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AUTHOR Harcleroad, Fred F.  
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## ABSTRACT

The federal government is prohibited by the constitution from intruding into educational matters; state governments also have been reluctant to do so. The government has had to depend on voluntary accrediting organizations as evaluators of educational quality. These organizations assess educational quality and encourage its improvement. Educational auditing and accountability is one approach toward improving accrediting organizations criteria and procedures and their responsiveness to the needs of users of accreditation. The concept is modeled on the auditing system developed by the Securities and Exchange Commission for "accrediting" business. The auditing plan follows the same basic steps as current accrediting procedures with limited expansion of the research staffs of the regional accrediting commissions and the Council on Postsecondary Accreditation. The basic steps in the accrediting process would include (1) the institution carrying on a self-study and preparing two formal reports, including the educational statements of the institution and a report for publication; (2) the regional commission appointing a visiting committee whose members each have specific responsibilities; (3) the team of educational auditors, specialized committee members, and the chairperson conducting an on-site investigation to verify the assertions in the educational and financial statements; (4) a report and evaluation submitted by the committee to the regional commission; (5) recommendations to the institution; and (6) regular annual self-study analysis reported back to the commission. (JMF)

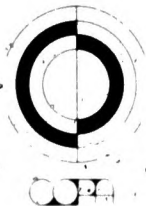
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# EDUCATIONAL AUDITING and ACCOUNTABILITY

Fred F. Harclerod

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EDUCATIONAL AUDITING  
and  
ACCOUNTABILITY

Fred F. Harclerod

*An evaluational and reporting system similar to that developed by the Securities and Exchange Commission to audit businesses might be utilized by voluntary accrediting organizations in their assessments of postsecondary educational institutions and programs, as a way of providing valid, reliable, and comparable data to the users and supporters of education.*

The Council on Postsecondary Accreditation  
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## Preface

The intrusion of the federal government into educational matters generally has been regarded as contrary to constitutional intent. And, until recently, state governments have been reluctant to interfere in the affairs of education, particularly at the postsecondary level. Therefore, the government has depended heavily on voluntary, nonprofit accrediting organizations as evaluators of educational quality.

These accrediting bodies have developed into critical agencies for the improvement of society through their certification of satisfactory educational quality in institutions of postsecondary education and in the various programs they offer. Their activities, however, have come under attack because they are not regarded as effectively responding to the requirements of a government increasingly concerned with accountability or the needs of consumers desiring more and better information.

Accrediting organizations must continue to do that which they do best, that is, to assess educational quality and encourage its improvement. But they must improve their criteria and procedures; and they must search for ways, compatible with their primary mission, to become more responsive to the needs of the users of accreditation. One promising approach toward this objective is educational auditing.

This concept is modeled on the auditing system developed over time by the Securities and Exchange Commission and which in effect "accredits" businesses. Its primary purpose is to help protect investors and others by showing that an audited firm is reliable. The various reporting procedures of the business auditing profession have been duplicated roughly, albeit unwittingly, by educational accrediting. Many characteristics of business audits are present in rudimentary form in the accrediting process. The development of educational auditing therefore should be possible without greatly unsettling present practices. And it holds forth the potential for providing valid, reliable, comparable information that can be used by government agencies, students and potential students, and other "consumers" of education.

Educational auditing has much to recommend it at this stage in the development of postsecondary education. Carried out by trained, professional educators, it can be a positive force for improvement and an effective response to critics. The publication of each institution's audited and certified "Educational Statement" should provide more adequate protection for the institution's consumers and investors and at the same time would help improve public confidence in all of postsecondary education.

## Educational Auditing and Accountability

Fred F. Harclerod

Several types of organizational units have evolved in the United States in order to provide people with necessary goods and services. This pluralistic social organization provides "collective consumption goods" and "private goods" for individual consumers through three sectors:

1. The private enterprise sector (profit-seeking business and commerce)
2. The public enterprise sector, (government), and
3. The voluntary enterprise, non-profit sector (28, pp. 179-184).

Those three sectors can be divided further into five organizational types for analysis of controls over each one.

Differing appraisal or control systems have been developed to evaluate and determine the effectiveness of these various organizations. Considered in these terms, the five types of organizational units can be described somewhat simplistically as follows:

1. *governmental enterprises* (either state or federal), often a monopoly, and uncontrolled except by legislative committee investigation (such as the

Tennessee Valley Authority of the U.S. Department of Defense);

2. *governmental enterprises* (either state or federal), controlled by a form of regulatory commission (such as the U.S. Postal Service);

3. *nonprofit, nontaxed, nongovernmental organizations* operated in the public interest, providing needed goods and services, and usually voluntary in nature (such as the American Red Cross, the American College Testing Program, and the Educational Testing Service);

4. *private enterprise* essentially controlled by a regulatory commission which reviews market forces and establishes prices and rates to provide limited, but regular profits (such as units of the Bell System, Pacific Gas and Electric, Commonwealth Edison or other public utilities); and

5. *private enterprise* primarily controlled by market forces which are increasingly created or affected by rulings of regulatory commissions (such as

Jim Walter Corporation, General Motors, Textron, or Safeway Stores)

Weisbrod recently has developed a preliminary economic analysis of a relatively comparable model with examples from hospitals, churches, and libraries (28, pp. 191-194). Postsecondary education and its various component parts also can be placed in this framework. Proprietary institutions are profit-seeking institutions in group four and come under the purview of a regulatory commission, the Federal Trade Commission. Private colleges and universities and their associations fit into group three, as do all of the various accrediting organizations and the Council on Postsecondary Accreditation. Most of the public universities, colleges, and institutes fall into group two with primary controls by regulatory commissions. Located in group one are the federal colleges at West Point, Annapolis, and Colorado Springs, plus several more specialized schools. (An interesting example of the problems with this framework and its increasing interrelationships, is the thrust by service academies and other schools of the Department of Defense to achieve regional accreditation. The U.S. Naval Postgraduate School in Monterey, California, for example, has been accredited by the Western Association of Schools and Colleges since 1955.)

### **Education and the Separation of Powers**

In considering this simplified model of organizations in the United States, the public enterprise area must be carefully defined when education is considered. Except in areas reserved

specifically for the federal level (a government of carefully limited powers), the activities of government are reserved by the U.S. Constitution to the states (which have general powers). Thus, education designed to further the "common defense" or the conduct of "foreign affairs" may be carried on at the federal level. Other forms of education are reserved to the states (16, pp. 9-13).

In addition to constitutional limitations, a series of federal laws has prohibited federal control. An example is from Sec. 1782 of Title 38 U.S. Code:

No department, agency, or officer of the United States . . . shall exercise any supervision or control . . . over any state approving agency, or state educational agency, or any educational institution.

An even more comprehensive, broadly stated, and explicit example was established in Section 422 of the General Education Provisions Act:

No provision shall be construed to authorize any department, agency, officer or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or system, or to require the assignment of transportation of students or teachers in order to overcome racial imbalances.

This comprehensive section was amended in 1972 and limited to particular education acts, including several applying to higher education. As Section 432 of the General

Education Provisions Act it reads as follows:

#### PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

Sec. 432. No Provision of the Act of September 30, 1950, Public Law 874, Eighty-first Congress; the National Defense Education Act of 1958; the Act of September 23, 1950, Public Law 815, Eighty-first Congress; the Higher Education Facilities Act of 1963; the Elementary and Secondary Education Act of 1965; the Higher Education Act of 1965; the International Education Act of 1966; the Elementary School Aid Act; or the Vocational Education Act of 1963 shall be construed to authorize any department, agency, officer, or employee of the United States, to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system, or to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

The difference is quite significant. As a result, the American Council on Education recently felt compelled to propose additional limiting language dealing with "institutional eligibility" and its relationship to accreditation. Such legislation logically would place the responsibility on each state or local government for appraisal of the effectiveness of education. For example, Congressman James G. O'Hara, Chairman of the House Subcommittee on Postsecondary Education, has been quoted as follows:

Surely we have learned in the past two years, that however laudable the goal, we cannot trust in the limitless good-

will of government—that agencies that are charged with carrying out the law, have an almost irresistible tendency to go beyond the law, and that we have to maintain constant vigilance to see that they stay within it.

Thus, the clear separation of powers with regard to education is in some jeopardy. However, since the findings from voluntary accreditation systems are used extensively by federal agencies, accreditation associations could be affected by changing federal policies and relationships with postsecondary education.

#### Current Federal Thrusts Affecting Accreditation

The federal government has become the largest borrowing agency in history as well as the most efficient and largest taxing power, particularly since the establishment of the progressive income tax. With these vast funds it is the country's largest purchaser of goods and services and has been able to make major efforts to alleviate economic inequalities and social inequities.

In the past three decades much of the increase in student enrollments in all types of postsecondary educational institutions has been partially financed by different federal sources. In 1974 the Veterans Administration spent approximately three billion dollars to assist approximately two million veterans or their family dependents. In the same year the Social Security Administration provided about \$700 million in college financial aid to 600,000 students who were beneficiaries of the system. The 1975 federal appropriation for college student assistance exceeded two



billion dollars for grants, loans, and work-study programs. The amounts for these three main programs are approximately equal to the five or six billion dollars earned by students to help pay their way during a college year (10, p. 4). In addition, of course, there are numerous other federal appropriations helping to support higher education institutions.

Distribution of funds to higher education has been funneled increasingly through students rather than as institutional aid. Some further distribution occurs through the purchase of services in the form of categorical grants or contracts. A number of institutions, some of them among the nation's leaders, have come to rely on such federal contracts—especially the overhead from them—to help pay operational costs. Even though overall federal support from these two major sources is still less than state or student costs, it represents an increasing and important part of many budgets.

This problem has become critical to voluntary accrediting associations. Some federal agencies rely on the lists of approved member institutions of recognized accrediting associations as a measure of educational quality, one consideration in becoming eligible for federal funds. The Veterans Administration finances a series of state approving agencies, but they normally list as eligible all institutions which are accredited members of regional associations.

Some federal agencies pay little or no attention to accreditation. The Office of Education, however, has developed an elaborate system for determining the eligibility of

institutions for OE-administered student aid programs. One of the requirements for eligibility is "quality of training." Accreditation by a recognized accrediting body is one method of establishing acceptable quality for eligibility purposes. Other methods include "reasonable assurance" that an institution will become accredited by a regional association, "institutional certification" (the so-called three-letter rule), and approval by a recognized state agency. Some foreign institutions and some institutions approved directly by OE also are placed on the eligibility list.

Accreditation, used in this way by the federal government, has had an important secondary advantage. The professional peer groups involved in the voluntary associations perform this skilled function at very low cost. A startling comparison can be shown from data in the recent OE-funded study of voluntary accreditation. Harold Orlan reported a yearly cost of 15 million dollars in 1972 for the Veterans Administration's state-agency system for program and course approvals (20, p. 356). The cost of operating the Western Association of Schools and Colleges for 1974-75 was described as follows by its outgoing president, John Cantelon, in its regular bulletin for that year:

I do not know of any organization that is as efficiently and economically staffed or operated. . . . Those who seek to have governmental agencies take over private voluntary accrediting functions should note well. It may be safely assumed that governmental bureaucracy would multiply costs. . . . and I can assure you that there would be no savings left at the end of the year.

The total cost of the Western Association of Schools and Colleges approximated \$130,000. The parent Western College Association budget was less than \$13,000, and a surplus of some \$4,000 remained at the end of the year.

Much of the savings involved in this striking difference is, of course, due to contributed professional services of thousands of officers and evaluation team members. In 1973, a very reliable estimate showed a total of only 50 professional and support personnel for the nine regional accrediting commissions and their national coordinating body (18, p. 213).

Obviously, the spirit of professionalism is a major strength of voluntary accreditation. Any change to another system undoubtedly would increase costs astronomically and quite possibly lower the quality of institutional evaluation.

Between 1952—when the lists of OE-approved associations and their members were started—and 1972, the system seemed to work satisfactorily. Federal government publications described the system as follows:

The United States has no Federal ministry of education or other centralized authority which exercises single, national control over educational institutions. In this country, the States assume varying degrees of control over education, but, in general, institutions of higher education are permitted to operate with considerable independence and autonomy. As a consequence, American educational institutions vary widely in the character and quality of their programs.

To insure a basic level of quality, the practice of accreditation arose in the United States as a means of conducting

nongovernmental, peer evaluation of educational institutions and programs. Private educational associations of regional or national scope have adopted criteria reflecting the qualities of sound educational programs, and have developed procedures for evaluating institutions or programs to determine whether or not they are operating at basic levels of quality (27, p. ix).

Further, the publication emphasized that the voluntary accrediting associations had “. . . no legal control over educational institutions or programs. They promulgate standards of quality or criteria of institutional excellence and approve or admit to membership those institutions that meet the standards or criteria.”

In recent years, however, the “consumer movement” has had considerable impact on thinking related to accreditation in postsecondary education. Several factors have contributed to the consumer problem. The decision to channel funds through consumers by student grants, and particularly loans, rather than through institutional aid, has helped to create “consumers” in an economic sense. The numbers of eligible students and institutions were increased. Many unaccredited institutions have been allowed by OE to participate in the loan program; and some of these institutions, and possibly a few marginally accredited institutions, have misused the loan systems. In addition, large numbers of students have defaulted on loans or declared bankruptcy. The institutions have been blamed for some of these financial problems. In addition, however, students have claimed that some institutions misled them or did not produce the educational programs which were

advertised. A few proprietary and private, nonprofit institutions have closed. As a result of these developments, the Federal Trade Commission has proposed new rules for the conduct of proprietary institutions, some of which would be more exacting than standards of public and nonprofit private institutions. One study has pointed up in graphic terms some of these current deficiencies (2, pp. 266-268).

Accrediting associations and their members are now under pressure from federal officials in two ways:

1. in effect to become "policing" agencies on behalf of federal laws and regulations, and
2. to serve as "reliable authority" concerning "institutional probity" as well as quality of education.

Also, in August, 1975, after considerable hue and cry about student misuse of funds, the Veterans Administration established new rules which would have required all institutions to monitor and report attendance. The strong reaction from the accrediting community and four-year colleges led the VA to clarify and change these rules in January 1976 (*Chronicle of Higher Education*, January 19, 1976, p. 9). However, there undoubtedly will be more efforts by the federal agencies and their officials in these directions. For example, the 1975 report of the National Advisory Council on Education Professions Development proposed a new Center to be funded by federal agencies, operated by a nonprofit center or organization, and with five assignments related to institutional eligibility:

- technical assistance to states
- development of evaluation tools and techniques (including for example, ways to determine the "reputation and character" of institutional personnel)
- establishment of an information clearinghouse
- evaluation and research on licensing and accreditation activities (since "a research and demonstration effort will help improve regulatory efforts")
- staff development and training.

The Council suggested an initial development grant of half a million dollars for one year and several million dollars per year thereafter (11, pp. 22-23). This proposal and others provide concrete evidence of the movement toward potential federal control of the accreditation process in years to come.

Another unsettling thrust toward government control is represented by the increase in the number of "performance audits" being conducted by both federal and state agencies at institutions of postsecondary education. The educational perspective and understanding needed to evaluate postsecondary education properly generally are missing from this type of audit.

### Changing Patterns in Educational Accreditation

The two types of voluntary accreditation, institutional or general, and specialized or program, have roots that go back about 80 years. They began for very limited purposes, essentially to answer the question, "What is a College?" (5, p. 9). Jerry

W. Miller in his comprehensive study of voluntary accreditation stated that "it was a means by which educational institutions could conduct a form of self-regulation in the absence of governmental restraints or directions" (19, p. 29). From these limited beginnings it has come to have numerous functions, and the inclusive federal listing now includes nine functions, as follows:

- Certifying that an institution has met established standards
- Assisting prospective students in identifying acceptable institutions
- Assisting institutions in determining the acceptance of transfer credits
- Helping to identify institutions and programs for the investment of public and private funds
- Protecting an institution against harmful internal and external pressures
- Creating goals for self-improvement of weaker programs and stimulating a general raising of standards among educational institutions
- Involving the faculty and staff comprehensively in institutional evaluation and planning
- Establishing criteria for professional certification, licensure, and for upgrading courses offering such preparation, and
- Providing one basis for determining eligibility for federal assistance (27, p. ix).

The Council on Postsecondary Accreditation has cast some of the

same ideas in the form of "Goals of Accreditation." That organization states that historically and currently then accreditation at the postsecondary level is intended to:

- foster excellence in postsecondary education through the development of criteria and guidelines for assessing educational effectiveness;
- encourage improvement through continuous self-study and planning;
- assure the educational community, the general public, and other agencies or organizations that an institution or program has both clearly defined and appropriate objectives, maintains conditions under which their achievement can reasonably be expected, appears in fact to be accomplishing them substantially, and can be expected to continue to do so;
- provide counsel and assistance to established and developing institutions and programs;
- encourage the diversity of American postsecondary education, and allow institutions to achieve their particular objectives and goals; and
- endeavor to protect institutions against encroachments which might jeopardize their educational effectiveness or academic freedom (30, p. 3).

As the list has grown, the methods used to accomplish the responsibilities have changed extensively. Perhaps the best summary of these changes, and of the changing bases for institutional evaluation, has been

developed by Joseph J. Semrow in a series of unpublished papers for the North Central Association of Colleges and Schools. He categorizes the different approaches that have been taken at various times as:

- utilization of set standards and prescribed criteria
- utilization of norms or best practices
- utilization of norms or prevailing best practices in relation to an institution's own purpose or objective
- utilization of educational outcomes or product measures
- utilization of a definition of a problem or statement of problems as questions or hypotheses to be investigated, or
- combinations of the above (23, p. 4).

The first approach was used until around 1930, the second from 1930 until after World War II, the third from the early 1950's until the present, with the other various approaches developing since about 1965. He feels that the traditional liberal arts college, until recently, has been the basic, single model of a "quality" educational institution against which all others were measured.

The expansion of higher education into postsecondary education, with other acceptable models has forced many changes and placed the current processes of accreditation in a ferment. For example, the statement on "Quality and Effectiveness in Undergraduate Higher Education," which was adopted by the American Association of State Col-

leges and Universities, stressed the need for "additional criteria which will be useful in measuring institutional effectiveness" through measuring output variables and basing them on widely differing goals of different types of institutions" (1, p. 2).

Expansion into nontraditional forms of higher education likewise has contributed to the ferment, and the regional associations have moved quickly to adapt the more flexible practices of the 1960's to the nontraditional programs within existing institutions and the newer institutions that have been established. This poses difficulties in determining programs which do not actually provide adequate educational experiences prior to granting a form of certification or degree to the student (in other words, degree mills which sell degrees with little or inadequate educational experiences). Nevertheless, genuine attempts at developing new, effective systems of delivery or providing varied educational experiences have challenged the accrediting associations in ways which are quite comparable to their beginnings almost a century ago. Gould and Thrash have pointed out that nontraditional study may well be the instrument that stimulates solutions to these (licensing and approval) problems not only for new and unconventional programs but for traditional institutions as well (13, p. 116; see also 25, 325-329).

Semrow has summarized and described the system that will meet all of these changing demands as satisfactorily as possible at the present time. It includes:

- the concepts of institutional self-study as the basic take-off point;

- appraisal of the institution in terms of its particular goals and objectives (as long as they are legal and meet state requirements and chartering);
- evaluation, on-site, by qualified professional peers with bases for making judgments;
- final decisions based on these judgments of quality, using both empirical and nonempirical, judgmental evidence;
- provision to meet all legal requirements for appeals and due process; and
- provide final judgments arrived at fairly and with justice (23, p. 4).

At the same time that society is demanding efficiency and accountability of its educational and social institutions, it is seeking social responsibility and social accounting from its large business organizations. Corson and Steiner found that this development also has come out of the consumer movement. In their survey of 254 corporations, many of them the major ones in the country, 70 percent had individuals or groups responsible for surveying social action programs, with extensive social programs at work in such areas as civil rights and equal employment, education, employment and training, economic growth efficiency, pollution abatement, urban renewal and development, conservation, recreation and the arts, and medical care. Although yardsticks measuring adequate performance of social activities are hard to establish, they are being developed, and some reports have been issued by a number of corporations. In responding

to the questionnaire, 46 percent agreed with the assumption that all corporations would be required to submit a social audit to the public in the future (8, pp. 25, 27-28, 49, 60). The implication, of course, is that the social audit would be made and reported by an independent outside auditor.

In the field of education there have been several experiments with performance and program audits during the past decade. The Los Angeles County Superintendent of Schools published an *Educational Program Audit Handbook in 1972* (7). It has developed as a basic tool for educational improvement. Drake describes the educational program auditor as an "independent specialist," with the courage and expertise to state objectively and clearly what is found. He describes the auditor as a "first-rate evaluator" who, hopefully, "will be an accredited member of an association of educational program evaluators that has an established code of ethics and standards of performance. . . ." (9, pp. 14-15). Rouèche and Herrscher describe the "evaluator" as a new emerging professional position with special responsibilities to assess achievement of goals and evaluate programs (21). The National Advisory Council on Education Professions Development concluded its 1975 report (11), with a "call for the professional development of the institutional gatekeepers," meaning the persons who do the actual visitations and write the judgments on which decisions are made regarding institutional eligibility for federal funds. A final illustration of this phenomenon is reflected by Howard Bowen in his discussion of institutional evaluation. He states:

In evaluating higher education and estimating its products, facts and statistical data should be gathered, but we should realize that their interpretation and use inevitably depend on the intuitive judgment of qualified persons . . . . One of the needs of higher education, especially in an era of emphasis on accountability, is to find a means of evaluation that is genuinely disinterested and yet takes account of the many intangible elements. Perhaps a new profession of independent judges of productivity and performance should be created to evaluate institutions as well as higher education as a whole (6, pp. 18-19).

### **Possible Approaches to Institutional Accreditation**

Any proposals for change in the current system of accreditation must be evaluated in terms of the past developments, the current situation, and near future possibilities. The following are presented for review in the light of these factors. Some are much more remote than others, and some are much less desirable than others when considering society's expectations and goals for the academic community. Nevertheless, each of them conceivably could provide "accreditation" as an end result. It could be accomplished in any of the following ways:

1. By continuing the present systems unchanged. Although there are several important concerns expressed by a number of various publics, it does the job now and at very low expense.

2. By modifying the present system but keeping the current regional, multistate associations and the national, specialized associations as the major framework. Modifica-

tions could be of many types, but two main ones are delineated

a. Regional staffs could be augmented with additional professionals to provide

1) continuity in contacts with institutions

2) comparability in the conduct of each institutional visitation, and

3) sustained research efforts on the process of accreditation itself. Most of the visitation teams would continue to be professional persons from institutions, but their appointment would be based on more extensive programs of education in the accreditation process.

b. Regional staffs could be increased to carry on the entire process on a paid professional basis, or contracts could be made with outside profit-making companies of specialized auditors. In the event this last option is used, it would be similar to the current system of business auditing. A number of current educational consulting firms or large auditing firms have prototype staffs to do such work, and they currently perform similar tasks for legislatures or state coordinating systems. Either of these options would be far more expensive than the existing system.

3. By state agencies or commissions of some type, without the benefit of the regionals and possibly without the national specialized associations. These could be based on

the 1202 Commissions which are now established in some fashion in almost all states. These commissions normally have a responsibility for planning. Some have responsibilities for budget review and recommendation. Some have responsibilities for the evaluation of institutional success in achieving annual program objectives established in each budget. Those with all of these responsibilities are far along the road toward evaluation of institutional effectiveness and determination of educational quality of institutions receiving public funds.

4. By state agencies which are charged by law with the evaluation of performance, and which conduct performance of all public educational state units. These normally are performed for legislative review committees or are a standard part of state operational controls.

5. By expanding the responsibility of the state approving agencies which currently approve all state educational institutions, public or private, for the Veterans Administration. Cost of the operation of these agencies is now borne by the federal government at a cost of approximately 15 million dollars a year. Although they are not staffed basically to perform institutional accreditation, the structure is in place to take over the entire accreditation function, if the states allow it.

6. By federal agencies, operating to protect the national consumer and to supervise the use of the increasing funds distributed by the federal government. Consumer protection bills and institutional eligibility bills currently under discus-

sion as part of the Congressional process would bring the federal agencies much further into control of institutional operations and the voluntary accreditation process.

Any accreditation system based on the states would have to establish a plan of interstate reciprocity in order to facilitate the transfer of students and their credits. Most states have done this in the field of teacher certification and licensure, and it is conceivable that accreditation could be worked into a series of interstate compacts. This problem has been solved easily by the current arrangement of regional accreditation. In fact, so many problems could develop if the current system (with some modification) is not kept, that this approach has much to recommend it as the system of the future. Some significant changes could improve it and major efforts currently underway may lead to improvement in the near future.

### Developments in Business Auditing

In a previous publication the author, with Frank G. Dickey, has presented in some limited detail the long historical background behind current business auditing. Readers without this background are encouraged to examine that document because it compares voluntary educational accrediting and business auditing, pointing out differences but emphasizing some useful similarities (15, pp. 11-21). This discussion will be limited to a brief summary of four of the most vital points, including additions due to changing circumstances.

1. Business auditing is required by a regulatory agency of the United



States government, the Securities and Exchange Commission, acting on the basis of laws within the commerce clause of the Constitution. The Securities Exchange Act of 1934 provides that the Commission "may prescribe" the items or details to be shown on balance sheets and earnings statements of corporations, as well as the methods of reporting. The Securities and Exchange Commission, however, has used the permissive "may prescribe" as a basis for cooperation with the professional peer group in accounting and auditing. Their "generally accepted accounting principles" and "generally accepted auditing standards" and reporting methods have been the primary base for certification of business.

Education, on the other hand, is left out of the Constitution leaving the states with responsibility for its provision and governance. The accreditation of educational institutions has evolved voluntarily without state or centralized federal control. States have used the results of the work of the regional accrediting associations for state purposes and essentially have adopted the same methods used by the SEC, namely professional, peer group-developed standards, criteria, reporting, and decision-making. For example, a recent statutory amendment allowed the California State Universities and Colleges to award the doctorate jointly with a private institution of higher education accredited by the Western Association of Schools and Colleges. Since the associations are regional in nature, they have been relatively free of state surveillance although that has been less characteristic recently. In

California; for example, laws have been proposed which would force accrediting bodies to observe the "open meetings" laws of the state when conducting business affecting California institutions.

2. A number of characteristics of the auditing process are comparable to the processes used in educational accrediting. Tasks to be performed are similar; judgments are to be made on the basis of evidence which is reasonably available; both assume that the data made available are based on honest efforts of the organizations and their personnel; neither assumes that the appraisal is an exact science but is to be as complete and accurate as possible; the postulates of auditing, with minor changes in terms, would apply quite well to the educational accrediting process; data should be verifiable; sampling of programs or data should be adequate; and reporting should be objective and not reflect the personal biases of the person doing the appraisal.

The business auditing process includes construction of financial statements of various types, long and short form reports (all based on an organized information system within the company which can be verified through audit), a management letter describing the findings of the audit, and an action-statement of the "opinion" of the auditing group regarding the status of the financial statement of the business. The institutional self-study reports which have been developed during the past 25 years are "educational statements" based on the information systems at the higher education institutions, and would be verifiable by an evaluation team as an essen-

tial part of the educational auditing process. The annual reports presented by many institutions to the regional associations are analogous to the short-form reports which are published in annual reports of business, government, philanthropic, and other voluntary enterprises. The reports made by the visiting teams to their respective accrediting commissions approximate the confidential management letter prepared by a business auditing team. And, the idea of the annual publication of an "educational prospectus" by an institution of postsecondary education has been derived directly from the SEC requirements of a "full disclosure" financial prospectus. (See example from Carnegie-Mellon University, Appendix A)

3. The process of establishing the standards and methods of business auditing is always under review and has changed a number of times during the past half-century. The current Financial Accounting Standards Board was established in 1972 and is composed of full-time persons adequately remunerated, has a large advisory council, and is responsible to an independent nonprofit board. The Council on Postsecondary Accreditation has some comparable characteristics but some important differences. The regional associations and commissions set their own standards but use COPA to help them work closely together. Both FASB and COPA have delicate problems of relating many disparate points of view in working with the professions. Both of these new organizations have a renewed zest with which to approach the constantly changing problems of determining and reporting accountability.

4. There are a number of other criterial differences between auditing and accreditation. The work of auditing is carried on by highly trained, certified, and well-paid professionals. Accreditation, whether regional or specialized, is carried on by selected professionals with some limited training, serving without pay or with very modest honoraria. Business auditors work full time at the task, while the bulk of visiting and reporting in accreditation is done by professionals in various fields of postsecondary education as an overtime task, without secretarial help, and as a professional obligation with little or no monetary return. Their chief reward is an intangible fulfillment which stems from a sense of contributing to the improvement of postsecondary education as a whole. It is both a professional recognition and a professional obligation, somewhat similar to the responsibility of medical doctors to provide service to those unable to pay, and as a part of the ethics of the profession.

In addition, of course, the educational audit would encompass far more than the financial audit, which is just one part of the entire institutional evaluation. The assessment of the educational programs is far more complex and less subject to quantification. The business auditing system provides that the corporation can select another of the various auditing firms, either national or regional in scope, if there are disagreements about fees, relationships of corporations and auditing officials, methods of reporting, or similar problems. In the accrediting process there is limited opportunity for the postsecondary education institution to participate in the

selection of the visiting team. An institution can request a second team in some circumstances, but the free marketplace choice of an auditing company by a corporation is not available. The Securities and Exchange Commission now requires some information about reasons when a new auditing firm is appointed, but there is much greater freedom of choice in choosing business auditors.

In summary, accreditation can profit in a number of ways from some of the experiences of the auditing profession since 1934:

- There might be improvement in the total process if more of the work were to be carried on by full-time professionals, without losing the value of having many of the professional participants serving on a part-time basis as at present. There is a need for a research staff, similar to that of the Financial Accounting Standards Board, to be working on basic principles of assessment and procedures to be followed.

Some form of continuity is needed between each institution and the main members of the team which will work with it as representatives of the accreditation body

- The standards of the regional associations and the specialized associations, and their respective commissions, should be similar enough to discount claims that great regional differences invalidate the entire process. The business auditing system, even with all its current problems and its many auditing firms, has sufficient

comparability in its standards and their application to be quite credible, most of the time.

### Proposals for Educational Auditing in Postsecondary Education

The changes suggested in the existing regional accreditation system are encompassed in the proposed educational auditing plan. It is *not* a new plan and follows the same basic steps as current accrediting procedures. Implicit in the proposal, however, is the limited expansion of the research staffs of the regional accrediting commissions and the Council on Postsecondary Accreditation in order that they can be working continually on the revision and adaptation of the "generally accepted educational auditing standards" and "generally accepted accrediting procedures" used in the institutional accrediting process.

The regional commissions should develop teams of expert educational auditors. Based on the experience of business auditing, some of the staff personnel should be full time, adequately paid professional personnel who can provide leadership on visiting teams; keep procedures constant from institution to institution, and provide continuity in the relationship with institutions which are making serious efforts to improve the quality of their programs.

The regional commissions also need to develop educational programs for their professional staff and provide levels of certification depending on their responsibilities. Four different certification groups are suggested, as follows:

- *Visiting committee members,* with particular fields of ex-

expertise in their own area of interest;

- *Committee chairpersons*, with past experience as team members, plus special training for the leadership responsibility;
- *Educational auditors*, specialists in all phases of accreditation, with experience and study of the field; and
- *Commission members*, with broad experience in accreditation, special study, background and experience, all of which qualifies them to participate in the final decision-making process.

The Council on Postsecondary Accreditation needs to develop its research program to assist in the certification process and to conduct training programs if the regional or specialized associations desire it. In addition, it could assist by developing a data bank of trained educational auditors and committee members, for use across regional lines. If desired, the certification system could be combined with an overall data bank, but there is great merit in keeping the system regional in the main.

The basic steps in the accrediting process for an institution should be essentially the same as the well-developed systems now in effect, with some modifications as suggested below. The process as modified would involve the following steps:

1. *The institution carries on a self-study and prepares two formal reports which include the educational statements of the institution and a short-form report for publication.*

The current system of institutional self-study as used by the six regional accrediting associations provides an excellent pattern for the educational auditing process. The policy manual of the Northwest Association's Commission on Colleges is comparable enough to that of the other associations for use as a basis for this discussion. In the manual, procedures to guide the institution and the evaluation team through all steps of the accrediting process are carefully described. If these steps are followed, the accrediting commission should be able to attest to the public and to other groups interested in an institution that a given institution functions with well-defined and appropriate educational objectives; that it is supported, staffed and organized to accomplish its objectives in a substantial way at the time of examination, and that it can be expected to continue to perform satisfactorily.

The Northwest Association's Manual of Standards and Guide for Self-Study provides "standards" for eleven major areas which must be included in the educational statement of the institution. These areas are: (1) institutional objectives and statement of purposes; (2) finance; (3) physical plant, materials, and equipment; (4) library; (5) educational program; (6) instructional staff; (7) administration; (8) students, (including admissions, registrar, orientation, advisement, counseling, testing, financial aids, housing, food services, extracurricular activities, athletics, placement, and alumni relations); (9) special services and activities; (10) research; and (11) graduate programs. In each of the eleven areas, questions have been developed and organized to

illustrate the minimums to be attained by the institution and examined by the evaluation [or educational auditing] team. Following the statement of standards, there is a specification of the way in which the self-study shall be prepared, and a description of the data related to the standards. A number of specific charts of data are required, such as (1) the sources of operating income for the past four years; (2) instructional costs for each department; (3) a profile of the faculty by ranks, part time or full time, and including educational backgrounds; and (4) enrollments of students with certain breakdowns. Specific types of evidence are requested from the institution as to achievement of its missions. In addition, there is a required appraisal of the success of the institution in meeting the eleven standards. This is stated as a "request for analysis with a minimum of description."

Since the evidence in the educational statement relative to "attainment" must be tested by the evaluators, the six regionals and their respective commissions should be comparable in: (1) the areas included in the educational statement; (2) standards to be achieved; (3) the evidence which should be presented to indicate the achievement of the standards, and (4) the tests that should be applied to determine the accuracy of the analysis made by the institution. Fortunately, all of the regionals have relatively similar frameworks for their areas of study. Although grouped or stated somewhat differently, the areas to be reported and standards to be achieved have great commonality. Thus, over a relatively short period of time it should be possible to

arrive at a comparable statement of "generally accepted educational standards" and a statement of "best evidence." The reports based on these statements should not require data that are not needed, that are not usable, and that cannot be verified by the educational auditors. The institution should be able to use the accrediting manual for developing a dynamic, continuing information base (used on a regular basis on the campus) and a communication plan to distribute appropriate data internally. This will make the self-study easier to complete and provide consistent and comparable "evidence" in the study.

A short-form report prepared by the institution and the formal short-form report of the educational auditing team should, together, make up the official short-form report that would be published in the annual or biennial catalog of the institution, be contained in the president's report to the board, and be widely distributed to the public. The long-form report also should be presented to the board of the institution.

The institution's short-form report essentially should be a synthesis of the information in the self-study, long-form report. It should be based on each of the same key areas covered in the overall educational statement, with emphasis from year to year on particular objectives that are stressed in that year or biennium. Ideally, an educational "prospectus" would be included in the short-form report and the information contained in it meshed with the total report so that unnecessary duplication is avoided. Key charts of data on finances, programs, student distrib-

ution, placement records of graduates, financial aid distributions, and selected similar critical data should be included in the short-form report.

Ideally, a model self-study is prepared and sent to the regional association every year and includes a realistic appraisal by the institution of the achievement of its stated goals and its continuing needs for improvement. Any substantive changes since the last complete team visit should be reported and evaluated in advance. Depending on the status of the institution it may be visited as necessary, normally at five-year intervals after achieving full accreditation. When a full visit is planned, the self-study should be more extensive and the educational statement should demonstrate its completeness. The annual budget of the institution should provide a good basis for reviewing stated objectives, and both the financial statement and the educational statement should be verifiable, based on reasonably available data. If necessary, to satisfy the needs of any other organization or agency, the institution should be able to call on educational audit.

2. *The regional commission appoints a visiting committee when notified that the institution requests a special visit. Otherwise, a committee is appointed several months in advance and assignments of special responsibilities of team members are established.*

3. *The team of educational auditors, specialized committee members, and the chairperson conduct an on-site investigation to verify the assertions in*

*the educational and financial statements.*

The data required in these statements should make it possible for the educational auditing team to render a judgment and to prepare an appropriate management letter, plus a verified short-form report. If the team questions any of the institutional statements these should be discussed with the institution and changed to mutually satisfactory substatements. If agreement is not possible, the educational auditing team should add appropriate qualifying footnotes.

The educational auditing team has the same options as a business auditing team, which are to provide (1) an unqualified opinion, (2) a qualified opinion, (3) an adverse opinion, or (4) no opinion, giving the reasons.

The standardized form developed in business auditing could be adapted to educational auditing and should include (1) the scope of the examination, (2) the criteria that have been used in carrying out the educational audit (including a description of the tests applied), and (3) a statement as to any special educational auditing procedures used to assess special characteristics of an institution or program.

As to the second item mentioned, it would be desirable for the regional associations to develop a common set of generally accepted educational auditing principles of criteria to serve as a basis for the tests. The language of these principles could be used in abbreviated form to disclose how the audit was conducted.

Regarding the statement about any special procedures used, it should be recognized by all that

nontraditional programs or institutions, for example, may require such specialized procedures. The regional associations already have developed some procedures for dealing with evaluations of such special situations. It would be desirable for the six regional associations to agree on a standard set of generally accepted special procedures for those situations known to be common to a number of institutions.

The remaining parts of the educational auditor's report should be in a separate paragraph, similar also to the form of the business audit. This second paragraph should contain the opinion of the auditing team. The business auditors do not state that the financial statement is true and correct; rather, they aver that it is fairly presented, and in their opinion, is free of material misstatements and omissions. Finally, they indicate that the results of the institution's operations have been recorded on a consistent basis using generally accepted accounting principles. A comparable paragraph would be desirable from educational auditors (see Appendix B).

4. The committee submits a report of its investigation to the regional commission, along with its signed statement and its recommendations. The evaluation report is distributed to those who will be involved with it, and copies are sent to the institution for any response it may care to make. Except for the actual recommendation, there should be no surprise to the institution since items in the educational statement which were not clearly verifiable should be discussed and

examined further while the team is on the spot.

The management letter of the business audit has many aspects comparable to the current evaluation report prepared by an accrediting team which follows the outline of the educational statement or self-study. Any suggestions for institutional actions are made in the evaluation report, including items which are not questioned by the team members but where suggestions for improved reporting, data collection, or service are noted. Any questions of fact pertaining to suggested institutional actions need to be verified, and officials of the institutions should have an opportunity to provide additional data or make observations relating to the item before it is included in the final document. The opinion of the team and recommendations regarding accreditation should be included in the final document.

This report normally is not published unless the institution wishes to do so. The short-form report, with the educational auditor's opinion, would be intended for general publication. Some institutions do publish the full evaluation report, after the regional commission has finished all action based on it. If and when a complete system of educational auditing has been developed, every institution could publish the short-form educational statement and use the larger evaluation report for internal improvement.

5. *The commission officials and the team chairperson agree on any factual changes that may need to be made and the final reports are prepared.*

There should be a short-form report that is prepared by the institution and accepted by the team's commission for potential inclusion in the catalog of the institution. A long-form report, basically the entire institutional self-study, and the evaluation report prepared by the visiting team should be reviewed by the commission. As a result of this consideration, the commission should take appropriate action and notify the institutional officials. The short form with the certification of the auditing team could be placed in the next catalog and annual reports of the institution. The evaluation report of the visiting team and the official statement of commission action should go to the institutional board or boards for their information.

6. *The institution carries on its regular annual self-study, analyzing its achievement of its goals. It reports to the commission of any substantive changes. If they require modification of the certified short-form report, a new visiting committee examines and reports on the substantive change.*

In order to foster continuous self-study it is desirable that each institution assign skilled educators to implement and monitor the process. They should be knowledgeable about the entire process, and as capable of applying the auditing, evaluative, and procedural standards as the persons on the visiting teams. If not, the team should note this fact; and one of the responsibilities of the commissions should be to assist the institutional staff to develop such competency.

On the conduct of the educational audit itself, the experience of business auditors provides a number of valuable insights and guidelines. A few critical items from that experience must be incorporated into the process if educational auditing is to succeed as a major forward step in accrediting.

A professional in the accrediting field has always been assumed to be of the highest integrity and moral character, and this contributes to the self-regulation which is basic to the process. Even so, a national code of ethics for accreditors would be desirable. The experience of business auditors in the field of civil liability can provide some precautionary guidelines. Procedures for visiting teams need to be quite complete in order to minimize negligence. This suggests strongly the necessity for clear statements of generally accepted educational standards and generally accepted accrediting procedures to be used as the basis for the findings and recommendations.

Miller's report stressed two factors that would enhance the credibility of the voluntary accreditation process: "(1) make increasing use of independently appointed public representatives, and (2) utilize a public hearing approach to the development of major policies and standards" (19, p. 210). Wide notice of any proposed changes, plus hearings, would do much to remove the mystery which surrounds the accrediting process in the minds of some concerned critics.

The election or appointment of members of accrediting teams also is quite important to the reputation of voluntary accreditation. Certainly, there should be no potential



conflict of interest involved for any of the members. In addition, a certified educational auditor should know the work so well that personal biases are never apparent in the questions asked on the report and the recommendations submitted.

The type and quality of evidence is an important consideration to an auditor. The objective of the investigation by professional business auditors is to present an opinion of the "fairness of the presentation of (the) client's financial statements" (29, p. 107). In order to do this, evidence must be acquired about the quality or truth of the information furnished. For the educational auditor, this means there must be information verifying the statements in the institutional self-study in order to determine whether it is complete and accurate.

Evidence in an educational statement would be somewhat different from that in a financial statement, but the importance of the main point is clear. Evidence can be obtained through: (1) observations; (2) inquiry regarding any inconsistencies; (3) confirmation, often in writing, of general statements in the materials which have no backup data presented; (4) recomputation of some types of data to be sure they are accurate; (5) ratio or trend analysis, which is especially useful in financial data but also valuable in analysis of programs and majors; and (6) corroborative evidence of any critical points which seem poorly supported by factual data or opinions of particular persons or officials. For example, it is always important to consult the minutes of the institutional board and any committees involved in the governance of the institution.

The directions for each regional accrediting team should be quite explicit regarding the types of evidence which should be secured for different sections of the self-study. In this way the institution and the team know exactly what is expected and the procedure that can be anticipated during a visit. Auditors' reports in business are either unqualified or qualified. If qualified, the short-form report to be placed in the college publications must be modified. The new wording has to be agreed upon or the auditor should include a special note which must be added to the short-form report as it is published.

Educational statements include intangibles and estimates very similar to financial statements. In some cases a disclaimer may be an appropriate note to include since there may be no way to verify completely some parts of the educational statement. Finally, the auditor may feel compelled to add a note which is an adverse opinion. This really means that the self-study is not fairly presented and that he cannot approve any short-form report. With the increasing legal responsibility of accrediting teams and commissions, the manner of reporting the evidence and conclusions of the team takes on great importance. Past experience in the field of business auditing can be very helpful in avoiding pitfalls that may confront accrediting team members and educational auditors in the future.

#### Conclusion:

In 1960 William K. Selden had the foresight to predict:

... that if the states, for whatever reasons, do not now provide for the

people and the nation adequate protection against fraudulence and inadequate standards in education, the federal Congress will find a way to act where the states have failed. Burgeoning pressures from increasing college-age populations provide economic inducements for the operation of institutions with inadequate, even dishonest, standards. This type of institution the people now will not accept and the nation can no longer afford (22, p. 54).

Since that time we have changed into a nation with some empty spaces in many universities, colleges, institutes, and schools; with even fiercer competition for students; and with questionable practices by a number of different types of institutions. Shady practices still exist, and the federal establishment is moving ponderously in the ways

Selden prophesied. The accrediting associations have served as the major evaluators of educational quality. If they are to continue in this function, there will be a need for relatively comparable standards and reporting systems.

The educational auditing proposal presented here can be a valuable addition to the current system. This approach will provide better and more regular reporting to interested constituent groups. It will result in more than a single sentence in the catalog and will be based on a continuing process. Finally, it will continue to be concerned with educational quality, the ultimate reason for professionals to work so hard to provide accreditation at such a small cost to the society.

## Appendix A

(An example of an "Educational Prospectus"—similar to an SEC disclosure prospectus)

### CARNEGIE-MELLON UNIVERSITY—Pittsburgh, Pennsylvania 15212

Independent university. Baccalaureate degree offered in College of Fine Arts, College of Humanities and Social Sciences, Carnegie Institute of Technology and Mellon Institute of Science. Graduate degrees offered in these colleges plus the Graduate School of Industrial Administration and the School of Urban and Public Affairs. Co-educational. Enrollment—Fall 1974—including full-time and part-time students: 3,281 men, 1,229 women, total 4,510. 3,742 full-time, 768 part-time students, 3,998 total full-time equivalent. 807 of the full-time and 501 of the part-time students are graduate degree candidates. Professional accreditation in architecture, art, business, chemistry, engineering (chemical, civil, electrical, mechanical, metallurgical), and music.

**Sponsorship and Control**—Became a university after merger with Mellon Institute in 1967. Controlled by a 64 member self-perpetuating Board of Trustees.

**Special Programs**—Post-College Professional Education; Program for Executives (under Graduate School of Industrial Administration). These are not degree programs.

**Faculty**—The faculty consists of 167 full, 137 associate, and 132 assistant professors, 76% of whom hold doctorates. There are also 11 instructors, and 84 part-time instructors and lecturers.

**Students**—50% of the undergraduate full-time student body comes from Pennsylvania and 50% from other states and 12 foreign countries. The graduate student body represents 49 foreign countries as well as most of the states of the United States. Financial assistance is provided to 68% of the undergraduate student body.

**Library**—Hunt Library contains 485,000 volumes, including bound journals. The Hunt Institute for Botanical Documentation contains 11,000 manuscripts, 8,000 volumes and 63 titles not known elsewhere plus 4,800 botanical water colors and drawings, 5,100 letters from botanists prior to 1805, and 300 engraved portraits of botanists.

**Finances**—The book value of endowment was \$109,870,569 as of 30 June 1974, and the operating budget was \$22,302,000. The income came 24.9% from tuition, 32.9% from sponsored research, 11.9% from gifts and grants, 14.3% from endowment, and 16.0% from other sources.

**Plant**—The plant value, including equipment, is \$82,242,905. There are 92 acres on the main campus, plus 235 acres at Bushy Run Radiation and Chemical Hygiene Laboratories. There are 61 teaching laboratories and 133

research laboratories on the main campus; the Mellon Institute Building has 200 research laboratories; and Science hall has added approximately 70 research laboratories as well as facilities for the Computation Center.

**Significant Changes During Past Academic Year**—Two new positions added to administrative organization: Provost (also Vice President for Academic Affairs) for College of Fine Arts, Mellon Institute of Science, and Carnegie Institute of Technology; and Provost (also Dean of Graduate School of Industrial Administration) for Graduate School of Industrial Administration, College of Humanities and Social Sciences, and School of Urban and Public Affairs. Establishment of Carnegie-Mellon Institute of Research, to engage in research supported by contracts and grants from industry and government, providing opportunities for interested faculty and graduate students to gain experience through research on problems encountered in government or industry.

X  
Signed By: Edward R. Schatz  
Edward R. Schatz  
Vice President for Academic Affairs

NOTE: All statistics as of October 1974.

## Appendix B

### STATEMENT OF OPINION OF REGIONAL ACCREDITING ASSOCIATION TEAM OF EDUCATIONAL AUDITORS

We have examined the Educational Statement of (Name of the College or University) as of (Date of the Educational Statement—by year or years). Our examination was made in accordance with generally accepted educational auditing standards and accordingly included such review, evaluation, and tests of the institutional records as we considered necessary in the circumstances.

In our opinion, this Educational Statement presents fairly the educational situation and financial position of the (College or University) as of (Date of the Educational Statement), in conformity with generally accepted standards of educational record keeping, examined through generally accepted accrediting procedures and on a consistent basis.

Signed By: (Chairperson of the  
Accrediting Team)

Date: \_\_\_\_\_

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**Confidentiality and Accreditation**, by Louis H. Heilbron; 36 pp., \$2.50. Mr. Heilbron, a COPA public Board member, is an attorney at law who has written extensively on educational matters, particularly in the field of governance. In this paper he explores the legal implications of the confidential procedures inherent in the accrediting process. One of his conclusions urges accrediting agencies to restudy their procedures with respect to records and meetings to be certain that they are as open to public scrutiny as the essential purposes of accreditation permit. (July 1976)

**Respective Roles of Federal Government, State Governments, and Private Accrediting Agencies in the Governance of Postsecondary Education**, by William A. Kaplin; 31 pp., \$2.00. This report by a respected legal scholar knowledgeable in accreditation explores the current and future status of the education “Triad” inherent in the title with particular reference to determining eligibility for federal funds. (July 1975)

**Educational Auditing and Accountability**, by Fred F. Harclerod; 36 pp., \$2.00. Dr. Harclerod reports on developments in the field of voluntary accreditation and the applicability of auditing systems to the evaluation of the success of educational institutions in meeting “generally accepted educational standards.” Examples of an “educational prospectus” similar to an SEC disclosure prospectus, as well as an auditor’s “letter of opinion,” are included. (August 1976)

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### *In Preparation by Authors*

**Accreditation; Its Constant Roles and Changing Uses**, by William K. Selden and Harry V. Porter. These two “old pros” in accreditation are rethinking its purposes and contributions in the light of such recent developments as redefinition of the education universe, the downturn in economic conditions and leveling enrollments, emergence of “non-traditional” institutions, development of multi-campus systems and satellite campus operations, the student consumer protection movement, increased activity of state and federal agencies in many of the above, and the continuing proliferation of professions and their resultant accrediting activity. (Available Fall 1976)

**How the Triad Should Work** (tentative title), by Richard Fulton, Executive Director and General Counsel of the Association of Independent Colleges and Schools. Mr. Fulton originally conceived and promoted the “triad of responsibility” concept in testimony before various Congressional Committees. He will attempt in his paper to outline the appropriate areas of responsibility for each element of the triad. (Available Fall 1976)

**Academic Success and Life Success** (tentative title), by Richard Ferguson and Philip Rever of the American College Testing Program. This will be a co-authored paper dealing with relationships between "the good student and the good life." Although this topic has been much studied, the authors promise to bring new discussion of interest to the accrediting community. (Available Winter 1976)

*None of these Occasional Papers and the conclusions and recommendations they contain necessarily represent an official viewpoint of the Council on Postsecondary Accreditation. They are written to stimulate discussion; some are provocative, some may be controversial, others may be primarily historical. All are intended to add to the literature of accreditation which has been all too sparse. From such writings, future policy might be enhanced. In the spirit of scholarship, COPA is pleased to publish this series and make the papers available at cost (below total costs, actually) to all its constituents and other interested parties.*