

AGENCY OF EDUCATION

Barre, Vermont

TEAM: Fiscal and Regulatory Monitoring and Legal Teams

ITEM: Will the State Board of Education grant to Vermont HITEC, Inc., d/b/a Institute for American Apprenticeships (IAA), a certificate of approval to offer postsecondary credit bearing courses and a certificate of authority to grant postsecondary degrees, specifically the Associate of Applied Science degree in Individual Studies?

RECOMMENDED ACTION:

That the State Board of Education not grant IAA a certificate of approval to offer postsecondary credit bearing courses and not grant IAA a certificate of degree-granting authority.

STATUTORY AUTHORITY: 16 V.S.A. § 176

LEGAL FRAMEWORK:

Any postsecondary school that operates primarily or exclusively in the State of Vermont must apply for and receive a certificate of approval from the State Board of Education (SBE) prior to admitting the first student. 16 V.S.A § 176(c)(1)(B). Also, every postsecondary school shall secure a certificate of degree-granting authority from the State Board before it confers or offers to confer a degree. 16 V.S.A § (c)(2). Accordingly, approval of the SBE is required before IAA may engage in either of these activities.

State Board of Education Rule 2243 describes the application and review process. When an institution is applying for degree-granting authority, the Secretary is required to contact the Vermont Higher Education Council (VHEC) to review the application and, if necessary to verify its contents, visit the school. A copy of VHEC's recommendations must be provided to the applicant and the Secretary. The applicant has 30 days to respond to the recommendation and "if requested, shall be afforded a hearing before the [secretary] or his or her designee before a recommendation regarding certification is made by the [secretary] to the State Board." SBE Rule 2243.2.

This process was followed with respect to IAA. Upon receipt of the application, the Agency of Education (AOE) contacted VHEC about conducting a comprehensive review of IAA's application materials and making a written recommendation to the SBE. VHEC assembled a team of higher education professionals to do this review and conduct a site visit of IAA. The VHEC team met with IAA staff members several times during March and April 2017 and met with school officials at IAA's executive offices on April 13, 2017. The VHEC Team issued its report to the Secretary and IAA in May 2017. IAA responded to the VHEC team's recommendations and requested a hearing with the Secretary. A hearing was held on

November 20, 2017 before the Secretary's designee, Molly Bachman, General Counsel. Gerry Ghazi, CEO, President and founder of IAA attended and spoke on behalf of IAA. Cassandra Ryan, AOE Fiscal and Regulatory Compliance Coordinator, was also present. The Secretary issued her decision on March 19, 2018.

The VHEC report is attached hereto in accordance with Rule 2243.2 (State Board to be provided with a copy of VHEC's recommendation). Attachment A. IAA's response and the Secretary's determination of IAA's appeal are also attached (Attachments B and C respectively).

RATIONALE:

The Secretary's recommendation to the Board relies on the attached documents and the testimony provided at the hearing, which are briefly summarized below.

a. VHEC's Recommendation:

The VHEC report is comprehensive and addresses specific standards. The Recommendation section contains this summary:

In the team's appraisal, the applicant has not demonstrated that it has successfully met several of the ten standards. Student services, organization and governance, faculty and staff, and educational program are among our chief concerns.

While IAA is an impressive provider of workforce education in Vermont with much to be proud of, it is the team's assessment after careful review and study, however that this applicant is not yet positioned to receive certification to grant college credit or award Associate Degree credential. The number of stipulations and heft of work required to be so certified would outweigh a positive recommendation.

b. IAA's Response:

IAA responded in writing to many of the VHEC Team's findings. It had discussed some of them with the Team during the review. The Team issued its report after those discussions. IAA also presented a comprehensive description of its philosophy and operations at the hearing before the Secretary's designees.

c. Secretary's Decision:

The Secretary found: the Review Team's evaluation of IAA, based on IAA's application and the Review Team's site visit, supports its recommendation; IAA's responses also support the Review Team's recommendation; IAA's written response to the report and its testimony at the hearing voiced a willingness to do what is necessary to obtain approval without accompanying steps toward creating a general education curriculum; and IAA's workforce development model has worked well for IAA and its employer/partners and it has no real immediate plan to become a different kind of institution.

STAFF AVAILABLE: Molly Bachman, General Counsel

Cassandra Ryan, AOE Fiscal and Regulatory Compliance Coordinator