

# ***Innovation in Access to and Delivery of Higher Education***

## **Challenge:**

American higher education is the most diverse, innovative system in the world. No other nation has our array of colleges – reflecting our unique heritage as the world’s melting pot of people of various religions and national origin. Our system of higher education also reflects an historical belief in education as an essential element of a highly functioning democracy, in which the power to govern ultimately resides in the wisdom and engagement of its people.

No sector better represents this history and diversity than private nonprofit colleges, with origins that go back to the first wave of colonial settlers, and a role in society that continues to today. The mix of colleges include traditional liberal arts colleges, major research universities, church- and faith-related institutions, historically black colleges and universities, women’s colleges, work colleges, performing and visual arts institutions, two-year colleges, and schools of law, medicine, engineering, business, and other professions.

Innovation at American colleges is an essential component of our nation’s economic health. Future economic competition is knowledge-based. It is not coincidental that the United States leads the world in overall research and development. Institutions of higher education play an important role in helping maintain this competitive edge. In the critical area of [basic research](#), America’s colleges and universities not only produce over half of such research, but also train the next generation of researchers and scientists. In these roles, they have fostered the free flow of ideas to be tested, defended, and expanded in a competitive marketplace that rewards success, but also tolerates failure.

[Innovation](#) now reaches to the very [delivery](#) of education, degrees, and credentials. Among the current array of experiments are [MOOCs](#), expanded distance education offerings, joint degrees, early college programs, evaluation and award of experiential credit, [competency-based education](#), articulation agreements, and alternative credentialing.

Given the length of time between reauthorizations of the Higher Education Act, it is not easy for Congress to design student aid programs that keep pace with this change. Indeed, several well-intentioned actions by the federal government have unintentionally impeded the ability of colleges to innovate. It is critical that Congress appreciate the dynamic transformation going on at American colleges and universities. At the same time, in supporting that transformation, Congress must not enact legislation that stifles the very innovation it seeks to promote.

## Recommendations:

- 1. Distinguish between recognizing and paying for college.** Congress should continue the long practice of actively considering when the federal student aid programs should assist students in paying for college. Deciding when to help students *pay* for college is distinct from *recognizing* the legitimacy of a new or emerging educational concept.

Here are some parallel initiatives that Congress has addressed in previous student aid decisions:

- Many high school students are completing coursework for which colleges are giving academic credit. A growing number are receiving credit for advanced placement, international baccalaureate, and community college dual enrollment program, for example, allowing them to get a jump start on core college coursework. Federal student aid programs do not – *nor do they need to* – pay for college-level coursework offered as part of the regular high school curriculum if there are no postsecondary tuition expenses.
  - Many Americans enroll in college for immediate skill and knowledge acquisition, not with the intention of completing a credential or degree. These efforts are supported by the Lifetime Learning tax credit. However, federal student aid programs have always been reserved for credential- or degree-seeking candidates.
  - Federal student aid programs fund room and board expenses for students enrolled in correspondence programs only when the expenses are incurred for a required period of residential training. Congress appropriately determined that such students are likely to already be covering their living expenses, and that assisting with housing for such students was not an expense that should be covered with federal funds.
  - Federal student aid does not pay for short-term programs, under the assumption that such programs are most likely designed to provide an immediate boost in job earnings, and can be privately funded.
- 2. Test ideas first.** Balance the desire to support new ideas with the need to protect against fraud and abuse. Just as the 1980's innovation of "correspondence courses" became a major area of fraud and abuse in the student aid programs, so too can innovations in time and place offer new opportunities for unscrupulous school operators to take advantage of students and taxpayers. In the past, tools such as demonstration programs or experimental sites have provided an avenue for controlled experimentation in the structure or delivery of higher education programs. The information gathered through these "tests" offers valuable analysis of such innovations before a full-scale federal investment is made.
  - 3. Repeal the federal definition of credit hour.** On the one hand, the federal government is encouraging colleges to innovate with time-to-degree concepts, while maintaining academic quality. On the other hand, for the first time ever, there is a federal definition of a credit hour

that promotes the “safer” course of maintaining traditional seat-time measurements. The federal definition undermines the government’s own goals to promote innovation, while also standing as a wholly inappropriate intrusion into academic affairs.

- 4 . Maintain award of credit as an academic decision.** Leave decisions about the award of academic credit in the hands of each institution – as has historically been the case. Without the protection of this core function, not only is the federal government inappropriately determining the value of an individual institution’s credential, but an important check-and-balance on both academic quality and fraud and abuse is lost.

The use of the credit hour for some aspects of the delivery of student aid does not change its core purpose as an academic – not a fiscal – unit. Determining its key components must remain an academic decision, particularly regarding recognition of credits from other institutions.

- 5. Continue to explore Pell and Loan Flex.** As noted in our recommendations related to [access, affordability, and completion](#), Pell and Loan Flex proposals hold great potential for promoting on-time completion. These proposals also can encourage innovative practices, such as awarding college credit for challenging courses in high school and thereby allowing students to complete more quickly.