

Statement of Kathleen S. Tighe

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before the

Committee on Education and the Workforce

Subcommittee on Higher Education and Workforce Training

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Chairwoman Foxx, Ranking Member Hinojosa, and members of the Subcommittee:

Thank you for inviting me here today to discuss the U.S. Department of Education (Department) Office of Inspector General's (OIG) work involving issues impacting the higher education community. I appreciate the opportunity to share with you information on our efforts to ensure integrity and efficiency in the Federal student aid programs and operations. I look forward to working with this Subcommittee to help ensure these programs meet the needs of America's students and families.

In today's testimony, I will discuss our work involving the definition of a credit hour—a critically important issue in the Federal student aid programs, as the amount of Federal student aid a student receives is based on the number of credit hours the student is enrolled in. This issue has become even more significant as online education has dramatically increased in recent years, making credit hour assignment difficult, and its comparison to traditional classroom delivery a

challenge because online education generally does not involve a scheduled time or time commitment.

Currently, the Federal student aid programs are primarily dependent on the credit hour for making award decisions, as are other forms of aid, including state student aid programs and certain programs administered through the U.S. Department of Veterans Affairs and Department of Defense. The Department of Education has stated that a credit hour is a unit of measure that gives value to the level of instruction, academic rigor, and time requirements for a course taken at an educational institution. The credit hour is the most basic unit for determining the amount of Federal student aid provided to students and funded by taxpayers. A credit hour is a proxy measure of a quantity of student learning in exchange for financial assistance. It is in the Federal interest to ensure that students are receiving an appropriate amount of funding and instruction and that taxpayer money is being used properly.

Last year, I testified before the full Committee, providing an extensive explanation of how the need for a definition of a credit hour evolved and our work involving accrediting agencies and how they approach ensuring the adequacy of the assignment of credit hours. I have attached a copy of that testimony, which provided a history of our work in this area, detailed our findings, and identified the need for a clear definition of a credit hour for the purposes of awarding Federal student aid.

As stated in that testimony, the role of accrediting agencies is vital: accreditation is one of the primary requirements for an institution's participation in the Federal student aid programs.

Under the *Higher Education Act of 1965*, as amended (HEA) and the implementing regulations, the Department is dependent on accrediting agencies recognized by the Secretary of Education to ensure that institutions provide quality, content, and academic rigor at the postsecondary level. The *Higher Education Opportunity Act of 2008* included a provision that prohibits the Department from developing minimum regulatory criteria for an accrediting agency's standards for accreditation. The *Department of Education Organization Act* prohibits the Department from making determinations on curriculum and educational quality. Thus, the Department is prohibited from determining the quality of education funded by Federal education dollars. All it can do with regard to the quality of postsecondary education is recognize accrediting agencies as reliable authorities for the quality of education funded by Federal dollars.

One of the primary roles of the OIG is to protect Federal taxpayer dollars funding the Department's programs and operations. Due to changes in the higher education regulations, we became concerned that the interests of students and taxpayers might not be protected. As a result, in 2002-2003 we examined accrediting agencies' definitions of program length and a credit hour. These efforts found that none of the regional accrediting agencies reviewed defined a credit hour and none of the regional accrediting agencies provided guidance on the minimum requirements for the assignment of credit hours. While the national accrediting agencies we reviewed defined a credit hour, the definitions only included hours of instruction, not expectations for outside academic engagement.

In anticipation of the 2009 -2010 higher education negotiated rulemaking sessions, where the definition of a credit hour was to be discussed, OIG once again examined this issue in order to provide the Department with facts for its work on the definition of a credit hour and to provide information to Congress on the state of the definition of a credit hour at regional accrediting agencies. Again, we found that none of the regional accrediting agencies we reviewed defined a credit hour and none of the regional accrediting agencies provided guidance on the minimum requirements for the assignment of credit hours.

The definition of a credit hour protects students and taxpayers from inflated credit hours, the improper designation of full-time student status, the over-awarding of Federal student aid funds, and excessive borrowing by students especially with distance, accelerated, and other programs not delivered through the traditional classroom format. As the Department is prohibited from developing minimum criteria for an accrediting agency's standards for accreditation or making determinations on curriculum and educational quality, it is not unreasonable for the Department to expect an accrediting agency to have developed its own minimum standards.

The Federal student aid programs assume that a full-time student enrolled in 12 credit hours is engaged in full-time study. The Department's definition of a credit hour is based on the current funding assumption that a full-time student is academically engaged full-time. The Department's definition is based on the common understanding that a full-time student is expected to spend 12 hours in class and 2 hours in outside academic engagement for each hour in class, resulting in 36 hours of academic engagement a week—the approximate equivalent of a full-time job. To the extent that a full-time student is not expected by an institution or the

institution's accrediting agency to be academically engaged on a full-time basis Federal student aid may be over-awarded.

The OIG is required by the *Inspector General Act of 1978*, as amended, to review and make recommendations regarding proposed regulations and statutes. In fulfilling this role, we provided the Department with information on a credit hour for its proposed program integrity regulations. Based on our work, we recommended that the definition of a credit hour include a requirement that accrediting agencies evaluate the assignment of credit hours to new courses and on an ongoing basis to evaluate whether courses offered by an institution have maintained the credit hour value assigned to them. The Department's regulations reflect our advice and protect both students and taxpayers by including a definition of a credit hour that seeks to ensure equity in funding across institutions and among students based on the level of academic engagement and to help ensure appropriate funding based on the concept of a full-time student being academically engaged full-time.

It is important to note, however, that even with strong requirements concerning credit hours, it could take up to 10 years to implement the regulation and for students and taxpayers to feel confident that the credit hours assigned to a course are appropriate and that value is being received. The regulation relies on the cycle of accreditation to review an institution's compliance with the new rule, but institutions are generally only required to be reaccredited every 10 years. As such, the Department will need to be vigilant to ensure the effectiveness of this new regulation and determine whether further changes are needed. We will monitor the implementation of this and all of the Department's new regulations and will do whatever we can

to ensure that the new regulations assist in protecting our nation's students, parents, and taxpayers.

This concludes my written statement. I am happy to answer any of your questions.