process.	Allows students and instructor trainees to file complaint using the superior or district court.

INFORMED DECISIONMAKING AND STUDENT PROTECTIONS

Workforce Board (Career Schools) ⁹	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
NOTIFICATION STATEMENT: A statement included on written/publicized documents stating, at a minimum, the school is licensed or authorized by the agency.		
Required on all written/publicized documents. Requires license to be posted.	Required on all written/publicized documents and websites.	Requires license to be posted.
DISCRIMINATION: Addresses 49.60 RCW (Discrimination—Human Rights Commission).		
Includes broad language regarding discrimination, including accommodations for people with disabilities.	Includes language about making accommodations for people with disabilities.	Not addressed.
CATALOGS: Printed information provided to students that addresses aspects of enrollment and matriculation.		
Includes specific requirements, such as information on job placement and financial aid.	Includes general language; many of the Workforce Board requirements—such as information about job placement and financial aid—are required elsewhere, but not explicitly prescribed to be included in a catalog per the WSAC WACs.	Required, but not prescribed. Does not address job placement or financial aid.
SCHOOL REFUND POLICY: Policy the school will use to refund tuition, fees, and other expenses to students.		
Mandates schools to follow a state refund policy when a contract is cancelled and a student withdraws or is terminated from a program, among other minimum requirements outlined in the WAC; individual school policies can include more.	Refunds must meet federal guidelines established by the U.S. Department of Education and the standards established by the school's accrediting association.	Required but not defined.

⁹ Workforce Board, Workforce Training & Education Coordinating Board; WSAC, Washington Student Achievement Council; DOL, Department of Licensing; WACs, Washington Administrative Codes; RCW, Revised Code of Washington

Workforce Board (Career Schools) ⁹	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
STUDENT SERVICES: Support services and instructional resources available to students		
Required to include information about the availability of financial aid and job counseling	Required to provide information about student services that usually include admissions, advising and guidance, financial assistance, student records, disability accommodations, placement services, and library	Not addressed.
ADMISSIONS: Addresses minimum processes the school must apply when determining eligibility for enrollment.		
Requires schools only enroll students able to work in the field after completion. Testing required, including English language proficiency.	Requires schools only enroll students able to complete the program. Testing required.	Requires schools only enroll students with a high school diploma or GED or who are beyond the age of compulsory education.
ENROLLMENT AGREEMENT: A contract between the school and the student describing what the school will provide and the associated fees.		
Required. Includes a list of nine areas that need to be addressed, including cancellation policy, refund policy, how to file a complaint and who to send the complaint to, name of the program and total number of hours to complete it, tuition cost and itemized charges for the training. Also includes a “notice to the buyer” section with information about the legal underpinnings of the enrollment agreement. Students must read the agreement before they sign.	Optional. If an agreement is used, it must be discussed with the student.	Required, not prescribed. Students also sign a contract with licensed salons/shops when earning credit.
CONSUMER PROTECTIONS: All students are protected by the Consumer Protection Act (RCW 19.86).		
Includes just cause language and further defines unfair business practice to include financial aid, accreditation, discrimination, advertising, and “substantial” and “significant” violations.	Further defines false academic credential. RCW and WACs similarly address misrepresentation of credits and soliciting persons to seek/earn such credits.	Includes language addressing violations of professional conduct and the Uniform Regulation of Business and Professions Act. 19.86 RCW was not written specifically to protect students, but could be used by a student who is filing a complaint against a school.

Workforce Board (Career Schools) ⁹		WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
COMPLAINT PROCESS: Provides guidance to schools on how they must inform students about the complaint process			
Schools are required in both the school catalog and enrollment agreement to publish or print a statement advising students of their right to either express concerns or file a complaint.		Not addressed.	Not addressed.
PECUNIARY DAMAGES FUND: A fund established for the purpose of settling student complaints. Required for initial and ongoing licensure and authorization.			
<i>Establishment</i>	Pooled across institutions and administered by the state. Deposits range from a minimum of \$305 to a maximum based on tuition and fee revenue. Schools are vested after contributing for 10 years.	Requires initial surety bond of \$25,000; thereafter bond amount is based on tuition and fee revenue not to exceed \$250,000; schools may also use an assignment of account	Requires initial surety bond of \$10,000; thereafter bond amount is based on annual gross tuition not to exceed \$50,000.
<i>Replenishment</i>	After payout, requires the affected school, if still in business, to replenish; if the affected school is no longer in business, requires all schools to contribute to replenishment.	Must be reestablished after payout.	Not addressed.
<i>Reimburses</i>	Tuition, fees, and other expenses associated with enrollment.	Tuition and fees, not to exceed total liability of the bond.	Unearned prepaid tuition, not to exceed total liability of the bond.
<i>Cause</i>	Unfair business practice and closure.	Unfair business practice, which could include closure.	No limitations.
CREDIT TRANSFER: Addresses the extent to which credits or hours earned at one school can be transferred to another.			
Includes language stating that a school shall not imply that credits earned at their institution are automatically transferrable to another institution.		Requires accreditation.	Includes language addressing students' ability to transfer between schools.

Workforce Board (Career Schools) ⁹	WSAC (Degree-Granting Schools)	DOL (Cosmetology Schools)
TRANSCRIPTS: Describes the practice schools must use to provide eligible students with copies of their educational records.		
Requires schools to provide to students in good financial standing a copy of their education record. Requires agency to permanently maintain student transcripts from all closed private vocational schools and furnish transcripts to students upon request.	Requires schools to provide to students in good financial standing a copy of their education record. Requires schools to submit a plan for how they will maintain records after closure. In the event that WSAC believes records may not be accessible, it has authorization to seek a court order to take possession.	Not addressed.
SCHOOL CLOSURE: Policies the school will follow in the event of closure.		
Requires schools to notify the agency, take responsibility for teaching out students or refunding tuition, and informing students of those processes. Teach out is encouraged, but not required; if offered, options must be of same quality and content. ¹⁰ Addresses data/record requirements that must be submitted to the agency. Further defines closure.	Requires schools to notify the agency, take responsibility for teaching out students or refunding tuition, and informing students of those processes. Teach out is encouraged, but not required. Addresses data/record requirements that must be submitted to agency, including allowing the agency to obtain a court order to maintain the integrity of records.	Not addressed. Includes language allowing students to transfer schools/receive credit toward completing the curriculum.

¹⁰ In the event of a sudden closure, the agency immediately attempts to obtain student records and contact affected students to advise them of their rights to continue and complete their education and training. In some cases, when teach-outs are not available, the agency oversees distribution of funds from the Tuition Recovery Trust Fund to help students recover their financial investment.

Appendix 9: Performance Reporting and Accountability System Utilization

	Community and Technical Colleges	Private Vocational Schools		For-Profit, Degree-Granting Institutions
		Career Schools	Cosmetology Schools	
Reporting System Usage				
IPEDS	●	① ¹	① ¹	① ¹
SBCTC Data Warehouse	●	○	○	○
SBCTC Program- Specific Database	●	① ²	① ²	○
Workforce Board Student Data Portal	① ³	●	① ³	① ³
Department of Licensing School/Student Portal	○	○	●	○
Accreditor Reporting Systems	●	①	①	●
WSAC State Aid Reporting	①	①	①	①
Accountability Mechanisms				
Employment Matching	●	●	○	○
Performance Reports	●	●	○	○
Federal Scorecard	●	① ¹	① ¹	① ¹
State Scorecard (CareerBridge)	① ³	① ³	① ³	① ³

Key

- All (or substantially all) regulated entities participate/are required to participate
- ① At least some regulated entities participate/are required to participate
- No regulated entities participate/are required to participate

Notes: 1) If school/program is participating in Title IV federal student aid programs; 2) If school/program is participating in a workforce grant program administered by SBCTC; 3) If school/program is participating in the state Eligible Training Provider List administered by the Workforce Board

Appendix 10: Comparison of Selected Student Record Level Data Elements Collected by Regulatory Agencies

	Workforce Board	DOL	SBCTC (CTC Students Only)	WSAC ¹¹
Student Demographics	Name, contact information, age, race, Hispanic origin, gender, disability, veteran status	Name, contact information	Name, date of birth, gender, race/ethnicity, age, military status, Pell status	Name, date of birth, gender, race/ethnicity, age
Student Identifiers	Social Security Number	Social Security Number, school identifier, photo ID	Social Security Number, institution identifier, postsecondary student unique identifier, citizenship status, state residency status	Social Security Number, institution identifier, state residency status
Course Information	Program title, award type, e-learning	Exam area, required clock hours, required exams (written and practical)	Course title, course mode of instruction, course grade, student credit hours attempted, student credit hours earned, academic term, remedial course completion, gateway course completion, e-learning	
Degree/Credential Information	Start date, exit date, credential type, GPA, pass/fail	Start date, completed clock hours	Degree awarded, degree date, cumulative credit hours, cumulative GPA, graduation rate	
Student Metrics	Prior education, enrollment status	Approval/authorization for licensure testing; completion status (leave of absence, terminated, restart, transfer to new school)	Prior colleges attended, retention rate, enrollment status (first-time, transfer, continuing), student intent/degree-seeking status, full time/part-time status, first term academic history, program/major	Degree-seeking status, full-time/part-time status
Financial Aid			Dependency status, family income, federal financial aid, state financial aid, institutional financial aid, other financial aid, merit-based aid, need-based aid, revenues and expenditures	Dependency status, family income, federal financial aid, state financial aid, institutional financial aid, other financial aid, FAFSA fields, merit-based aid, need-based aid

¹¹ Collected quarterly from institutions participating in state financial aid programs. Other student record-level data is not collected.

Appendix 11: Case Study of Vocational School Reporting Requirements

Reporting requirements for a small, private vocational school in WA State.
Information provided by senior school official via interview (with email follow-up).

Agency/Program	Data Required	Format/Portal Frequency	Notes
WSAC	Faculty and staff qualifications, academic program curricula, mode of program delivery, catalogs and publications, content of accreditation or proposed accreditation plan, financial viability and approved security bond	Reporting requirements schools must submit in order to be authorized to "operate in the state."	Required if they have a physical presence in WA & a mailing address, if they recruit or advertise to WA residents for distance or out-of-state programs or if they are placing students in field placements for out-of-state or distance programs.
DOL	Student records, school operations, curriculum, safety, sanitation, post bond for tuition recovery fund.	Online state system and via email. Approximately twice a year on site visit. Usually one is unannounced.	Hours, new students, graduates and withdrawn students input monthly. Yearly, renewal application includes a site visit.
NACCAS (sample accreditor)	Includes, but not limited to: Student records, facilities info, curriculum, student feedback, outcomes, financial statements, financial responsibility calculations,	Outcomes and financial statements yearly. On-site visits 1-6 year cycle based on performance	On-site visits are 1-2 days per campus based on size of the school.
US Dept. of Education (DOE)	Financial statements (annual) & re-certification every 3 years. IPEDS completion info, financial aid, demographics, staffing levels, aid awarded (not disbursed) to first time post-secondary students.	<i>To DOE: yearly and every three years.</i> <i>To IPEDS: (four times/year)</i>	Completion rates measured differently by different entities.
State Need Grant (WSAC)	Application each spring. Reconcile quarterly and year-end report. Format is "unit record report" for students with grant aid and/or Title IV loans. Financial Aid data including COA and aid disbursed.	Annually with applications to participate in spring, end of the year reporting on results.	
Opportunity Grant (SBCTC)	Auditing, end of year reporting. Some demographic information and completions	Yearly	
Eligible Training Provider List (Workforce Board)	Demographic data, completion data	Yearly (via online portal)	ETPL is basic requirement for state aid, not a guarantee and not sufficient for SNG, Opp Grant. Also covers Title IV students.
Worker Retraining Program	Application and projection of funds needed in spring; Student enrollment and completion data, finalized report annually	Yearly	
U.S. Dept. Veterans Affairs	Funds disbursed, hours earned, satisfactory progress audits	Federal agency online portal for eligibility. On-site file audits of student progress.	

Agencies may use different metrics and/or calculations to measure things like "completion rate."

Appendix 12: Other State Approaches to For-Profit School Oversight and Student Support



	Restriction	Integration	Information
Goal	Curtail or limit allowed activities and/or access to state resources	Streamline or consolidate existing regulatory structures and processes	Better inform the public
Examples From Other States	<ul style="list-style-type: none"> • Limit or curtail access to state financial aid • Increase surety bond for at-risk schools 	<ul style="list-style-type: none"> • Increase alignment of regulations between regulatory agencies to standardize and streamline processes • Combine overlapping or redundant functions • Integrate and or/standardize common processes administered by individual agencies or departments • Align performance measures and reporting practices among all regulated schools • Implement integrated data systems serving multiple regulatory agencies 	<ul style="list-style-type: none"> • Require outcomes reporting • Prepare and post online performance “scorecards” • Prepare informational materials for the public and prospective students • Develop public education campaigns • Establish student loan ombuds positions • Provide support and information to student-serving support and advocacy groups • Provide a consumer-oriented postsecondary planning/institutional accountability website
Example States	MD, OR	OR, NJ	MA, CT

Appendix 13: Assessment of Selected Washington Statewide Ombuds Offices

	Office of the Education Ombuds	Office of the Family and Children's Ombuds	Open Government Ombuds	Washington State Long-Term Care Ombudsman
Host Agency	Governor's Office	Governor's Office	Office of the Attorney General	Multi-Service Center (a 501(c)3 nonprofit contracted through the Washington Department of Commerce)
Purpose	Resolves complaints and disputes between parents, students and K-12 schools.	Responsible for investigating complaints against state agencies involving the protection of children from abuse and neglect, and/or the provision of child welfare services.	Provides informal ombudsman assistance to members of the public who are having difficulty obtaining public records. Provides online open government resources to requesters and to state and local public agencies. Provides training to state and local public agencies.	Protects and promotes quality of life for people living in licensed, long-term adult care facilities (nursing homes, adult family homes, and assisted living facilities).
Constituency	Represents approximately 1.1 million K-12 students and their families in 295 school districts.	Clients of the Children's Administration; clients of other children- and family- serving agencies	Responds to in-state and out-of-state persons and entities asking open government questions; provides resources for requesters and state and local public agencies.	Represent residents of facilities licensed by the Washington State Department of Social & Health Services.
Budget & Personnel	\$684,000 (2016 enacted supplemental budget); 5 employees	\$1,380,000 (2015- 2017 Governor's budget request); approximately 7 FTEs	\$120,000+; 1.0 FTE	\$1,770,406 (including \$943,163 in Washington State funds); 11 FTEs (3 at Multi-Service Center, 8 at subgrantees)
Caseload	Fielded 1,140 concerns in 2015- 2016	In 2014-2015, conducted 678 complaint investigations regarding 1,065 children and 636 families.	Responds to hundreds of inquiries per year (over 500 in 2015); trains over 2,000 persons annually with in-person trainings (2,220 in 2016, 2,268 in 2015); provides online training and resources; manages open government website.	4,501 complaints received, 2,780 cases opened, 2,715 cases closed (2014-2015)

VIII. Sources and Suggested Readings

General Background/Context

Hentschke, G. C., Lechuga, V. M., & Tierney, W. G. (2010). For-Profit Colleges and Universities: Their Markets, Regulation, Performance, and Place in Higher Education

National Conference of State Legislatures (July 3, 2013). For-profit colleges and universities. Online: <http://www.ncsl.org/research/education/for-profit-colleges-and-universities.aspx>

Center for Analysis of Postsecondary Education and Employment, “What’s Next for For-Profit Higher Education?” <http://capseecenter.org/whats-next-for-for-profit-higher-education/>

Institute for Higher Education Policy (July 2012). A new classification scheme for for-profit institutions. Online: http://www.ihep.org/sites/default/files/uploads/docs/pubs/report_for-profits_classification_july_2012.pdf

King, J. B. (September 2016). A Message from the Secretary of Education to ITT Students. Online: <http://blog.ed.gov/2016/09/message-secretary-education-itt-students/>

Long, K. (July 3, 2014). 6 For-Profit Everest College Schools Face Probe, May Close. Seattle Times. Online: <http://www.seattletimes.com/seattle-news/6-for-profit-everest-college-schools-face-probe-may-close/>

Long, K. (August 2, 2014). State failing to protect for-profit college students, group says. Online: <http://www.seattletimes.com/seattle-news/education/state-failing-to-protect-for-profit-college-students-group-says/>

Smith, A. (September 7, 2016). The end for ITT Tech. Inside Higher Ed. Online: <https://www.insidehighered.com/news/2016/09/07/itt-tech-shuts-down-all-campuses>

Dynarski, S. (October 28, 2016). A conveyor belt of dropouts and debt at for-profit colleges. *New York Times*. Online: <http://www.nytimes.com/2016/10/30/upshot/a-conveyor-belt-of-dropouts-and-debt-at-for-profit-colleges.html>

Accreditation

Center for American Progress (June 2016). Watching the watchdogs: A look at what happens when accreditors sanction colleges. Online: <https://cdn.americanprogress.org/wp-content/uploads/2016/06/16111301/AccreditorActions-report.pdf>

Council for Higher Education Accreditation (2015). Accreditation toolkit. Online: http://www.chea.org/accreditation_toolkit/accreditation_toolkit.pdf

Council for Higher Education Accreditation (September 2010). State Uses of Accreditation: Results of a 50-State Inventory. Online: http://www.chea.org/pdf/State_Uses_of_Accreditation.pdf

Eaton, J.S. (May 2009). An overview of U.S. accreditation. Council for Higher Education Accreditation. Online:

<http://chea.org/pdf/Overview%20of%20US%20Accreditation%2003.2011.pdf>

U.S. Department of Education (June 2016). Recognized institutional accreditors: Federal postsecondary education and student aid data. Online:

<http://www2.ed.gov/admins/finaid/accred/accreditor-dashboards.pdf>

Data Use in Postsecondary Education

Common Dataset Initiative, Common Data Set 2016-2017, <http://www.commondataset.org/>

Institute for Higher Education Policy (March 2014), *Mapping the Postsecondary Data Domain: Problems and Possibilities*, <http://www.ihep.org/research/publications/mapping-postsecondary-data-domain-problems-and-possibilities>

State Higher Education Executive Officers Association (June 2016), *The State of State Postsecondary Data Systems*, http://www.shceo.org/sites/default/files/publications/SHEEO_StrongFoundations2016_FINAL.pdf

Washington Department of Licensing (October 2016), “Washington School Portal Instructions”

Washington State Board for Community and Technical Colleges:

- Coding and Reporting Guidelines, <https://www.sbctc.edu/colleges-staff/data-services/coding-and-reporting-guidelines.aspx>
- Completions Table Definitions and Codes for Data Elements in the SBCTC Data Warehouse, https://www.sbctc.edu/resources/documents/colleges-staff/data-services/data-warehouse/Completions_000.doc
- Data Linking for Outcomes Assessment 2014-2015, https://www.sbctc.edu/resources/documents/colleges-staff/data-services/data-warehouse/DLOA_2014-15.doc
- PPMS to PMIS, https://www.sbctc.edu/resources/documents/colleges-staff/data-services/data-warehouse/PMIS_002.doc
- Student Achievement Transfer Cohort, <https://www.sbctc.edu/resources/documents/colleges-staff/data-services/data-warehouse/SACohortsDataDictionary.xlsx>
- SMS to SMIS, <https://www.sbctc.edu/resources/documents/colleges-staff/data-services/data-warehouse/Student.doc>

Workforce Training & Education Coordinating Board, “Annual Student Data Report,” http://wtb.wa.gov/PCS_AnnualReport.asp

U.S. Department of Education

- IPEDS New Keyholder handbook 2016-2017, <https://surveys.nces.ed.gov/ipeds/downloads/2016-17%20New%20KH%20Handbook%20all%20final.pdf>
- IPEDS Survey Components and Data Collection Cycle, <https://surveys.nces.ed.gov/ipeds/ViewContent.aspx?contentId=21>

State Regulation of For-Profits

Kelly, A.P., James, K.J. & Columbus, R. (August 2015). Inputs, outcomes, quality assurance: A closer look at state oversight of higher education. American Enterprise Institute. Online: <HTTPS://WWW.AEI.ORG/WP-CONTENT/UPLOADS/2015/08/INPUTS-OUTCOMES-QUALITY-ASSURANCE.PDF>

National Council for State Authorization Reciprocity Agreements. (n.d.). About SARA. Online: <http://nc-sara.org/about>

State Higher Education Executive Officer's Association (May 2013). SHEEO State Authorization Survey and Reports: All agency responses. Online: <http://www.shceo.org/sites/default/files/All%20Agency%20Responses%20-%20May%202013.pdf>

National Consumer Law Center (June 18, 2014). Ensuring Educational Integrity: 10 Steps to Improve State Oversight of For-Profit Schools. Online: <http://www.nclc.org/issues/ensuring-educational-integrity.html>

Children's Advocacy Institute (August 2014). For-Profit Postsecondary Schools: Oversight and Governing Statutes and Regulations. Online: https://www.dca.ca.gov/webapps/bppe/annual_report.php

Washington Administrative Code. Online: <http://apps.leg.wa.gov/wac/>

Oversight and Student Support

State Higher Education Executive Officers Association. (December 2012). Student Complaint Information by State and Agency. Online: <http://www.shceo.org/sites/default/files/Complaint%20Process%20Links%2012-2012.pdf>

California Bureau for Private Postsecondary Education, <http://www.bppe.ca.gov/>

Florida Commission for Independent Education, <http://www.fldoe.org/policy/cie/>

Office of the Attorney General of Massachusetts, "For-profit Schools," <http://www.mass.gov/ago/consumer-resources/consumer-information/schools-and-education/for-profit-schools/>

New Jersey Office of the Secretary of Higher Education, "Student Unit Record (Sure) System," http://www.nj.gov/highereducation/research/SURE_Overview.shtml

Oregon Higher Education Coordinating Commission, “Higher Education Governance and Funding Structures,”

https://www.oregon.gov/HigherEd/Documents/HECC/2015%20Full%20Commission%20Meetings/08_Aug-13-15/5.0%20d.%20HECC%20Governance%20and%20Finance%20Strucures%20presentation.pdf

Ombuds Positions

Kent School District, “Ombudservices: A process for resolving concerns,”

<http://www.kent.k12.wa.us/cms/lib/WA01001454/Centricity/Domain/50/ombud2012.pdf>

King County, “King County Ombudsman,”

<http://www.kingcounty.gov/operations/Ombudsman.aspx>

Ombuds Blog, Higher Education, <http://ombuds-blog.blogspot.com/p/higher-ed.html>

Seattle Public Schools, Ombudsperson,

https://www.seattleschools.org/families_communities/ombudsman

Student Loan Borrower Assistance, Ombudsman Programs,

<http://www.studentloanborrowerassistance.org/resources/referral-resource/ombudsman-programs/>

Washington State Department of Social and Health Services, Aging and Long-Term Support Administration, “Factsheets,” <https://fortress.wa.gov/dshs/adsaapps/about/factsheets/>

Washington State Long-Term Care Ombudsman Program, <http://www.waombudsman.org/>

Washington State Office of the Attorney General, “Open Government Ombuds Function,”

<http://www.atg.wa.gov/open-government-ombuds-function>

United States Consumer Financial Protection Bureau, Private Education Loan Ombudsman,

<http://www.consumerfinance.gov/students/>

United States Department of Education, Federal Student Aid Ombudsman Group,

<http://studentaid.ed.gov/sa/repay-loans/disputes/prepare/contact-ombudsman>

United States Ombudsman Association, <http://www.usombudsman.org/>