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BACKGROUND: ACADEMIC PROGRAM APPROVAL IN CT

12 **private, non-profit independent colleges** that meet certain standards laid out in statute are exempt from having to have every new program they introduce approved by the Office of Higher Education. To qualify for the exemption, institutions must:

- Be regionally accredited and in good standing for at least 10 years;
- Be eligible to participate in federal student aid programs administered by the U.S. Department of Education, which monitors student loan default rates, among other things; and
- Be in good financial health, maintaining a financial responsibility composite score greater than 1.5 as determined by the U.S. Department of Education.

This exemption was originally established via [Public Act 16-36](#) and then extended for two more years in 2018. [Public Act 18-33](#), which passed unanimously in the House and the Senate, placed a **cap of 12** on the number of programs independent institutions can introduce without going through the program approval process. The 2018 law also required that institutions file a **Program Actions Form** with the OHE for every new program that it introduces, prior to students being enrolled. Institutions must also notify OHE when programs are discontinued. [Public Act 19-26](#) removed the sunset date of July 1, 2020, making this limited exemption permanent.

Why is this issue important to private non-profit colleges?

The program approval process can be lengthy, burdensome and costly to institutions—taking many months to complete but rarely, if ever, are programs turned down for approval. **In 2015, over 100 programs were submitted for OHE approval and not ONE was turned down.** Delays in approval can mean an entire academic year is lost—depending on the timing of the decision—because institutions cannot market new programs prior to OHE approval.

Why is this issue important to our state's employers?

The workforce needs of our state's employers are evolving constantly. Higher ed cannot respond fast enough. Businesses need our higher education institutions to be nimble and responsive and to have the capacity to develop new programs to produce the talent that employers are looking to hire.

Which CT Higher Education institutions are eligible for the exemption?

12 private, non-profit higher education institutions currently meet the criteria in C.G.S. 10a-34(l) for the program approval exemption by OHE. They are:

Albertus Magnus College
Fairfield University
Goodwin College
Hartford Seminary

Holy Apostles College & Seminary
Mitchell College
Quinnipiac University
Sacred Heart University

University of Bridgeport
University of Hartford
University of New Haven
University of Saint Joseph.

Which CT Higher Education institutions are NOT impacted by the exemption?

- **4** private, non-profit higher education institutions have always been exempt from state oversight and academic program approval because of the date of their charter: Connecticut College, Trinity College, Wesleyan University and Yale University.
- **UConn** and the **CSCU** system became exempt from OHE program approval in 2013.
- All other higher education institutions in this state, including for-profit institutions and private occupational schools, are **still required to obtain approval by OHE for new programs.**

Do other states require state approval for new programs offered by non-profit higher education institutions?

- **35** states have **no oversight** over new academic programs offered by non-profit higher education institutions. (see [here](#) for more info)
- **8** states **exempt the majority of non-profit institutions** of higher education that meet certain criteria, similar to CGS 10a-34(I).
- **6** states require state review of new programs offered by non-profit institutions of higher education. **However, in these states, public institutions are subject to the SAME process.**

Is there a fiscal impact?

The 2016 legislation led to a [COST SAVINGS](#) to the state due to the decrease in staff required at OHE.

While there is no correlation between high graduations rates and additional state oversight over academic programs (see [here](#)), C.G.S. 10a-34(I) does include some guardrails to protect students.

To be exempt from Program Approval by OHE, institutions must:

- Be **regionally accredited in good standing by NECHE**, which offers comprehensive, ongoing oversight over an institution, including faculty standards, financial health of the institution and the reporting of student outcomes for every program.
- Be **eligible to receive federal student aid**. To continue to be eligible to receive Title IV federal student aid an institution, among other things, must maintain [a cohort default of 30% or lower](#). **The average default rate for the CCIC institutions impacted by this bill is 5.59%.** The average default rate for CT Community Colleges is 12.38% and for the CSU's it is 5.9%.
- Have a [Financial Responsibility Composite Score](#) greater than 1.5 as determined by the U.S. Department of Education. This Score is designed to measure a college's overall financial strength based on metrics of liquidity, ability to borrow additional funds if needed, and net income. Scores can range between -1.0 and 3.0, with colleges scoring at or above 1.5 being considered financially responsible and can access federal funds. Only private colleges must submit this data to the USDOE, not public colleges. **The 10 CCIC institutions eligible for the exemption have a composite score of 2.5 or higher.**
- Schools must file a [Program Actions Form](#) with OHE prior to enrolling students in a new program.
- There is a cap of 12 on the number of programs independent institutions can introduce without going through the program approval process.