This paper examines agencies that are responsible for establishing academic standards, criteria for evaluation, and mechanisms for the enforcement of higher education policies, governmental educational bureaus, agencies of accreditation, and the self-regulatory structures of the institutions themselves.
Defining Policy Issues in Higher Education

The arena of postsecondary education is unlike many sectors of American society in that it does not have traditional regulation systems. Public utilities and corporations are interdependent cogs in the free market system and government intervention, in the form of regulation, is deemed necessary to prevent or address market failures. Yet, the realm of higher education is often sheltered from government involvement due to a long-standing belief in autonomy for academic professionals and institutions. Much of this double standard stems from an inability to distinguish the resources that are produced through education. However, in tough economic times, it has become increasingly relevant to construct parameters of accountability in all areas of society in order to justify tax expenditures. The purpose of this paper is to examine regulatory processes with regard to higher education—at the federal and state levels, as well as, the accreditation process. The debate is established between autonomy and accountability—who controls academe?

From a federal standpoint, regulation of operational activities of higher education is remote at best. The Department of Education’s Office of Postsecondary Education (OPE) directs, coordinates, and recommends policies for programs that are designed to: 1) Provide financial assistance to eligible students enrolled in postsecondary educational institutions. 2) Improve postsecondary educational facilities and programs through the provision of financial support to eligible institutions. 3) Recruit and prepare disadvantaged students for the successful completion of postsecondary educational programs. 4) Promote the domestic study of foreign
languages and international affairs and support international educational research and exchange activities. (Department of Education, OPE, 2007)

The federal government is extremely hands off in terms of regulating the quality of academic programs or curriculum at postsecondary institutions. Likewise, very little of the Department’s resources are designated for evaluative measures of higher education. Instead, OPE is geared more toward funding instruments for underrepresented groups in gaining access to higher education. In fact, OPE’s Operations and Coordination Staff chief regulatory responsibility rests in developing or revising legislation aimed at enhancing these financial contributions or access points. However, OPE is instrumental in developing the criteria for the recognition of State approval agencies, national, regional, institutional and specialized accrediting associations or agencies as reliable authorities concerning the quality of education. (Department of Education, OPE, 2007)

At the state level, Michigan’s 15 public institutions of higher education receive funding from three sources: State appropriations, tuition and fee revenue, and private donations. State appropriations are not uniform as a percentage of a university’s total revenue- ranging from Wayne State University (49.5%) to the University of Michigan-Ann Arbor (27.9%). (Senate Fiscal Agency, 2009) Additionally, Michigan’s Constitution (Article VII, Sections 5 & 6) authorizes each institution the autonomy to “have general supervision of the institution and the control and direction of all expenditures from the institution’s funds.” State appropriations for FY 2009-10 for higher education total $1,645,605,200 a decrease of 2.8% compared to FY 2008-09. However, the total appropriations for higher education in Michigan increased 3.8% due to
increased federal funding through the stimulus package and increases through State restricted funding. (Michigan Senate Fiscal Agency, 2009)

These massive expenditures have sparked debate over the value of higher education to the “greater good” and some have been critical of direction of much of the programs and research conducted at the postsecondary level. Direct bureaucratic intervention effectively alters academic practices in institutions, assumes a power hierarchy, and operates as a tool of coordination. (Altbach, Berdahl, & Gumport, 2005) Yet, with the continuing emphasis on academic freedom and institutional autonomy, institutions continue to develop and implement educational initiatives and programs as they themselves deem fit, so long as it satisfies institutional goals and missions in the eyes of their individual Boards of Trustees. The Boards of Trustees, ultimately, have control over the direction of all institutional expenditures and authority in its governance.

The concept of academic freedom was itself the byproduct of the furor created by the railroad monopolies. The American Association of University Professors (AAUP) was formed in response to the firing of an economics professor at Stanford because the administration opposed his views on immigrant labor and the railroad monopolies. Founded in 1915, AAUP’s purpose continues to be the advancement of academic freedom and shared governance, the definition of fundamental professional values and standards for higher education, and ensuring higher education’s contribution to the common good. AAUP holds that professors are entitled to full freedom in research and in the publication of the results; and entitled to freedom in the classroom in discussing their subject with institutional limitations of academic freedom because
of religious or other aims of the institution clearly stated in writing. (AAUP, 2009) Academic freedom and institutional autonomy are related but not synonymous. In fact, appropriate safeguards, study and consultation are required for prevention of invasion of institutional autonomy. Furthermore in certain circumstances, public protection may justify infringement on academic freedom.

One of the main difficulties in regulating higher education stems from discerning learning outcomes and their relation to the greater society. What is clear is that learning varies: from student to student, institution to institution, discipline to discipline, one scholar to another. Knowledge in itself is individual property and cannot be transferred by decree. However, government seeks to hold institutions accountable for their professed goals in the form of demonstrable changes in students. Yet, learning outcomes are difficult to identify, prioritize and communicate. This difficulty can be divided into two key issues: 1) It is essential to translate goals into relevant outcomes. 2) The necessity to develop appropriate means of determining the extent to which students have attained outcomes. This is compounded by variances created by the margin of influence of the institution on student development—prevailing atmosphere, social and intellectual climates, style of campus, and educational treatments and programs. (Altbach, 2005)

In terms of accountability, states’ expectations tend to be significant for postsecondary institutions and their impact on societal values. The current trend is for increased marketing incentives and the introduction of state administrative controls on these institutions regarding
quality assessment and performance budgeting (Altbach, 2005), whereby states appropriate funds to institutions based on graduation and retention rates of their student base.

However, accountability and student assessment are not the same. At the state level, effectiveness of a university is measured against the educational needs of citizens. It is nearly insurmountable to develop an assessment of many academic programs that will accurately evaluate the level of knowledge attained in relation to what is necessary to be learned for the betterment of society as a whole. Additionally, at the micro level, institutions already develop accountability internally by encouraging academic professionals have accountability to peers—both in the quality and the integrity of their work. At the macro level, institutions are held accountable through external accreditation processes and peer reviews.

The accreditation process is defined as a mechanism for holding institutions accountable to voluntary evaluations by Non-Governmental Organizations for the purpose of meeting certain minimum educational standards. (Altbach, 2005) According to North Central Association of Colleges and Schools’ Higher Learning Commission, an institutional accrediting agency evaluates an entire educational organization in terms of its mission and the agency’s standards or criteria. It accredits the organization as a whole. Besides assessing formal educational activities, it evaluates such things as governance and administration, financial stability, admissions and student services, institutional resources, student learning, institutional effectiveness, and relationships with internal and external constituencies. (HLC, 2007)
Regulatory Agency

The regulation of institutions of higher education is complex and the responsibility for regulatory procedures rests with multiple parties. As discussed in the previous chapter, the regulation of postsecondary education varies along federal and state lines with regard to government involvement—specifically as they deal with higher education as a public good. In examining agencies that are responsible for establishing academic standards, criteria for evaluation, and mechanisms for the enforcement of higher education policies, one must focus on governmental educational bureaus, agencies of accreditation, and the self-regulatory structures of the institutions themselves. Each of the regulatory systems are intended to support the quality of education of the singular institutions, as well as, contribute to the advancement of the broader spectrum of higher learning throughout all of society.

Federal & State

At the federal level, regulatory processes and procedures are devoted mainly to the goal of promoting access to higher education. While the US government concedes that education is primarily the responsibility of state and local governments, the Office of Postsecondary Education (OPE) coordinates policies that are designed to:

- Provide financial assistance to eligible students enrolled in postsecondary educational institutions.
- Improve postsecondary educational facilities and programs through the provision of financial support to eligible institutions.
- Recruit and prepare disadvantaged students for the successful completion of postsecondary educational programs.
Promote the domestic study of foreign languages and international affairs and support international educational research and exchange activities. (US Department of Education, OPE, 2007)

In addition, OPE is chartered to authorize legislation for federal programs that are developed with the purposes of improving academic quality, institutional management, and fiscal responsibility. The federal agency also coordinates collaborative efforts with state governments (State Liaison Unit) and accrediting agencies (Accrediting Agency Evaluation Unit) that provide a quasi-checks and balances with the respective regulatory entities concerning licensing, institutional and program eligibility and management of Federal Student Aid (FSA) funding. Furthermore, the federal government “[d]evelops and implements criteria appropriate for the recognition of State approval agencies, national, regional, institutional and specialized accrediting associations, agencies as reliable authorities concerning the quality of education, and training offered by postsecondary institutions or programs within their respective scopes of operation.” (US Department of Education, OPE, 2007) OPE’s Program Management and Development Team is in charge of program planning and implementing of policy and procedures, including: the initiation and revision of regulations; developing and reviewing legislative proposals; and preparing an annual report for each program. The chief tasks of OPE’s Institutional Development and Undergraduate Education Service are to define statistical analysis, sampling techniques, and research design; determining program data requirements for analysis of specific program trends and reporting needs. (US Department of Education, OPE, 2007).
At the state level, and more specifically in the state of Michigan, government has recently taken
a more engaged approach to higher education. While Michigan does not distinctively have an
office of higher education within the state Department of Education, in 2004 the executive
branch established the Lt. Governor’s Commission on Higher Education and Economic Growth
in order to more closely delineate the role of higher education to the fiscal and social
development of the state as a whole. The commission’s focus related to four areas:

- **Completion** – focusing on barriers preventing students from completing degrees, better accommodating student’s varying pace of attainment, easing student transfers, improving articulation agreements among higher education institutions
- **Economic Benefits** – focusing on aligning degree-granting programs to emerging business needs, workplace-specific and on-site education, commercialization of university research, and entrepreneurial partnerships between public institutions and private business
- **Participation** – focusing on instilling higher levels of educational aspirations among Michigan residents, removing financial and cultural barriers, and increasing higher education capacity and distance learning opportunities
- **Preparation** – encompassing curriculum, standards, assessment, instructional modes, and advanced placement and dual enrollment opportunities for high school students (State of Michigan, Lt. Governor’s Commission on Higher Education & Economic Growth, 2004)

The state of Michigan has designed to lessen its hands off approach to higher education
institutions, especially those that are receiving state funding. In order to move the state’s
economy from its manufacturing base to a new technology/knowledge driven economy, state
government has enlisted the support and advice of college and university presidents,
legislators, labor, business, and skilled trade. This collaborative effort seeks to create policies
and programs effecting higher education that will generate a more pronounced public benefit.
This will be enforced through funding priorities that the commission deems vital to economic
growth for the masses rather than those dedicated manifestly for the purpose of individual institutions.

**Accrediting Agencies**

In the absence of state run evaluative processes or programs, the formation of Non-Governmental Organizations were established in order to standardize higher education. These Accrediting Agencies serve to create normative accountability practices for institutions and develop minimum academic values. One such agency is the North Central Association of Colleges and Schools’ Higher Learning Commission. Through collaborative efforts with federal and state government, the agency has developed conditions to measure an institution’s effectiveness in delivering a quality education. NCA/HLC is empowered to evaluate formal education activities, governance/administration, financial stability, admissions, and institutional resources. The Higher Learning Commission provides two programs for maintaining accredited status: the Program to Evaluate and Advance Quality (PEAQ) and the academic Quality Improvement Program (AQIP).

PEAQ employs a five-step comprehensive evaluation process to determine continued accredited status.

- The organization engages in a self-study process for approximately two years and prepares a report of its findings in accordance with Commission expectations.
- The Commission sends an evaluation team of Consultant-Evaluators to conduct a comprehensive visit for continued accreditation and to write a report containing the team’s recommendations.
- The documents relating to the comprehensive visit are reviewed by a Readers Panel or, in some situations, a Review Committee.
- The IAC takes action on the Readers Panel’s recommendation. (If a Review Committee reviewed the visit, the Review Committee takes action.)
• The Board of Trustees validates the work of IAC or a Review Committee, finalizing the action.

Evaluations for initial and continued candidacy and initial accreditation also follow the processes outlined above. (North Central Association, HLC, 2007)

One key in formulating an effective tool for determining quality and accountability in higher education is constructing a set of tangible and comprehensible objectives and benchmarks for institutions to strive for. In order to introduce uniformity among all postsecondary education institutions, NCA/HLC has developed five criteria for the purpose of defining essential functions of an institution. Each criterion must be attained to merit accreditation and are as follows:

• **Mission and Integrity.** The organization operates with integrity to ensure the fulfillment of its mission through structures and processes that involve the board, administration, faculty, staff, and students.

• **Preparing for the Future.** The organization’s allocation of resources and its processes for evaluation and planning demonstrate its capacity to fulfill its mission, improve the quality of its education, and respond to future challenges and opportunities.

• **Student Learning and Effective Teaching.** The organization provides evidence of student learning and teaching effectiveness that demonstrates it is fulfilling its educational mission.

• **Acquisition, Discovery, and Application of Knowledge.** The organization promotes a life of learning for its faculty, administration, staff, and students by fostering and supporting inquiry, creativity, practice, and social responsibility in ways consistent with its mission.

• **Engagement and Service.** As called for by its mission, the organization identifies its constituencies and serves them in ways they both value. (North Central Association, HLC, 2007)

**Self-Regulation**

The final system of regulatory bodies in the higher education arena is the institution itself. Self-regulation, as Morgan and Yeung assert, stands as a, “mechanism through which behavior is influenced and constrained rest[ing] primarily on the consent of its participants.” (Morgan & Yeung, 2007, p.92) And while much of this consent is represented in the form of membership in
an accreditation association, it is also depicted through transparent self-evaluation processes at the institutional level. Many institutions employ in-house institutional assessment methods and procedures, using the information gathered to not only continue eligibility for accreditation but also remain competitive in the market.

As an example Michigan State University compiles its *College Portrait of Undergraduate Education*, in conjunction with American Association of State Colleges and Universities and the National Association of State Universities and Land-Grant Colleges. The portrait includes information on undergraduate success and progress rate, retention rates for freshmen, costs, student characteristics, classroom environments, and housing. (MSU, College Portrait, 2009)

Additionally, Michigan State University has established the Office of the Secretary for Academic Governance, whose chief role is to coordinate the policy formation of the Executive Committee of Academic Council, Faculty Council, Academic Senate, Associated Students of MSU, and Council of Graduate Students.

Michigan State University’s chief oversight body is the Board of Trustees, “who are created by the people of Michigan through the Constitution as a body corporate known as the Board of Trustees of Michigan State University, with the power of general supervision over the institution and the control and direction of all expenditures from the institution's funds.”(MSU, 2009) The MSU Board of Trustees are charged with establishing strategies and implementing policies that relate to faculty and student development, courses of instruction and degrees, financial responsibility, and property and facilities.
Academia: Accountability vs. Autonomy

Specifically, in terms of academic regulation, the Board, “delegates to the President and through the President to the faculty authority to establish and regulate courses of instruction and programs of research and service, subject to a report and accountability to the Board for information, discussion, and appropriate action.” (MSU, Bylaws, 2009) On fiscal matters the Board, “being constitutionally vested with the general supervision of Michigan State University and the control and direction of all its funds, recognizes a vital and crucial institutional responsibility to those with whom it has financial transactions. Accordingly, it is the policy of the Board to maintain adequate income and reserves to assure payment of principal and interest on the due date of its obligations. To the end that the financial integrity of the University shall always remain inviolate, the Board of Trustees pledges that it will maintain constant vigil over its funds through regular review and periodic reports, and such adjustments in income and reserves as shall guarantee the probity of its obligations. Funds earmarked for payment of bonded self-liquidating projects and term loan agreements are duly pledged for the specific pledge of the indenture.” (MSU, Bylaws, 2009)

Evaluation & Recommendation

Evaluation

Many public higher education institutions prove their accountability to the public through the medium of a governing board with statutory status- created and controlled by the state legislature. Still others have been granted constitutional status- a quasi-fourth branch of government for the purpose of ensuring larger scales of autonomy and self-guidance in
academic matters. (Schmidtlein & Berndahl, 2005) Michigan is an example of a state who has constitutionally granted its public postsecondary institutions autonomy. While responsibility for funding higher education still lies with the state, all management and control decisions rest with the individual institutions. This includes authority over how to spend all government appropriations.

Furthermore, the level of academic freedom granted to institutions and scholars is wide enough to allow each of the character the ability to seek additional funding outside of the scope of the state and, in turn, the ability to seek research opportunities as they deem fit in accordance with the institutional mission. This allowance creates a potential for far reaching study and examination that is beyond the limited general interests or aspirations of the state. Additionally, the freedom also sets up prospective relationships with corporate and private entities that also reside outside of public interest. Where academic freedom is at once liberating and facilitative for academic institutions and professionals, it also provides measures of security for faculty on the tenure track, which are granted career immunity from economic, social, and political downturns.

The state has turned over regulatory authority to the institution’s Boards of Trustees and, in doing so, removed most of its influence over what constitutes a public good in the form of public higher education. Where the institution’s Board is responsible for executing its mission and delivering a quality good to each of its constituents (read students), the Board is directly obligated to neither maintain or further the quality of life in the state, nor uphold any particular political mantra, nor alleviate any social calamity.
While many of these attributes of a public good do turn up through socially responsible research on the part of faculty, they are not compelled to do so by any governing authority— even that of the Board. Faculty are granted carte blanche in directing their fields of study and the only authoritative body regarding academic objectives resides within the individual institutional departments where experts self-police the course of study as the collective deems relevant. Furthermore, the ability to recommend and evaluate tenure also lies within the individual institutional departments- whose recommendations are then confirmed by the Board of Trustees. Most of these evaluative decisions are developed in keeping with the course of study within the field rather than as it relates to institutional needs or addresses state necessities.

The regulatory challenge for higher education is complex. The state of Michigan is in dire need of an industrial shift, an approach to limiting the number of new college graduates leaving the state each year, and an enhanced return on public investment into higher education. Yet, the current autonomous condition that public institutions enjoy renders the accountability to the state as a secondary function, since the constitution considers higher education in itself as a public good, rather than any tangible by-product as the goal for individual institutions.

Likewise, faculty accountability to the state is limited, in that, that no individual faculty or institutional department is constitutionally obligated to address specific issues or needs of the state. This level of academic freedom hinders progress for the state as a whole in that faculty and/or research often tend to satisfy individual interests- with corporate and private bodies frequently funding research projects that are aimed at private gains instead of public interests.
Michigan’s arena of higher education led the way during the 20th century in developing technology and manufacturing capabilities that provided jobs for the masses and, in turn, created substantial revenue for the state coffers. Where Michigan has necessitated a change in industrial focus and capability, much of the research done at the major research institutions continues to focus on engineering, rather than proactively evolving towards the potential for a green energy economy, software development, or financial markets. Instead, several other states have taken advantage of the national and global transitions in industrial functions, leaving Michigan lagging behind the curve in jobs, technology, and revenue.

The recent exodus of well trained and intelligent college graduates to other more industrially progressive states is indicative of the negligence on the part of academics and government officials to cohesively adapt and develop strategies for maintaining a highly skilled workforce/tax base. The lack of well paying and rewarding jobs within Michigan’s borders has forced many of its young alumni to seek opportunities elsewhere. The state’s academic faculty and administration have neglected to cultivate research objectives into attractive and competitive professions for its citizens. This constitutes a significant regulatory failure on the part of the institutions which are appropriated funds by the state.

This failure is characterized by the state’s establishment of the Lt. Governor’s Commission on Higher Education with the goal of closer aligning institutional objectives with economic growth for the state as a whole. Yet, the Commission has no punitive or enforcement capabilities, and while its members include administrators from public institutions, they also have no ability to
dictate to faculty what can or cannot be considered as worthy research projects nor the ability to remove tenured faculty who fail to address social and economic needs of the state.

**Recommendations**

In an ideal setting, higher education institutions would provide the community with direct economic development through job creation on campus; education and training for the workforce; research for social needs; and public service. The regulatory failures of the current system neglect to harmonize the evaluative capacity of accreditation agencies with the goals of both the Federal Department of Education and state legislative or executive aspirations. The structure of self-regulation has left a lot to be desired from the perspective of the larger community.

To this end, I suggest a coordinated effort with faculty, administration, accrediting agencies, and government officials that will synthesize the interests of all parties. The key will be to entice faculty to willingly integrate large scale objectives into their research interests and teaching responsibilities. I propose a community engagement component to every student’s educational experience; while reforming accreditation agencies by granting an expanded progressive enforcement capacity.

The proposed community engagement initiative would tie public service with course requirements. The aim is to connect students to the local community through facilitated, mandatory service opportunities. The initiative is modeled after Michigan State University’s Undergraduate Studies 101 Sec. 314- *THE CIVIC CONNECTION: EXPLORING UNIVERSITY &*
COMMUNITY RELATIONSHIP - where the relationship between the institution and the surrounding community are explored; and Olivet College’s Service Day- where the entire campus (faculty, students, and staff) all participate in community service activities. The proposal extends this relationship throughout the semester to include mandatory civic internships/service every year and optional corporate internships for students in their junior and senior years.

The proposal will potentially turn Michigan State University’s 40,000 students into 40,000 community volunteers through coordinated efforts between the institution and the community. For example, accounting students can contribute as free tax helpers; recreation and education students can offer free after school tutoring and recreation in local primary and secondary settings; environment and life sciences students can help with river clean ups, waste management or in local hospitals; finance majors could assist with entrepreneurial workshops for small business owners. By the institution mandating participation in community projects, students will develop closer bonds with their surrounding environment and potentially become more reluctant to leave the area after graduation. Students will also gain relevant hands-on experience while working on various community originated projects, which will make them more marketable upon graduation.

The benefits to this proposal fall in three areas: Local, Institutional, and State. Local benefits include- the institution addressing real time issues, college students providing role models for youth and undereducated adults. Institutional benefits include- a connection between campus and community, and relevant experience. Benefits to the state as a whole include- a potential
decrease in brain-drain and a tangible justification for public expenditure on higher education. The linear benefit becomes community youth who are impacted by college student participation become a better prepared student body once they become college bound and a better prepared workforce upon graduation from a postsecondary institution.

This can be achieved by the state taking a comprehensive role within accreditation agencies where states would share some form of enforcement capability - either financial incentives or penalties for institutions based on compliance with a renewed commitment to public service. The evaluative role would still be delivered through the accreditation process, but with an additional stipulation for the development and maintenance of public service programs. The public service programs could, in fact, have collaborative measures with industrial organizations in order to ensure responsiveness to economic and market needs.

The accreditation process will have to refocus its institutional examinations to emphasize the importance of human capital (teaching and training) versus technology and research. States must be proactive in achieving personal, and thereby regional/local, economic development through education and utilize a revamped accreditation process to certify institutional commitment to strategic objectives. Whereas the current system simply provides endorsement of an institution’s capacity to provide educational experiences, the new system will incorporate transparency, access, and congruence with the compliance evaluation process and verify the deliverance of desired state supported outcomes through a new financial pressure of funding incentives or penalties on behalf of the state’s legislative and executive branches.
Furthermore, the evaluation process for faculty tenure will have to be reconsidered. Currently, teaching and research are the key elements in establishing effectiveness of faculty. This should be extended to include public service in both conducting research with public interests in mind and participation in projects, forums, panels, and workshops that will serve to broaden the public’s knowledge base. The tenure function should serve to reward community participation and activism among faculty rather than guarantee faculty positions regardless of their commitment to public interests. Where productivity in teaching and research currently constitute the formula for achieving academic tenure, public service should enter into the equation and force faculty members to establish a constructive presence within their communities.
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