

**Report on Meeting with
Representatives from Career Schools and Colleges**

Summary:

On November 17, 2010, board staff met with representatives from career schools and colleges to discuss the role of for-profit nursing programs in meeting the nursing education needs of the state. Representatives from career schools were: Jim Tolbert, spokesperson for the Association of Career Colleges and Schools of Texas (CCST); Rebecca Zielinski, President of Concorde Career Institute in Arlington; and Robbin Wilson, Dean, Vista College. Board staff in attendance were: Kathy Thomas, Virginia Ayars, Robin Caldwell, Janice Hooper, and Paul Waller.

Ms. Zielinski provided a power point presentation entitled "Texas State Oversight and Accreditation Comparisons - Private Sector Colleges and Schools." (See Attachment)

The presentation included the following information:

- Nursing is the largest study area among the total health professions and clinical science programs of study in career colleges.
- The Texas Workforce Commission (TWC) is the state agency which provides regulatory oversight for career schools. TWC focuses on the physical site, school policies, programs offered, Admission Representative applications, faculty credentials, academic completion rates, placement statistics, fees, tuition costs, refund policy, and verification of financial stability of the institution.
- Career schools with degree granting authority from their accreditation organization must receive a letter of authorization from the Texas Higher Education Coordinating Board (THECB) (or exemption as appropriate).
- THECB will issue a letter of authorization to schools holding regional or approved national accreditation. (The national accreditation agencies listed below are approved by THECB.)
- The regional accreditation agency for the area which includes Texas is the Southern Association of Colleges and Schools (SACS).
- National accreditation agencies which may accredit and may authorize degree granting to a career school include:
 - Accrediting Bureau of Health Education Schools (ABHES)
 - Council on Occupational Education (COE)
 - Accrediting Council for Independent Colleges and Schools (ACICS)
 - Accrediting Commission of Career Schools and Colleges (ACCSC)
- These accreditation agencies are recognized by the Department of Education and allow eligibility to apply for federal funding.
- All accreditation agencies require the rigors of the accreditation process.
- Career Colleges allege that they are the difference maker in the effort to eliminate the nursing shortage.

Staff Emphasized That:

The Board of Nursing will continue to accept and evaluate proposals from all educational institutions which meet Board criteria. Proposals will be reviewed based upon compliance with the education rules and consistency with fulfilling the mission of the Board. Following approval of new programs, the expectations for compliance with Board rules will be the same for all nursing education programs, regardless of governing institution.

Staff outlined the challenges for schools with inadequate resources or experience with nursing education.

Board staff expressed appreciation to the individuals who provided the November 17, 2010 presentation.

Follow-Up:

On January 7, 2010, board staff received the attached response to the meeting from the above mentioned representatives from career schools and colleges (See Attachment #1).

Staff Recommendation:

This report is for information only. No action is required. As directed by the Board, staff will also seek a presenter for a future Board meeting from THECB, TWC, or the Department of Education to address the regulatory perspective for proprietary/career schools.

January 6, 2011

Linda R. Rounds, PhD, RN, FNP, President
Texas Board of Nursing
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Dear Dr. Rounds:

We appreciate the meeting with our members and Texas Board of Nursing (BON) staff in November, 2010 and we are following up with a request for additional information. We write on behalf of the Career Colleges & Schools of Texas (CCST). CCST is the state association for private sector colleges and universities (PSCUs) in Texas. These are institutions that prepare people for today's jobs and great careers. There are approximately 200 PSCUs in the state offering a wide range of occupational curricula.

PSCUs play a vital role in developing a competitive workforce in Texas and across the country. Of the roughly 2 million students in higher education in Texas, students attending private sector colleges and universities account for eight percent. About three-quarters of this population are minorities and 65 percent are women. As a percentage of student body, PSCUs are likely to have almost twice as many African American and one-third again as many Hispanic students as do traditional colleges and universities.

What do these demographics mean? Clearly, PSCUs provide critical access to postsecondary education to underserved populations. Our institutions also provide an on-ramp to nursing education that would otherwise be closed to students. PSCUs make 48 percent of all postsecondary certificates and degrees in Texas in the healthcare professions and related clinical sciences and 19 percent of all vocational nursing certificates and degrees. Our institutions also specialize in educating the adult learner with a mode of education delivery that is different and often more successful than traditional approaches. In the nursing field, 948 graduates of private sector colleges and universities sat for the NCLEX-PN® examination in 2009 and 767, or 81 percent, scored a passing grade. This pass rate is particularly admirable when one considers the difficult life circumstances represented by many of the test takers.

As a matter of management philosophy, PSCUs are apt to be very different from their traditional college and university counterparts. While acknowledging the importance of academic standards and maintaining educational excellence, the mission of PSCUs is not to uphold an abstract standard but to serve students and to help these individuals meet their program requirements. PSCUs are driven, therefore, not by prestige and reputation but by tangible results and a proven track record of getting students over the graduation goal line.

This difference in mission and goals helps explain the explosive growth in PSCU enrollment across the nation. In the four years between academic year 2004-2005 and 2008-2009, Title IV eligible private sector colleges and universities have grown in enrollment from 1.9 million students to 3.2 million students, an increase of over 61 percent. Enrollment growth in all sectors of higher education during

that period was 11.8 percent. This growth has not taken place without the scrutiny of policymakers and regulators. Title IV eligible PCSUs have extensive oversight by the Texas Workforce Commission, the Texas Higher Education Coordinating Board, accrediting agencies, and the Department of Education.

Of particular note at present is the attempt by the federal government to impose a “gainful employment” metric for PCSUs whereby programs failing to produce graduates earning a pre-set debt to earnings ratio would be closed. The gainful employment proposal is wrongheaded and lacks an analytical basis in fact, but is indicative of the kind of controls that PCSUs face and other types of institutions do not. A second regulatory safeguard is the Department’s 90/10 provision, which prohibits schools from obtaining more than 90 percent of their revenue from federal student aid sources. Requiring applicants fund 10 percent of their education from non Title IV sources, the Department assures that the student exercise due diligence in selecting a school and that the school does not “prey” on aid-dependent students.

Accreditation is a largely misunderstood process, especially the differences between regional and national accreditation. Regional accreditation is an older process, established to assure the academic philosophy, commitment to mission, pedagogical rigor and financial fitness of institutions. Regional accreditation involves a process of internal studies and external peer reviews and audits. National accreditation follows the same process, although unlike regional accreditation that applies system wide, national accreditation is awarded on a campus by campus basis. The standards of regional versus national accreditation in areas such as instructor credentials are largely similar. Differences are becoming even less apparent as many PCSUs apply for and receive regional accreditation.

Beyond these controls, institutions unable to help their students succeed are punished by the marketplace, itself.

At the same time, private sector colleges and universities operate on a different business model and individual schools are occasionally the subject of controversy. Because PCSUs exist for instruction, not research, governance, curricula development, and related concerns are concentrated at the headquarters level of the institution. Such centralization allows schools to assure educational quality, compliance, and development of an organization-wide culture of treating students as multifaceted individuals, not statistics. Delegation of authority to campuses allows institutions to remain responsive to local community needs, student concerns and instructor needs.

Despite the nursing shortage, the shortage of nurses in specific low density and economically disadvantaged areas of the state, the need for Spanish-speaking nurses, the number of nurses retiring from the profession, and the budget pressure on the existing community college infrastructure blocking the intake of nursing candidates, just 18 PCSUs in Texas offer nursing programs.

Part of this low number reflects the inherent difficulties, substantial risks and formidable responsibilities of starting a nursing program. Sufficient financial wherewithal is one important consideration. Investors are ready to establish new PCSUs in the state if the regulatory and licensing requirements appear to be clear, balanced and reasonable. Perhaps even more important to long term operational viability is the ability to attract appropriate leadership, knowledgeable in the creation of nursing programs. A core

team of nurses with the appropriate education, training and experience are critical to the new enterprise. Also critical is the ability to build bridges within the community of interest, allowing the new institution to establish clinical opportunities with area hospitals, clinics, nursing homes and other care facilities.

Many people have a fundamental objection to providing anything other than low cost, publicly subsidized education to the economically disadvantaged. Regardless of the merits of PSCU education, its ability to achieve impressive outcomes, or the desire of students to have postsecondary choices, critics reject it on principle. Others view PSCU education as having lower quality than traditional postsecondary education, or they point to press reports on problems at specific schools.

We do not claim all schools in our sector operate at the highest levels of academic excellence or that some institutions and individuals do not paint outside the lines. We do maintain that while miscues at traditional colleges and universities are treated as just that—isolated incidents—mistakes at PSCUs are amplified, projected, and considered a reflection on the entire sector.

For example, when the University of Texas fired its student aid director in 2007 in a scandal involving ownership of lending company stocks, the mistakes of an individual did not damage the credibility of the institution; neither did the fraud indictment of the Texas Southern University president a few years ago for spending university money to decorate her home; nor did the episode last year at Texas Tech, which fired its football coach for allegedly locking an injured player in a shed.

Problematic situations occur at all types of schools, but only at PSCUs do such episodes cast a pall over the value of programs and integrity of institutions.

This document responds to a series questions raised by the Texas BON about PSCU nursing programs in the state.

1. Please discuss areas that may be unique to proprietary schools when compared to traditional educational settings.

The most distinctive difference between PSCUs and traditional postsecondary settings is the nature of their admittance practices and the composition of the student body. Comparing PSCUs and traditional institutions can be a confusing and frustrating process because the former operates on an open admissions basis and the latter operates on a selective admissions basis. In the PSCU realm, nursing candidates must meet minimum requirements to enroll and program acceptance can be selective. However, the PSCU approach opens the door to higher education to prospective students who may not have been “college track” students in high school; who may be returning to school after time spent in the workforce, in the military, or raising a family; or who may have the academic credentials to gain access to a traditional postsecondary program but require the flexibility and concentrated focus found in PSCU programs. PSCUs do not attract the most academically gifted students; rather, they attract the most personally motivated and help these individuals overcome whatever challenges stand in the way of program completion and a successful career.

A second important difference is the fact that nationally accredited PSCUs are evaluated on the basis of outcomes rather than inputs. PSCUs must meet certain standards in areas such as retention, graduation and placement to retain their accreditation. Compliance with these and other regulations is assured through regular on-site visits by accrediting agencies and the Texas Workforce Commission. Traditional colleges and universities do not face these requirements.

A third important difference is ownership and governance structure. PSCUs are privately owned and are able to react quickly to changing market conditions. Again, this difference relates to the mission and goals of PSCUs. As an example, a group of traditional colleges and universities recently announced plans to eliminate or scale back under-utilized programs in majors such as German, Italian, and other foreign languages. Critics of the move say that reducing these offerings undercuts the university mission of intellectual inquiry and preparation. College administrators and trustees view it as the inevitable response to market demands. PSCUs operate under no public mandate or social commitment to provide the broadest possible postsecondary education. Just the opposite is true. Students attend PSCUs to move as quickly as possible from classroom to workplace. Education is concentrated and focused to equip working professionals, not professional students.

2. Discuss the issues involved in local versus administrative authorities. How do these impact a nursing program in a proprietary school?

Balance between local and administrative (central) oversight is critical to successful nursing programs. Local oversight provides the day to day interaction with students, faculty, clinical sites, and employers. Without local oversight and engagement, the PSCU “student as customer” approach would be impossible. Campus directors and department heads are relationship builders and their focus is on students—much more so than on building such relationships with peers in the local business or professional community.

Central oversight can be critical to bringing an “economy of skill” to local operations. A centralized support structure can provide a broader source of solutions such as:

- back up coverage for critical management campus level leadership,
- research and initial review of materials, textbooks, equipment, teaching tools
- trends and market analysis

These activities can consume an enormous amount of time. Initial research and review can save each individual program’s management team time, energy and effort and put the proven, tested, and best quality options at the forefront of campus attention for review. Campus level must have input and be a part of selection process, but corporate resources play a tremendous positive role in the ground work needed for these important decisions.

3. Does there tend to be more attrition in proprietary programs?

No, but confusion surrounds this question, in part because of the way that the government collects enrollment and graduation data. Collection allows for the inclusion of only first-time, full-time student

data. Many career college students are returning to school after an unsuccessful postsecondary experience elsewhere. Reducing the numerator unfairly lowers overall graduation percentages. Even so, two-year career college completion rates far exceed those of community colleges (60 percent versus 22 percent). Government statistics also mask the fact that many career college students enroll in short duration certificate programs. Students completing their programs in eight months, for instance, are not “retained” for the next academic year. Career colleges award 44 percent of postsecondary certificates in the U.S. while educating just 12 percent of all postsecondary students. PSCUs do a better job of graduating “at-risk” students than their traditional institution counterparts. This type of apples and apples comparison is critical to understanding the attrition question. When comparing similarly situated students, the benefit of PSCU education is readily apparent.

As noted earlier, nationally accredited PSCUs must meet specific requirements for retention and graduation. Those PSCUs that fail to meet the norms determined by accrediting agencies risk losing Title IV eligibility.

4. What should the BON look at when reviewing a new proposal from a proprietary school?

Regardless of the type of postsecondary institution, the Texas BON should expect the institution to submit a quality proposal addressing all board requirements. PSCUs are, first and foremost, institutions of higher learning. This is the way they should present themselves, regardless of their business model or tax status. A PSCU proposal should reflect a philosophy of career advancement through higher education, a culture of learning, and a commitment to putting students first. A nursing program in a proprietary school should be held to the same standards required of a nursing program in a non-proprietary school. The Texas BON review should assure compliance in curriculum, equipment, faculty, clinical facilities and clinical agreements, physical resources and space. In addition, the Texas BON should ensure that:

- The school has adequate capital. Adequate financial resources are a critical value add of PSCU education, allowing the institution to put students first. Access to capital reduces risk, assures investment in innovation, provides continuity of operations and expansion of programs, and allows the PSCU to complement and extend the public postsecondary infrastructure. Adequate funding means more classes, smaller class sizes, more flexible scheduling, modern equipment and other attributes that enhance the academic experience. Thus, the proposal must include a budget that sufficiently addresses all required expenditures, i.e., salaries, equipment, supplies;
- the institution is both institutionally and programmatically accredited. Accreditation provides the systematic review of operations, programs, financial health and other factors that bolster educational quality. Accreditation is an extensive, multi-year process with external audits and internal reviews. A grant of accreditation reduces risk to students, employers, oversight agencies, licensing boards and other stakeholders; and
- the institution is approved to distribute financial aid and has experienced school management. Both financial aid and school administration are complicated subjects requiring a pool of

talented, experienced administrators and educators to conduct successfully. In proposals submitted by PSCUs, expect to see the corporate support leadership strongly involved in the approval process in addition to the Nursing Administrative Team. Experience assures that institutions are able to strike the right balance when it comes to enrollment size, facilities, faculty and clinical openings.

The entire proposal review process could be expedited and dramatically improved by moving the approval process from a regular agenda item to a consent agenda item. The current process, requiring applicants to both provide the required information to the BON's nursing education consultants and then repeat the process before the Board itself is redundant and represents a significant bottleneck in the new program approval process. In reforming the proposal review process, the BON should focus on steps that deliver high quality healthcare services to the people of Texas. Surely, a review process that contributes to a nursing shortage through redundancy and backlogs can only dilute the quality and availability of care for patients and exacerbate the challenge of preparing a qualified nursing workforce.

5. Discuss the process of accreditation approval when proprietary programs holding national accreditation seek to offer a new program in the state.

Accrediting bodies will first look to the state for licensure. Accrediting bodies will require specialized programmatic approval, where appropriate, i.e., nursing education programs, nursing assistant, cosmetology, massage therapy. Once the appropriate state approvals are received, schools are required to submit a detailed new program application. This application reviews the financial stability of the institution, curriculum, instructors, text books, equipment and supplies, and budgets.

6. How can the BON facilitate nursing programs in proprietary schools to be successful?

All institutions, regardless of type, should be held to the same high standards in order to ensure quality education. For those schools that meet Texas BON requirements, identify deficiencies and allow schools the opportunity to self-correct areas of concern. Most of all, expect positive results. Embrace the career college sector of postsecondary education for the contribution these institutions play in filling vital needs within the nursing education arena. Speak up for these schools as warranted by the results they achieve. Understand the differences in the populations these schools serve and the powerful results achieved by helping under-employed or not employed individuals to make a positive contribution to healthcare quality, access and affordability. Work with us on studies and research that evaluate the performance of PSCU educated nurses. Help PSCUs build ties within communities and help schools overcome prejudice to gain clinical opportunities for students. Most PSCUs have employer advisory boards. These boards serve as a resource for understanding market directions and employer expectations. Consider participation on these boards or other forms of constructive and on-going interface.

In conclusion, we thank the Texas BON for this opportunity to engage in a substantive exchange of views and to provide greater insight into the healthcare role of private sector colleges and universities in

Texas. We stand ready to work with the Texas BON to strengthen this dialogue and we hope that you will share this letter with the other members of the Texas BON.

Please note that we support rigorous oversight of nursing programs. Our objective is to put students first and, as a result of that process, to put patients first. With these principles in place, it only makes good sense that we fully realize and support the need for a semi-independent, self-funding Texas BON, a board equipped with the resources and staffing needed to provide efficient, effective oversight of nursing program review and approval. We share a common goal. Let's work together to make good things happen for nursing students and the people of Texas.

Yours truly,

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