

**REMARKS BY ELSA NUÑEZ**  
**CIHE ANNUAL BUSINESS MEETING: 2008**

Each year when we gather together in this beautiful room, it is the pleasant duty of the Commission chair to report to the membership on matters related to the work of your Commission. Two years ago when we gathered here, we were still digesting the work and report of the Spellings Commission. Last year we focused mainly on how the Congress and higher education organizations – including the Commission – were responding to ideas set forth by the Secretary. This year, of course, the mood for higher education is different because of the economy, and I want to talk about that. But first, a few words about what has happened in Washington that is relevant to accreditation, and an update on the work of the Commission.

**Let’s talk about Washington.** You recall that the Higher Education Act authorizes federal financial aid for students attending colleges and universities and provides the means for the Secretary of Education to “recognize” accreditors as “reliable authorit[ies] on the quality of education” so that students who attend accredited institutions are eligible for federal grants, work study, and loans. A year ago, the Commission had its formal recognition review in Washington before the National Advisory Committee on Institutional Quality and Integrity. This summer we were pleased to learn that Secretary Spellings had accepted the recommendation of the Committee, and CIHE is recognized for the full five year period. Congratulations to the staff of the Commission who worked so conscientiously to achieve this goal.

Also this year, at last, Congress completed its re-authorization of the Higher Education Act. Through the meetings held around the region this Fall, the Commission’s staff have provided an update on how the law affects accreditation. Here let me just note that we are generally pleased with how accreditation was treated in the final version of the law, and we share the opinion of those who say that higher education now has a short window of time to gain the confidence of policy makers for accountability and transparency with respect to what students gain from their education. It is our responsibility to have these meaningful and important discussions about student success. The extensive reporting requirements for institutions included elsewhere in the law demonstrate the federal appetite for regulating higher education, and it behooves each of us to do all that we can to prevent that appetite from focusing on the core academic mission of the institution as reviewed through accreditation. Tomorrow there is a session at 9:00 in this room with Terry Hartle of the American Council on Education, and JD LaRock, Senator Kennedy’s former Senior Education Advisor and they will provide a more thorough update. I encourage you to attend.

**First, let me focus on the Migration of the Commission on Technical Career Institutions.** In 2003, the NEASC Trustees determined that there should be only one Commission accrediting degree-granting institutions, and that CIHE should be that Commission. Through a five-year process, the Commission has just completed the migration of 21 institutions from CTCI, the Commission on Technical and Career Institutions, to CIHE.

This year, the process was completed as two schools made the transition and were honored at the breakfast this morning:

- Central Maine Medical Center  
College of Nursing and Health Professions
- Bay State College

The transition process has been a rich learning experience for all, and we are pleased to note that the Commission’s Standards and processes proved sufficiently robust to support this migration.

We welcome the diversity of higher education represented by the former CTCI institutions that are now part of CIHE.

**Second, let me say a word about Technology.** This year the Commission and the membership are better served by a new webpage providing greatly increased access to important information, and a new relational database that increases the capacity of the Commission to serve the membership and fulfill some of its federal obligations. Louise Zak has provided strong leadership and direction to get us to this point.

**Third, Student Achievement and Success.** By now, most people in this room are aware of the Commission's initiative in this area, motivated both by a desire to be sensibly responsive to calls for higher education – and accreditation – to be more focused on understanding what students have learned and their success after graduation; and also to provide a useful structure to institutions in using the Commission's Standards with respect to assessment of student learning. Starting in Fall 2007, the Commission asked institutions completing fifth year interim reports to use this initiative, made concrete by the "E and S" forms. We expect that the narrative that is written in a report reflects the data reported in the "E and S" forms. Starting in Spring 2009, teams will visit institutions undergoing comprehensive evaluations using this new approach. While it is still early, the Commission is heartened by signs of creativity in the membership: creativity in assessment methods, in measures of student success, and in using the new forms and format to connect assessment to program review, planning, and budgeting.

This Fall, institutions attending the self-study workshop were introduced to the "Data First" approach to self studies, providing useful guidance to institutions in the self-study process and strengthening the extent to which the accreditation process is evidence-based. We are asking institutions to complete the data forms first and to connect the narrative to the data the institution is presenting.

In both of these initiatives, your Commission seeks to assure that its processes are clear, helpful, and based on the Standards of the membership.

**Fourth, Commission actions.** This year, the Commission took 158 institutional actions, an increase of 33% in only two years. Some of this increase is due to the migration of CTCI institutions; some reflects an increase in the number of substantive changes, and some is due to increased attentiveness on the part of the Commission to issues of institutional capacity in certain situations. Our meetings now regularly stretch well into Friday afternoon, and we do not see this increased level of activity abating in the foreseeable future.

**And now to the Economy.** I know you are as concerned as I am. Your Commission is mindful of the effects of the current economic and financial crisis on institutions of higher education.

The financial crisis affects every institution, though the exact dimensions and extent differ. States are cutting their funding to public institutions, even as enrollments increase. Endowments have taken sharp losses, and donors may be unable to give as much as in the past. Research funding is uncertain. Institutions with high levels of debt are facing unanticipated stress. Job losses and a freezing of the credit markets mean that some students and families cannot piece together the funding for tuition and fees. Many institutions are concerned about students who cannot afford to return next semester. While the financial crisis is national and indeed international, in New England we face these challenges at a time when the number of traditional age students has peaked or begun to decline.

All institutions are making a response to the situation even as they contemplate additional action. Travel has been curtailed. Hiring has slowed to the essentials. Building plans have been put on hold. Institutions try to avoid lay-offs, but that is not possible in every case. Some institutions may face cash flow problems that challenge their ability to make payroll and other obligations. Just last year many well endowed institutions increased their commitment to financial aid to ensure an economically diverse student body. Now those commitments are harder to keep and in some cases may be uncertain for entering classes.

We assume that recovery from the current recession may not occur for three to five years -- and indeed recovery may leave us in a "new normal," a situation unlike the one we enjoyed just a couple of years ago. If there is an upside to this crisis – and of course we must look for one – it is the renewed impetus it gives us at each of our institutions to focus on our mission and to preserve and where possible enhance what is most important. Institutions are focusing on providing access for the students they serve and ensuring that the quality of their education does not suffer. Overall, 19 of 23 of your Commissioners are at member institutions and collectively we are experiencing most if not all of the pressures faced by the membership, and are experiencing a wide range of responses, some designed for the short-term and others anticipating a longer horizon for the downturn.

Your Commission met last month and spent two hours discussing the current situation, likely projections for the future, and the Commission's role and responsibility. In considering how the Commission should respond to the current situation, we are mindful of the dual responsibilities of accreditation: service to the members for improvement, and our responsibility to ensure that an accredited institution is one that deserves the public trust.

The Commission has some tools in place. For many years, your Commission has used a process we call "ARFE" -- Annual Report on Finance and Enrollment -- to monitor the condition of financially fragile institutions. A committee of senior financial officers from member institutions, including some Commissioners, meets to review the audit, the management letter, the CIHE data forms, and requested reports from these institutions. The ARFE Committee makes recommendations to the Commission. This process has served New England higher education well. Recently, as part of our responsibilities as a federally recognized accreditor, the Commission has also reviewed the financial situation of institutions that show certain increases in the rate at which students default on loan repayment or which receive certain ratios of financial performance as part of a federal financial aid review.

Even based on data from 2007-2008, the number of institutions identified for these reviews has increased. We have every reason to believe that the number experiencing financial challenges this year is higher than it was last year, and indeed anecdotal evidence indicates that is so. The Commission will consider whether there are other indicators it can use to ensure that it is fulfilling its responsibilities to the public with respect to the financial stability of an accredited or candidate institution. While we will continue that consideration, we are also gratified by knowing that institutions facing severe challenges have sought the counsel of the Commission's staff. Indeed, in a system of self-regulation, this self-identification is a sign of strength.

The Commission is also considering whether and how it might be helpful to individual institutions in this time of financial stress. As always, the Commission seeks to be of assistance to institutions. While we have no firm plans in this area, we are open to suggestions from the membership.

We are so heartened by the high level of participation by member institutions in Commission activities and events. When busy colleagues are invited to serve on evaluation teams or as chairs, they almost always agree to serve if possible. When Commission publishes notice of proposed policy changes, it is clear that these are read and carefully considered on many of our campuses. When the call was issued this year for nominations of new Commissioners, the response was robust and diverse. When the Commission staff held meetings around the region this Fall, over 80% of institutions registered to participate. When the Commission held its annual self-study workshop, over twice as many people attended as at the self-study workshop only five years ago.

The work of regional accreditation depends on volunteers – to serve as Commissioners, team chairs, team members, committee members, presenters at workshops and the annual meeting. This year, over 300 presidents, academic officers, financial officers, faculty members, librarians, and experts in student affairs and technology, along with the Commission’s public members contributed their time and talent.

In our system of self-regulation, participation at this level is vitally important. The enduring lesson from the Spellings Commission may be a reminder that to keep this system of accreditation in the hands of the academy – with public input and participation – it is vital that our member institutions continue to participate vigorously, creatively, and consistently.

On behalf of the Commission, we are very grateful to each of you, thank you.