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So, You Want to Be an Accreditor?

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Accreditation is meant to validate academic and institutional quality, and colleges must have the approval of an accrediting agency for their students to access federal student aid. For decades, colleges have mostly sought approval from one of a handful of institutional accreditors. ¹ Critics of the accreditation system, including the Trump Administration, believe there is a lack of competition in the current accreditation marketplace and advocate for adding more agencies. ²

Indeed, the Trump Administration has not shied away from shaking up the accreditation ecosystem. In April 2025, President Trump signed an executive order that outlined directives to reform the process. ³ The Department of Education (Department) also recently issued an interpretive rule to make it easier for aspiring agencies to seek recognition, and the Department will further review the federal requirements for college accreditors in next month's negotiated rulemaking. ⁴ The era of new accreditors is upon us. As aspiring agencies determine their missions and standards, they should clearly articulate their impact on institutions and students, their role as responsible stewards of taxpayer dollars, and how they will promote transparency and accountability. Below, we pose questions about the value that these organizations could bring. Aspiring accreditors should consider these questions and be able to answer them.

Differentiation

How does your organization differentiate itself from existing accreditors?

Policymakers across the political aisle have raised concerns about how existing accreditors evaluate institutions. ⁵ Accrediting agencies are the gatekeepers of billions of dollars in federal student aid funding—including federal loans, grants, and campus-based aid—yet have not consistently promoted quality education or held institutions accountable for strong outcomes. ⁶ Aspiring accreditors should be able to articulate how they plan to set themselves apart from currently recognized accreditors. Organization staff should be able to describe how their approaches will get different results and better serve certain institutions (and thus students and taxpayers) than traditional accrediting agencies. They should also be able to articulate how their organization will improve the accreditation system and what new approaches or processes it brings. At the bare minimum, these agencies should not endorse lower standards than existing accreditors to make it easier for colleges to gain access to federal financial aid. Otherwise, the Department risks recognizing agencies that perpetuate—or worsen—an already subpar accreditation system.

Student Outcomes

If your organization claims to promote strong student outcomes, how do its student success standards go above and beyond those of recognized accreditors?

Recognized institutional accreditors boast abysmal student outcomes. In the 2022–2023 academic year, 116 accredited bachelor’s degree-granting institutions graduated less than 25% of the students they enrolled. That same year, they collectively took in more than \$4 billion in financial aid.⁷ In response to these poor outcomes, some aspiring accreditors, like the Postsecondary Commission (PSC) and the Commission for Public Higher Education (CPHE), have sought to position themselves as outcomes-forward agencies.⁸ PSC calls itself “an accreditor for outcomes-focused institutions,” and CPHE plans “to focus on student outcomes and maximize efficiency in accreditation processes.”⁹ These and similarly-minded organizations must back up their claims with strong student achievement and outcomes standards. Such standards might include minimum thresholds for six-year graduation rates, retention rates, and a robust earnings premium to maintain access to Title IV funding. If an aspiring accreditor claims to focus on outcomes but does not set clear expectations for student success in its standards, it is not obligated to hold institutions accountable.

Institutional Incentives

Why is your organization an appealing option for colleges?

Changing accreditors can be time-consuming and expensive for institutions and programs.¹⁰ An accreditor needs to offer an especially appealing value-add or incentive to motivate a college to switch agencies. Aspiring accreditors should be able to clearly summarize the benefits that they would bring to institutions and students. For example, a hypothetical aspiring agency that specializes in accrediting small liberal arts institutions could be an appealing option if the organization offers specialized review processes, advice, and support for liberal arts colleges that other accreditors do not provide. An accreditor like this could bring unique contributions tailored to the curriculum, mission, and operations of a small liberal arts institution.

On the flip side, institutions with consistently low student outcomes may be enticed to seek approval from any new agency with lower accreditation standards, making it easier to maintain access to Title IV funding. For example, despite leaving students with worthless credentials, the notoriously predatory Corinthian Colleges chain took in millions of federal aid dollars with the approval of their former accreditor, the Accrediting Council for Independent Colleges and Schools (ACICS).¹¹ ACICS, whose recognition has since been terminated by the Department, failed to maintain or enforce minimal standards for the schools it oversaw.¹² For the expansion of the accreditation ecosystem to benefit students

and taxpayers, aspiring agencies must focus on improvements and additions to the accreditation system, rather than enticing schools with a lower threshold for approval. To do so, new organizations should implement rigorous standards that go above and beyond those of currently recognized agencies, especially when it comes to standards about student success. There is a market-based incentive to do the opposite, so policymakers should consider implementing safeguards to prevent a college quality race to the bottom.

Conflicts of Interest

How will your organization minimize conflicts of interest and ensure voluntary membership?

Federal regulations require accreditors “to prevent or resolve conflicts of interest” relating to board members, commissioners, administrative staff, and other parties.¹³ One new aspiring accrediting agency, CPHE, is operated by six state university systems and funded by the Florida Board of Higher Education. If approved, it would be the first accreditor to be run and funded by state and university systems. Additionally, six of its seven board members hold positions at the public institutions that CPHE seeks to accredit, which raises questions about conflicts of interest.¹⁴ CPHE and other accreditors with similar structures must explain whether and how they can prevent conflicts of interest while being so closely intertwined with state leaders and institutional systems.

Additionally, the *Higher Education Act* (HEA) mandates that accreditors must maintain “a voluntary membership” with the institutions that they oversee.¹⁵ If states are deeply involved in the creation and oversight of an accrediting agency, it raises questions about whether an institution’s membership can be genuinely voluntary. CPHE, and any future proposed state-run agencies, should detail plans for how to ensure and demonstrate voluntary membership with institutions free of political or other external influences.

Accountability

If your organization is operated by one or multiple states, how will it retain independence when states are involved in two parts of the accountability triad?

Accreditors, states, and the Department of Education comprise the higher education accountability “triad” that approves institutions’ access to Title IV financial aid dollars.¹⁶ Accreditors are tasked with ensuring academic quality, and the Department requires compliance with things like financial responsibility standards. And akin to how they issue business licenses, states authorize institutions to operate within their borders and oversee legal operations and consumer protection. Through the HEA, Congress made

these three entities the gatekeepers of federal aid to ensure that federal dollars flow to worthy institutions and to balance influence from federal, state, and private non-governmental entities on colleges and universities.¹⁷

Aspiring accreditors operated by one or more states, however, could disrupt the triad's balance, giving states power in two of its three facets. Organizations like CPHE that are created and run by states need to carefully consider how the agency will retain its independence from the state—or if that is even possible. It remains to be seen how CPHE will set boundaries with state authorities and establish itself as a separate, independent agency when six states are so heavily involved in the organization's growth. Such agencies should acknowledge this potential conflict and outline a plan for respecting the triad's three distinct entities.

Interaction with State Laws

How will your organization comply with existing state laws that require institutions to periodically change accrediting agencies?

Aspiring accreditors must consider how they will interact with existing state laws about accreditation. Florida and North Carolina, for example, require public institutions to periodically change accrediting agencies (in a public effort to distance their colleges from the Southern Association of Colleges and Schools' Commission on Colleges, with which they have expressed dissatisfaction).¹⁸ Both states are also at the helm of CPHE, which ultimately seeks to accredit state public colleges in Florida and North Carolina. Should CPHE become a recognized agency and oversee those states' public colleges, the laws (if unchanged) would require the schools to switch accreditors away from CPHE on a regular basis. CPHE should consult with institutional and state leaders to discern how institutions would be expected to abide by the existing state laws. Agency staff must be prepared to articulate how the organization will interact with the laws as they seek recognition from the Department in the coming years. If other states seek to create a similarly structured accrediting agency, they should also explore how their organizations would comply with state accreditation laws.

Transparency and Public Trust

What steps will your organization take to make data about its institutions public?

In a moment in which public trust in higher education is waning and attacks on accreditation are mounting, new agencies could help increase transparency about the

colleges they oversee. Advocates have long pushed for existing agencies to do better and be more transparent; aspiring accreditors could earn immediate trust and buy-in from the public by publishing student outcomes (from reliable data sources) and other data in digestible formats. The Western Association of Schools and Colleges (WASC), for example, took a step in the right direction, launching a dashboard to display student outcomes (including using Third Way's return on investment metric).¹⁹ New agencies can build on that idea with more accessible data aimed at a broader audience from the outset. For example, agencies could include graduation rates, return on investment information, and earnings data to showcase what students can expect from each institution. By broadcasting institutions' outcomes, the agencies would demonstrate a commitment to transparency and proof points for the quality of the institutions they oversee.

Conclusion

If aspiring accreditors want to be trusted with gatekeeping billions of taxpayer dollars, they must be able to answer critical questions about how they will contribute to the accreditation ecosystem. We encourage aspiring accreditors to use these questions as a starting point to reflect on hot-button issues about which policymakers and the public will want—and deserve—clear answers. If higher education is going to enter a new age of accreditation characterized by a multitude of alternative entrants, it should be done thoughtfully, prioritizing student outcomes and the responsible use of taxpayer dollars.

ENDNOTES



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