

May 09, 2012

# State Oversight of Private Postsecondary Education

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LEGISLATIVE ANALYST'S OFFICE

Presented to:

Assembly Committee on Accountability and Administrative Review  
Hon. Roger Dickinson, Chair





## Segments of California Higher Education

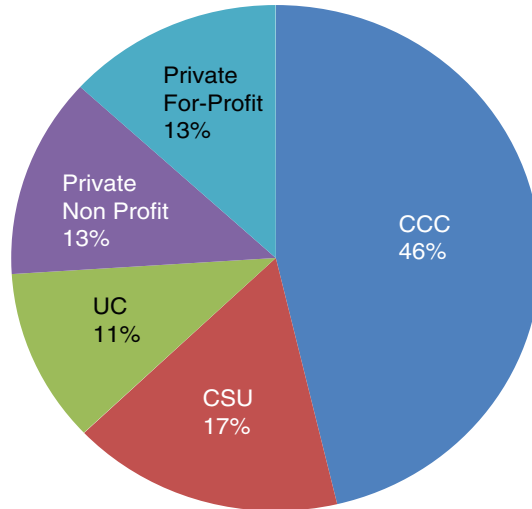
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- University of California**
  - Ten campuses, 234,000 students
  - Baccalaureates, masters, doctorates/professional
  
- California State University**
  - 23 campuses, 424,000 students
  - Baccalaureates, masters, several applied doctorates
  
- California Community Colleges**
  - 112 campuses, 1.5 million students
  - Associates degrees, certificates
  
- Nonprofit/Independent Colleges and Universities**
  - 73 institutions, 263,000 students
  - Associates, baccalaureates, masters, doctorates
  
- For-Profit/Private Institutions**
  - Roughly 1,500 institutions
  - Certificates and degrees

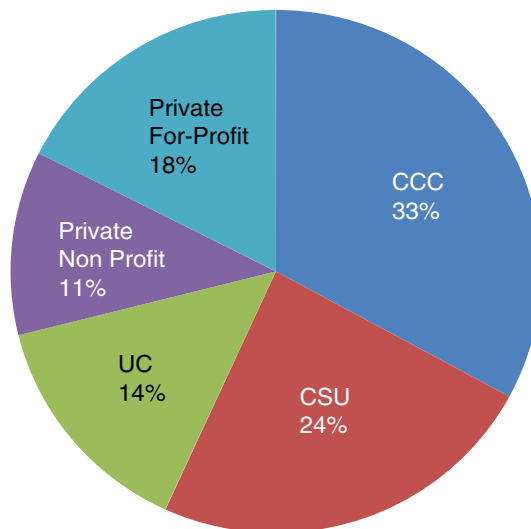


## Distribution of Students and Degrees<sup>a</sup>

**FTE Undergraduate Students (2009-10)**



**Bachelors and Associates Degrees and Certificates Requiring One Year or Longer (2009-10)**



<sup>a</sup> Figures exclude unaccredited, non-Title IV eligible institutions.



## Diversity Within Private Postsecondary Sector

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### Types of Programs

- Degree-granting
- Career-technical (vocational) education
- Other (such as continuing education)



### Accreditation Status

- Regional
  - Western Association of Schools and Colleges (WASC)
  - Includes all institutions that are members of Association of Independent California Colleges and Universities, as well as some for-profit institutions
- National
  - Based on institution type, rather than geography
  - Many for-profit, and some nonprofit institutions
- Nonaccredited



### Instructional Delivery Method

- Traditional classroom instruction
- Online
- Combination



## What Is a “Diploma Mill”?

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- No Clear Definition, but Typically a Diploma Mill:**
  - Is unaccredited
  - Operates for-profit
  - Grants academic degrees
  - Offers substandard or minimal actual teaching, and requires little, if any, work or evidence of competency
  
- Some Analysts Draw Distinction Between Diploma Mills and “Degree Mills”**
  - Diploma mills issue fraudulent degrees
  - Degree mills offer substandard degrees, or engage in questionable recruitment and marketing practices
  
- Hard to Draw a Bright Line Between Substandard and Acceptable Educational Quality**
  - Strong focus on return on investment, “gainful employment”



## Oversight of the Private Postsecondary Sector

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### Federal Requirements

- Title IV
  - 90/10 rule
  - Accreditation
- Approval of accrediting bodies



### State Requirements

- Approval and review by Bureau of Private Postsecondary Education
  - Some exemptions (particularly for WASC-accredited institutions)
  - Nonaccredited institutions must receive approval by bureau to operate
  - Various disclosure requirements and minimum standards
- Cal Grant participation rules
  - Cohort default rate
  - Annual reporting of enrollment, persistence, and graduation data