



**TO:** Higher Education Committee

**FROM:** John L. D'Agati 

**SUBJECT:** Renewal of Institutional Accreditation: Technical Career Institutes

**DATE:** April 21, 2014

**AUTHORIZATION(S):**   
SUMMARY

**Issue for Decision**

Should the Board of Regents grant renewal of institutional accreditation to Technical Career Institutes?

**Reason(s) for Consideration**

Required by State regulation.

**Proposed Handling**

This question will come before the Higher Education Committee at its April 2014 meeting, where it will be voted on and action taken. It will then come before the full Board at its April 2014 meeting for final action.

**Procedural History**

On March 28, 2014, the Regents Advisory Council on Institutional Accreditation (RAC) met to consider the accreditation renewal application of the institution. The Council's recommendation is hereby transmitted to the Board of Regents for consideration and final action.

**Background Information**

Technical Career Institutes (TCI) is a proprietary institution offering programs leading to certificates and to the Associate in Applied Science (A.A.S.) and Associate in Occupational Studies (A.O.S.) degrees in the following areas:

- Business and New Media Technologies
- Engineering and Information Technologies
- Facilities Technologies
- Health Sciences and Technologies

TCI began as the Marconi Institute, founded in 1909 by Nobel Prize winner Guglielmo Marconi. In 1929, it became the RCA Institutes and was managed by NBC founder David Sarnoff. It was authorized to confer degrees in 1972 and has been accredited since then by the Board of Regents. In 1974, it was purchased by faculty members and renamed Technical Career Institutes. In 1989, TCI was acquired by North American Training Services.

In 2005, TCI was purchased by EVCI Colleges Services Holding Corporation. In addition to TCI, EVCI owns the Pennsylvania School of Business.

TCI has also held institutional accreditation by the Middle States Commission on Higher Education since 2005. However, TCI's primary accreditor remains the Board of Regents and the Commissioner.

In 2007, the Board of Regents voted to renew TCI's accreditation for a period of five years.

### **Recommendation**

It is recommended that the Board of Regents take the following accreditation action regarding Technical Career Institutes:

*Accreditation for three (3) years with the condition that the institution addresses to the satisfaction of the New York State Education Department all recommendations in the compliance review reports, with the following exceptions:*

*In place of the recommendation of a 12 credit hour semester cap on students taking remedial courses, the institution will provide the Department with a plan of action that will ensure properly limited instructional course loads for students requiring remediation (for example the 15 credit hour load proposed by the institution), and*

*In place of the recommendation regarding default rates, the institution will provide progress reports on the institution's financial status as requested by the Department.*

Board of Regents members with a conflict of interest or the appearance of a conflict of interest on this application are asked to recuse themselves from participating in the deliberation and decision.

Attachment

## Information in Support of Recommendation

### Peer Review Visits

In preparation of renewal of its accreditation, TCI submitted a self-study and supporting materials to the State Education Department. On March 28 - 29, 2012, a peer review team (the Team) approved by the Department along with Department staff visited TCI's main campus at 320 West 31st Street, and its annex, 232 West 40<sup>th</sup> Street, New York City, to assess compliance with the standards of institutional accreditation. During the visit, the Team interviewed faculty, administrators, staff, Trustees, and students; visited classes; reviewed course syllabi and student work; examined student and faculty folders; examined administrative records and policy statements; and assessed physical facilities, library resources, and instructional equipment. In its report the Team made a total of nine recommendations.

The Team found the college to be in compliance with standards as defined under section 4-1.4 of Regents Rules addressing institutional mission, assessment of student achievement, programs of study, support services, consumer information, HEA Title IV, and public disclosure of accreditation status.

The Team found the college to be out of compliance with the following accreditation standards: faculty, resources, administration, admissions and student complaints.

TCI subsequently alerted the Department to the discontinuation and suspension of programs, faculty and staff layoffs, closure of locations, change in leadership, and audit findings of the U.S. Department of Education. As a result, the Department conducted a second site visit on April 19, 2013, with another team of peer reviewers. The reviewers focused on:

- the terms of the restructuring of the institution
- the adequacy and sustainability of the institution's financial plan
- the integrity of financial control and financial aid systems, and
- the alignment of financial resources and administrative practices with stated goals and good practice.

The second team made a total of nine recommendations in the areas of financial aid policies, procedures and training, succession planning, and improvement of graduation and retention rates. The team specifically recommended that TCI provide the Department with quarterly reports related to the college's Cohort Default Rate (CDR). TCI had two consecutive 3 year CDRs over 30 percent. A third consecutive year of a CDR over 30 percent would result in the loss of Direct Loan and Federal Pell Grant program eligibility.

The reports of both teams comprised the draft compliance review report, which was transmitted to TCI for review and comment. TCI responded to the draft report's recommendations and suggestions; identified perceived errors in the report; and described actions and plans to address the recommendations. The compliance review

report includes the draft report and the college's response, and the Department's preliminary recommendation with respect to accreditation action.

Based on the college's self-study, the findings cited in the teams' reports as well as the college's response to the draft report, the Department found TCI to be in substantial compliance with the standards and requirements for accreditation. As a result, the Department's preliminary recommendation was accreditation with conditions for a period of three years, with the following conditions: (1) that all recommendations included in the draft compliance review report be addressed to the satisfaction of the Department, (2) and the submission of reports identified by the Department, including immediate notification of the institution's 2011 three-year Cohort Default Rate when it becomes available.

### Regents Advisory Council on Institutional Accreditation (RAC) Review

As required by Subpart 4-1 of the Regents Rules, the Department transmitted the final compliance review report for consideration by the Regents Advisory Council. (The RAC is established in §3.12(d) of the *Rules of the Board of Regents* "to review applications for accreditation and renewal of accreditation pursuant to Part 4 of this Title, and such other matters as the department may ask it to review, and make recommendations to the Regents and the commissioner based on its review.")

On March 6, 2014, TCI submitted additional written material for the RAC to consider. TCI accepted all but two of the total recommendations in the compliance report. The college stated that the recommendation to place a 12 credit hour per semester restriction on remedial students would have "an adverse impact on the educational process and TCI students." The college also objected to the recommendation of required quarterly reports submitted to the Department on the health and viability of the institution, due to the possibility of a third consecutive year of a 3 year Cohort Default Rate above 30 percent. In its response, TCI included a notice from the USDE, informing of the college's draft 3 year Cohort Default Rate of 24.4 percent for 2011.

On March 28, 2014, the RAC met to consider TCI's application. In a public meeting, it met with representatives of the college, a member of the peer review team, and Department staff.

The RAC members discussed their observations and asked questions of the institution. The Council then voted unanimously to recommend Technical Career Institutes for accreditation, as follows:

*Accreditation for three (3) years with the condition that the institution addresses to the satisfaction of the New York State Education Department all recommendations in the compliance review reports, with the following exceptions:*

*In place of the recommendation of a 12 credit hour semester cap on students taking remedial courses, the institution will provide the Department with a plan of action that will ensure properly limited instructional course loads for students requiring remediation (for example the 15 credit hour load proposed by the institution), and*

*In place of the recommendation regarding default rates, the institution will provide progress reports on the institution's financial status as requested by the Department.*

#### Commissioner's Review

Neither TCI nor the Deputy Commissioner for Higher Education appealed RAC's recommendation. Therefore, pursuant to Subpart 4-1, the Commissioner adopted the Council's recommendation as his recommendation to the Board of Regents.

The attachment to this item sets forth the range of accreditation actions authorized under Subpart 4-1 of the *Rules of the Board of Regents*.

**Attachment**  
**Rules of the Board of Regents**

Subpart 4-1, Voluntary Institutional Accreditation for Title IV Purposes

§4-1.2 Definitions.

As used in the Subpart:

(a) *Accreditation* means the status of public recognition that the Commissioner of Education and the Board of Regents grant to an educational institution that meets the standards and requirements prescribed in this Subpart.

(b) *Accreditation action* means accreditation, accreditation with conditions, probationary accreditation, approval of substantive changes in the scope of accreditation, and denial, revocation, or termination of accreditation.

(c) *Accreditation with conditions* means accreditation that requires the institution to take steps to remedy issues raised in a review for accreditation, and provide reports and/or submit to site visits concerning such issues, provided that such issues do not materially affect the institution's substantial compliance with the standards and requirements for accreditation.

(d) *Adverse action* or *adverse accreditation action* means suspension, withdrawal, denial, revocation, or termination of accreditation or pre-accreditation.

....

(s) *Probationary accreditation* means accreditation for a period of time, not to exceed two years, during which the institution shall come into compliance with standards for accreditation through corrective action.

**From NYSED's Handbook of Institutional Accreditation (p.5)**

At a regularly scheduled public meeting, the Board of Regents considers the complete record of the accreditation process (including the institution's self-study, compliance review report, and the record of the RAC) and makes the final determination on accreditation action. Representatives of the applicant institution may be present at this meeting; however, they do not participate in discussion of their application.

The Regents may act or may defer action pending further consideration by the Council or the receipt of additional information. If the Regents take adverse action as defined in Regents Rules §4-1.2(d) on an application for institutional accreditation or renewal of accreditation, a statement of the reason(s) for this action will be provided to the applicant institution.

## Possible Accreditation Actions

- Accreditation without conditions. The institution is in full compliance with the standards for institutional accreditation. Any follow-up matters are not, in the judgment of the Regents, of a nature or scope that affects the institution's capacity to maintain adherence to the institutional accreditation standards for the period of accreditation. Recommendations or any follow-up reports relate either to minor compliance matters or to the strengthening of practices that meet the standards of compliance. Accreditation without conditions may be for a period of up to ten years. Accreditation without conditions may apply to institutions seeking initial accreditation or renewal of accreditation.
- Accreditation with conditions. The institution is in substantial compliance with the standards for institutional accreditation. Any areas of non-compliance are not of such nature or scope as to call into question the institution's substantive adherence to the institutional accreditation standards during the term of accreditation. The institution has demonstrated the intent and capacity to rectify identified deficiencies and to strengthen practice in marginally acceptable matters within no more than two years. The institution will be required to take steps to remedy issues raised in the review for accreditation and to provide reports and/or submit to site visits concerning such issues. Accreditation with conditions may be for a period of up to ten years, contingent on a finding of compliance within no more than two years on any areas or deficiency cited in the Regents accreditation action. Accreditation with conditions may apply to institutions seeking initial accreditation or renewal of accreditation.
- Probationary accreditation. Probationary accreditation means accreditation for a set period of time, not to exceed two years, during which the institution shall come into compliance with standards for accreditation through corrective action. During this period, the institution provides documentation of compliance with standards, particularly all standards that were not met at the time of the Regents action. A follow-up visit by Department staff and/or peer reviewers may be required following provision of a required report. Probationary accreditation is only available to institutions seeking renewal of accreditation.
- Denial of accreditation. The institution does not meet standards for institutional accreditation and cannot reasonably be expected to meet those standards within two years. Denial of accreditation may apply to institutions seeking initial accreditation or renewal of accreditation.