

EDUCATIONAL APPROVAL BOARD

Meeting of July 12, 2000

131 West Wilson Street, 6th Floor
Madison, WI 53703

Ray Boland, Chair of the Educational Approval Board, called the meeting to order at 9:05 A.M.

Members Present:

Ray Boland, John Brueggemann for Jon Litscher, Rick Berg, Leroy Conner, Delora Newton

Absent: Gene Kussart, Georgiana Giese

Others Present:

Jim Falco (National Louis University), Don Madelung (Herzing College), Patti Epstein (Inacom), Gary Hoffman (New Horizons Computer Learning Center), John Poland (Techskills.com), Gail Anderson (Techskills.com), Tony Driessen (Wisconsin Council for Independent Education), Deb Bartlett (ProMentor/Milwaukee), Cory Smith (Rhino Systems – Green Bay), Eric Breese (Allied Education Center – Milwaukee), Linda Heidtman, Joan Fitzgerald, Maurice Spencer, Yvonne Hagen, Pat Sweeney, Joe Davis (EAB staff).

Mr. Boland referred the members to the Minutes. Rick Berg moved approval, as written, and Leroy Conner seconded. The motion carried.

Presentations

Wisconsin Council for Independent Education [WCIE]

Don Madelung & Tony Driessen presented to the board.

Mr. Madelung, President of Herzing College, explained that the school association began in the 1960s limited to the largest, accredited, proprietary schools. At that time, he said, there were few issues that seemed to interest the schools in having a common voice. In 1993 a few of the larger schools contracted with former Governor Schreiber in an effort to open up Wisconsin financial aids to for-profit schools. This effort failed for want of sufficient support and because of opposition from those whose share would be reduced if the pie were split another way.

Mr. Madelung noted that some new issues have arisen which have stimulated the schools and WCIE now has roughly 25 members, including non-profit colleges. Two issues of particular interest are: securing GPR for the support of the EAB as a way to reduce fees paid by schools and securing access to Wisconsin education grants for students at private schools. Schools in this sector can provide occupationally oriented

training and education quickly and efficiently and ought to be treated like any other postsecondary institution.

Mr. Driessen, an Attorney with Quarles & Brady, explained his role as a lobbyist/advisor to WCIE. He noted that his role, and WCIE's interest, is in supporting the EAB in its efforts to secure GPR, to support itself, and to expand the Wisconsin financial aids system to allow access for students at private institutions. He said that visits to schools from individual legislators are taking place and being scheduled and he mentioned that the Governor and Legislature are interested in more accountability from all educational providers. He pointed out, for instance, that roughly 40% of entering freshmen at the UW-System do not ultimately graduate.

Mr. Berg asked about this and wondered if the UW were doing its job.

Mr. Driessen said that increasingly people do not know what it takes to get into the UW and what it takes to be successful. He said that there is a need for more public information regarding what it takes to successfully enter the UW.

Mr. Berg added that there is also a need to educate the public on options other than the UW.

Mr. Driessen agreed and talked about Wisconsin's well-publicized brain drain and the report that 40% of trained engineers leave the state.

Mr. Boland spoke to a larger issue – he had recently listened to Dr. David Ward of the UW-System who talked about the abnormally low numbers of individual migrating into Wisconsin. There was some further discussion on this subject of the brain drain and Wisconsin's workforce.

Information Technology Policy

Mr. Davis gave a brief introduction and turned the floor over to Joan Fitzgerald.

Ms. Fitzgerald noted that a number of computer schools were in attendance. She said that this was the 4th edition of a computer policy and it was last revised in July 1999. After that revision, EAB staff noticed some anomalies in reporting which indicated that the computer schools were serving far fewer students than expected – it turned out that the problem was with the way schools were defining 'programs' and counting enrollees. EAB staff met with the schools and agreed that the schools would define what a 'program' is in the IT industry, thus helping to resolve the problem of how to count students. She referred the board to the recommendations (attached) and asked for board approval.

Ms. Newton said that the EAB used to charge fees for what it had previously defined as programs and asked how the new policy would affect this practice.

Ms. Fitzgerald said that the new approach would, theoretically, reduce the number of individual 'programs' (subject to a fee) but would also have the affect of increasing fees paid based on the number of students.

Mr. Berg moved approval of the new policy and Ms. Newton seconded. The motion carried.

Consumer Protection & Managing School Growth

Mr. Davis discussed the intent of the paper: to raise the issue of whether the EAB ought to consider ultimate impact on the labor market of new training. He said that the board had always been leery of interfering too deeply into private sector activities, (which is why, for example, it had never attempted to deal with tuition levels). However, he mentioned the issue of supply/demand in the massage therapy field (the growth of private schools and then the entry of some Technical College System districts into the program area) and wanted to give the board the opportunity to discuss the larger subject.

Mr. Boland stated that Gene Kussart had expressed some concerns to him regarding the appropriateness of the board getting into this policy area.

Mr. Davis agreed that setting this sort of fundamental policy (some would say intrusive) would be departure, but, again, he wanted the board to have a chance to explore the issue.

After some discussion about the need for individuals to be free to make choices and for schools to be allowed to take risks and respond to new and merging occupational areas, the board agreed that this was not an appropriate area for policy setting.

Challenges Ahead

Mr. Davis explained that the nature of the new economy and labor market has been putting great demands on the EAB – the paper suggests that additional staff expertise is needed in the new high-tech areas.

Mr. Boland again referred to the presentation he had heard given by Dr. David Ward of the UW-System. He said that in reference to Wisconsin's 'brain-drain' the conclusion reached in the talk was different than what he had expected: namely, to increase the number of individuals with BA degrees.

Mr. Berg said that the state needs better-educated workers across the board.

Mr. Boland talked about the declining number of males in BA programs and noted that young people in America still tend to 'mill around' before making career decisions – the average age in the Technical College System is 28.

There was some further discussion of the unplanned nature of the work-education connection.

GI Bill Pilot: A Follow-up Report

Mr. Davis talked about a GI Bill pilot follow-up report the EAB had received from a UW-System campus. He said that this gave some good information and included feedback from actual veterans on how they felt about the GI Bill and their training. He voiced some dismay at the general lack of attention from the U.S. Department of Veterans Affairs.

Mr. Boland said that the National Governors' Association passed a Veterans Policy Agenda for the first time. This would have the affect of Governors around the nation talking about this subject – he agreed that the USDVA needed major surgery. He asked that Joe Davis prepare a short paper explaining the significance of the Outcome Report that he could use in making presentations to Congress and others.

Executive Secretary's Report

Mr. Davis reported on the EAB's current work: staff is conducting field visits and annual renewal is underway. Staff has also been meeting with clusters of schools: e.g., trucking, massage and real estate. He added that the number of schools that the EAB oversees has grown in the past 4-5 years from 80 to roughly 140 with no increase in staff – schools, moreover, are increasingly in the high-tech area and staff is doing more and more hands-on case management as opposed to the old fashioned by-the numbers compliance reviews.

Mr. Davis said that the EAB has begun functioning as the provider screen for the new Workforce Investment Act – referrals are coming in about new schools and this is generating more work. He also reported that planning is underway for the November Conference and that individual schools are beginning to invite legislators for tours.

Mr. Boland said that he wanted to get all the members at the next board meeting and proposed an October date. He hoped, by that time, to have met with Department of Administration officials and to have a sense of where the budget initiatives might be headed.

Mr. Conner asked when new IT staff might be available. Mr. Davis said that that would not be until the next biennium.

John Poland asked to address the board. He said that Distance Education is a big issue and emphasized that anyone can put up a web site and profess to be an expert. Individuals, eager for training, lose money and then have a bad experience that sours them on further training. This, in turn, turns people off to the IT field generally; at a time when more and more workers are needed. He said that the EAB ought to rigorously attack this internet 'nonsense' and he said that he has been saying the same thing in the many other states in which he works. He emphasized that non-regulation is dangerous and urged the board to do what it had to do.

Mr. Boland said that this issue had taken up time at previous meetings and the board is supportive of bigger and better capability in this area.

Mr. Berg said that the answer is bigger than just the EAB; the UW-System, for instance, has no policy in this area.

Mr. Poland said that if the EAB only tried to control that portion of the internet affecting Wisconsin it would be worthwhile – he said that a letter from the EAB and from the Attorney General would get the attention of these outfits on the Internet; some of whom, he said, are very reputable firms taking advantage of an uncontrolled environment.

Mr. Berg asked about all the sites that the EAB cannot know about – he asked how you shut down a web site.

Mr. Poland said that you simply tell them that they are in violation and take some policing actions.

Mr. Sweeney said that EAB staff is seeing this proliferation of Internet training across the board and that current 'legitimate' institutions are doing this too – it is a very difficult situation, but statutes say that if an institution serves a Wisconsin resident it must inform the EAB.

Mr. Conner said that while the EAB has compliance authority, it needs help from currently approved schools.

Ms. Newton asked about Attorney Generals in other states.

Mr. Davis said that there are no overarching standards and, therefore, no ability to have Attorneys General band together across state lines. Wisconsin, he said, is on the cutting edge.

Mr. Boland said that Wisconsin doesn't even have a higher education authority – it doesn't even have a definition of a degree. There is a search for a new sort of oversight entity.

Mr. Berg said that a different vehicle would be better.

Mr. Poland said that he had talked with some senior executives from legitimate firms and they said that states have simply never asked about their Internet operations – these institutions are just flying below everyone's radar. But, the firms still have to protect their corporate images and if a state sends out regulatory letters they will respond. He said he just wants them regulated.

Mr. Boland wants to talk about this sort of enforcement vehicle at the next meeting.

Ms. Newton moved, Mr. Berg seconded a motion for adjournment. The motion carried. The meeting adjourned at 10:45 A. M.