

POLITICS

The New York Times

Betsy DeVos Reinstated College Accreditor Over Staff Objections

By **Erica L. Green**

June 11, 2018

WASHINGTON — Education Secretary Betsy DeVos disregarded a scathing review by her own staff this spring when she reinstated the watchdog body that had accredited two scandal-scarred for-profit universities whose bankruptcies left tens of thousands of students with worthless degrees and mountains of debt, a new report has revealed.

A 244-page internal document, written by career staff and delivered to the secretary in early March but made public late Friday, found that the Accrediting Council for Independent Colleges and Schools, or Acics, had failed to meet 57 of 93 federal quality and management compliance standards as it vied to continue operating as a gatekeeper for billions in federal financial aid dollars. The findings were released late last week after the department was sued by the National Student Legal Defense Network and the Century Foundation.

Education Department officials said that despite the March report, Ms. DeVos was obligated to reinstate Acics as an accrediting body for colleges and universities because of a federal court order that had faulted the process the Obama-era department had used to terminate its recognition. A federal judge sent the decision back to Ms. DeVos for reconsideration.

“The secretary did not make the determination to reinstate Acics,” Liz Hill, a department spokeswoman, said in a statement. “This department can’t operate on or enforce a decision that was found invalid by the court.”

But higher-education groups said that Ms. DeVos went above and beyond the court’s order in restoring the organization’s status while she considered the new information.

“It’s no wonder that Acics and Secretary DeVos didn’t want this report to come out,” said Alex Elson, a senior counsel at the National Student Legal Defense Network. “Clearly, she was well aware that Acics was getting worse, not better, and has been working to help them anyway.”

Acics was stripped of its powers in December 2016 amid the collapse of two for-profit university chains, Corinthian Colleges and ITT Tech, where students were encouraged to take on debt based on false promises, including jobs after graduation. The accrediting body was held responsible for allowing the schools to employ predatory recruitment practices.

The scandal rocked the for-profit college industry, which became a target of the Obama administration. And taxpayers are still covering the fallout as the DeVos Education Department manages more than 100,000 applications for debt relief totaling hundreds of millions of dollars. On Monday, a judge in San Francisco was set to hear arguments that the department should grant full loan relief to Corinthian students. On Wednesday, an Indianapolis court is set to approve a \$1.5 billion settlement for aggrieved ITT students.

Acics applied in September to be recognized as a new agency, seeking a new start under DeVos’s leadership and saying that it had demonstrated improvements in its management.

When the Obama administration revoked Acics’s accrediting powers, the Education Department found that it had racked up nearly two dozen violations. Far from improving, the March report said that the number of violations had nearly tripled.

In April, Ms. DeVos temporarily restored recognition of Acics anyway, after a judge found the Obama administration had violated procedural rules by failing to consider more than 30,000 pages of information submitted by the council before the department revoked its recognition as an accrediting body.

That temporary restoration expires July 30, but Ms. Hill said Ms. DeVos would not consider the draft report as she deliberates Acics’s fate because the report was “rendered moot by the court’s order.”

Advocates say that Ms. DeVos is using the court order as a convenient excuse.

They note that the judge did not vacate the 2016 decision, and that Ms. DeVos was not compelled to reinstate Acics. The report provides the most up-to-date evaluation of the organization, which still oversees dozens of colleges. In March, Acics was accused by the chairman of the Senate Judiciary Committee, Charles E. Grassley, Republican of Iowa, of accrediting “visa mills,” used by foreign students to come to the United States with minimal scrutiny.

“This report makes clear that Acics is a wholly unfit and unreliable evaluator of higher-education institutions,” said Robert Shireman, a senior fellow at the Century Foundation and a former Obama Education Department official. “Betsy DeVos may be content with ignoring the overwhelming outside consensus on Acics’s performance, but she cannot deny the expert opinions of her own staff.”

Among the report’s findings was that the accrediting body had failed to provide information showing that it had resolved conflicts of interest and had failed to demonstrate that it had processes in place for evaluating its institutions’ compliance with federal financial aid laws. Additionally, Education Department staff wrote that Acics did not provide documentation showing that it had ensured that measurements of student achievement rates were rigorous, or that it had a consistent standard for determining when to alert the Education Department to fraud and abuse.

In releasing the report, department officials wrote that the analysis was an “incomplete, predecisional document,” and that “it is typical for a draft staff analysis to include findings or deficiencies that are easily resolved by the agency.”

Michelle Edwards, the president of Acics, said in a statement that the agency fought the release of the report because “it would represent a dangerous aberration from historical practice — one that jeopardizes the frank and constructive exchange of information between the department and all accreditors.”

But she said the organization has had the opportunity to respond to “numerous inaccuracies” and to provide more information to the department documenting its compliance.

“We stand by the information we have presented to the department, and we look forward to completing the review process in an efficient and constructive manner,” Ms. Edwards said.

A version of this article appears in print on June 12, 2018, on Page A18 of the New York edition with the headline: DeVos Overruled Staff to Reinstate College Accreditor