

October 2005

TRANSFER STUDENTS

Postsecondary
Institutions Could
Promote More
Consistent
Consideration of
Coursework by Not
Basing Determinations
on Accreditation

Highlights of [GAO-06-22](#), a report to congressional requesters

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Postsecondary Institutions Could Promote More Consistent Consideration of Coursework by Not Basing Determinations on Accreditation

Why GAO Did This Study

Each year thousands of students transfer from one postsecondary institution to another. The credit transfer process, to the extent that it delays students' progress, can affect the affordability of postsecondary education and the time it takes students to graduate. Seeking information on the processes and requirements that postsecondary institutions have in place to assess requests to transfer academic credits, Congress asked GAO to examine (1) how postsecondary education institutions decide which credits to accept for transfer, (2) how states and accrediting agencies facilitate the credit transfer process, and (3) the implications for students and the federal government of students' inability to transfer credits.

What GAO Recommends

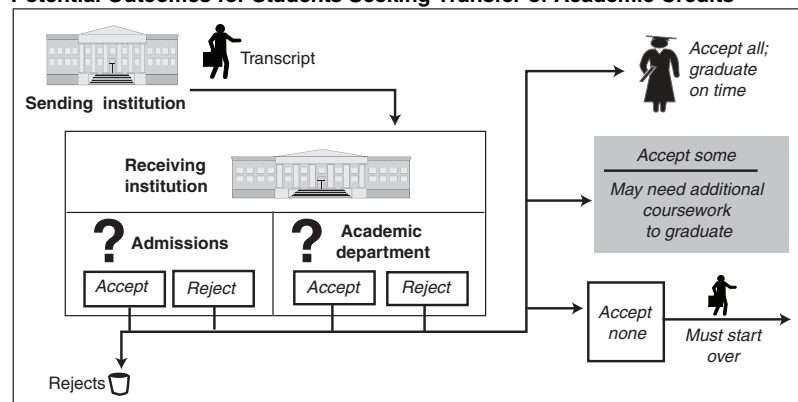
GAO suggests that Congress consider further amending the Higher Education Act of 1965 to require postsecondary institutions eligible for Title IV funding to not deny the transfer of credit on the basis of a sending institution's type of accreditation.

What GAO Found

When deciding which credits to accept from transfer students, receiving institutions consider the sending institution's type of accreditation, whether academic transfer agreements with the institution exist, and the comparability of coursework. However, institutions vary in how they evaluate and apply a student's transferable credits. Many officials from postsecondary institutions with regional accreditation told GAO that they would not accept credits earned from nationally accredited institutions. To streamline the transfer process, most institutions have transfer agreements with other institutions that generally provide for the acceptance of credits from the other institution without further evaluation. In some instances, institutions review student credits—not rejected for other reasons, such as accreditation—to determine comparability to their academic offerings.

State legislation, statewide initiatives, and the accreditation standards that accrediting agencies set help facilitate the transfer of academic credits from one postsecondary institution to another. Among other things, states support the establishment of statewide transfer agreements, common core curricula, and common course numbering systems. Accrediting agencies facilitate the transfer process through the standards they set. The accrediting agencies that GAO reviewed generally adhere to the principle that institutions should not accept or deny transfer credit exclusively on the basis of a sending institution's type of accreditation.

Potential Outcomes for Students Seeking Transfer of Academic Credits



Source: GAO analysis and Art Explosion.

A student's inability to transfer credit may result in longer enrollment, more tuition payments, and additional federal financial aid, but current data do not allow GAO to quantify its effects on the students or the federal government. Data are not available on the number of credits that do not transfer, making it difficult to assess the actual costs associated with nontransferable credits.

www.gao.gov/cgi-bin/getrpt?GAO-06-22.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cornelia Ashby, (202) 512-7215, ashbyc@gao.gov.

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Abbreviations

AACC	American Association of Community Colleges
AACRAO	American Association of Collegiate Registrars and Admissions Officers
BPS	Beginning Postsecondary Students
CCA	Career College Association
CHEA	Council for Higher Education Accreditation
CSU	California State University
FACT	Florida Academic Counseling and Tracking for Students
HEA	Higher Education Act
IPEDS	Integrated Postsecondary Education Data System
IHEP	Institute for Higher Education Policy
NATN	National Articulation and Transfer Network
NCES	National Center for Education Statistics
NELS	National Educational Longitudinal Study
SUNY	State University of New York
UC	University of California

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United States Government Accountability Office
Washington, DC 20548

October 18, 2005

The Honorable Michael B. Enzi
Chairman
Committee on Health, Education, Labor, and Pensions
United States Senate

The Honorable John A. Boehner
Chairman
Committee on Education and the Workforce
House of Representatives

The Honorable Howard P. “Buck” McKeon
Chairman
Subcommittee on 21st Century Competitiveness
Committee on Education and the Workforce
House of Representatives

Because thousands of students transfer each year from one postsecondary institution to another, the credit transfer process, to the extent that it delays students’ progress, can affect the affordability of postsecondary education and the time it takes students to graduate. As of 2001, 40 percent of students entering college in the 1995-1996 academic year attended at least two institutions during the next 6 school years. Annually, the federal government invests billions of dollars—\$21 billion in 2004—in student financial aid under the Higher Education Act of 1965, as amended (HEA). Because of the federal government’s large investment in student financial aid, it is in the best interest of taxpayers that transfer students do not unnecessarily repeat coursework, since such repetition could result in additional financial aid awards.

Postsecondary institutions, state governments, and accrediting agencies all play critical roles in the transfer process. As part of the transfer process, receiving institutions must decide whether the credits of incoming students are equivalent to those of their own course offerings. States can influence the transfer process through legislation and regulation, and accrediting agencies provide general guidelines regarding the transfer of credit. Congress requires postsecondary institutions to be accredited by an accrediting agency recognized by the Department of Education (Education) before its students can become eligible for federal financial aid.

In recent years, the ability of students to transfer credits has taken on added importance because of increasing numbers of transfer students and the changing nature of the types of institutions they attend. In general, Education recognizes two main types of accrediting agencies—regional and national. Regional accrediting agencies review institutions in a region of the United States that includes at least three states that are reasonably close to one another. National accrediting agencies review programs or specialized institutions, such as acupuncture schools or private business schools, on a national basis. In recent years, some nationally accredited institutions have broadened their curricula to bring their course offerings into line with those of traditional 4-year academic institutions. Yet students from these types of institutions have complained that they have been denied transfer credits on the basis of accreditation.

As Congress considers the reauthorization of HEA, it has requested information on the processes and requirements that postsecondary institutions have in place to assess requests to transfer academic credits. You asked us to provide information on the credit transfer process, including how and when decisions are made to accept or reject credits for transfer. Specifically in this report, we examined (1) how postsecondary education institutions decide which credits to accept for transfer, (2) how states and accrediting agencies facilitate the credit transfer process, and (3) the implications for students and the federal government of students' inability to transfer credits.

To answer these questions, we reviewed transfer of credit policies from a nationally representative random sample of 2-year public and 4-year public and private institutions. In addition, we conducted site visits in California, Florida, Missouri, New Jersey, and New York, where we interviewed officials from public, private nonprofit, and private for-profit postsecondary institutions that were nationally and regionally accredited. In order to get a broad perspective on the challenges that students face when transferring credit, we selected states with large transfer student populations and varying levels of involvement in the credit transfer process. We also interviewed officials from state education agencies regarding institutional transfer policies and state initiatives to facilitate credit transfer. We also interviewed officials from accrediting agencies and national experts on credit transfer. Further, we reviewed state legislation and accrediting agencies' standards concerning transfer of credits. Finally, we examined Education's databases on postsecondary institutions. We reviewed documentation about the various methodologies used to collect the data in the databases and conducted interviews to establish the reliability of the data. We conducted our work from January 2005 through

September 2005 in accordance with generally accepted government auditing standards. For a more detailed explanation of our methodology, see appendix I.

Results in Brief

When deciding which credits to accept from transfer students, receiving institutions consider the sending institution's type of accreditation, whether academic transfer agreements with the sending institution exist, and the comparability of coursework, but policies vary in how they evaluate and apply a student's transferable credits. About 84 percent of institutions consider whether the sending institution is accredited, and many consider the type of accreditation—national or regional—when determining which transfer credits to accept. Many institutions' transfer policies specify that they only accept credits from a regionally accredited institution. As a result, students from nationally accredited institutions may have their credits denied on the basis of their previous institution's type of accreditation. About 69 percent of the institutions have agreements with other institutions to streamline the transfer process. In these agreements, receiving institutions, after reviewing the sending institution's coursework and faculty credentials, agree to accept credits directly from the sending institution without further evaluation. If agreements do not exist, many institutions review student coursework to determine its equivalency and applicability toward a degree. The processes institutions follow when evaluating the transferability of prior coursework and accepting credits for transfer vary. Specifically, institutions vary in how they evaluate credits, who makes the decisions to accept credits, and when credit transfer decisions are made. For example, some institutions evaluate transfer credits prior to student transfer, while others make final credit transfer decisions after student enrollment.

State legislation, statewide initiatives, and the accreditation standards that accrediting agencies set help facilitate the transfer of academic credits from one postsecondary institution to another. Some states facilitate the transfer of credit among their public institutions through a variety of statewide legislation and initiatives that, among other things, support the establishment of statewide transfer agreements, common core curricula, and common course numbering systems, and encourage institutions and others to make transfer information available to the public. Accrediting agencies facilitate the transfer process through the standards they set. The accrediting agencies we reviewed set standards for accreditation that require institutions to review the educational quality of the sending institution, the comparability of credit to be transferred to the receiving institution, and applicability of the credit in relation to the programs being

offered at the receiving institution. In addition, the six regional accrediting agencies that we reviewed generally encourage member institutions not to use the sending institution's type of accreditation as the sole factor in determining which credits to accept for transfer.

A student's inability to transfer credit may result in longer enrollment, more tuition payments, and additional federal financial aid, but the full extent to which these occur cannot be determined because institutions told us that they do not collect specific data on students unable to transfer credit. If the receiving institution decides that few or no credits earned at the sending institution are equivalent to its course offerings, the student may need to repeat coursework that could result in enrolling for one or more additional terms. National data indicate that graduates who transferred from a community college take on average 10 more credits and 3 more months than nontransfer graduates. Transfer graduates may take more credits for reasons, such as changing majors, which are not related to their decision to transfer. We could not determine the extent to which transfer students differ from nontransfer students in these areas. However, a student taking additional credits as a result of being unable to transfer credits will likely have to pay additional tuition, ranging from \$150 per credit hour at public institutions to \$520 per credit hour at private institutions. The extent to which these costs are borne by the student or the federal government varies depending on the student's eligibility for financial aid.

In this report, we suggest that Congress consider amending the Higher Education Act of 1965 to require postsecondary institutions eligible for federal financial aid to issue a statement in their transfer of credit policy that they will not deny the transfer of credit on the basis of a sending institution's type of accreditation.

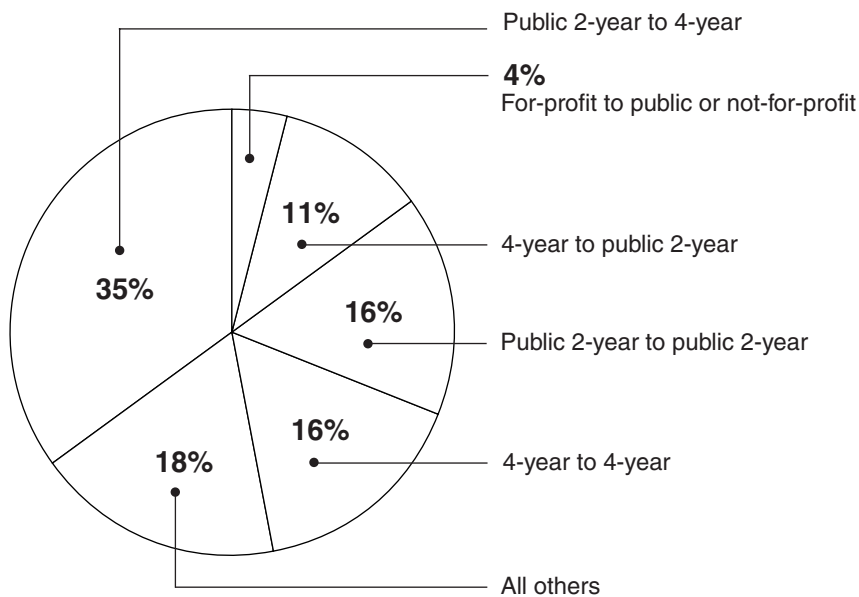
Background

Patterns of enrollment in postsecondary education reflect that students frequently enroll in more than one postsecondary institution. Education's National Center for Educational Statistics (NCES) found that 40 percent of students who entered college in the 1995-1996 academic year attended at least two institutions in the following six years. Many students enroll in community colleges with a plan for eventually transferring to a 4-year baccalaureate program. As a result, 4-year institutions face pressure to award transfer credit for coursework taken at another institution.

Data show that students transfer in numerous directions. Traditional transfer is typically from a 2-year institution to a 4-year institution.

However, students also transfer from 4-year institutions to 2-year institutions, known as reverse transfer, as well as laterally between similar institutions (e.g., 2-year to 2-year or 4-year to 4-year). As shown in figure 1, traditional transfer accounts for at least one-third of first transfer activity.

Figure 1: Types of First-Time Transfers between 1995 and 2001



Source: Beginning Postsecondary Students.

When students want to transfer their earned academic credits from one institution to another, they must submit a transcript showing their coursework and earned grades to the receiving institution. The receiving institution may then evaluate the transcript and assess the educational quality of the student’s learning experience, compare the level and content of the learning experience with those of the learning experience offered by the receiving institution, and determine the applicability of the student’s coursework to the degree or programs offered at the receiving institution. To help streamline the evaluation process, sending and receiving institutions enter into voluntary transfer agreements, which contain criteria for credits to transfer.

Today, many students who begin their studies at private, for-profit institutions transfer to public or private nonprofit 4-year institutions. To meet this demand, many private, for-profit institutions have revamped their curricula, transforming what had chiefly been vocational training

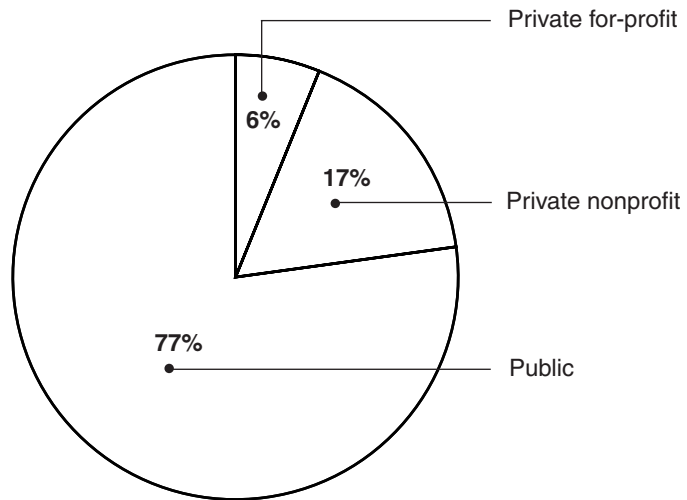
aimed at job placement to a core educational curriculum that prepares students to pursue associate's, bachelor's, and even graduate degrees.

The Department of Education administers federal postsecondary education programs, including the Title IV federal financial aid programs under the Higher Education Act of 1965, as amended. To be eligible for federal financial aid, a postsecondary institution must be accredited by an accrediting agency recognized by the Secretary of Education. Accrediting agencies are private educational associations of regional or national scope that develop evaluation standards and conduct site visits to evaluate postsecondary institutions. To become recognized, an accrediting agency must submit a written application to Education that lays out its standards for accrediting institutions as well as its procedures for ensuring that institutions follow those standards. Education requires accrediting agencies to set standards that instruct institutions to have the resources and policies in place to provide a quality education. Education applies the same requirements to both regional and national accrediting agencies. Education has recognized eight regional accrediting agencies that generally accredit academic degree granting institutions in their specific region of the country, and about 50 national accrediting agencies that accredit various kinds of specialized postsecondary institutions, such as technological or religious institutions, and programs such as nursing and engineering.

The most current national data on students show that in September 2003, an estimated 15.2 million students were enrolled in postsecondary institutions; 77 percent of these students were enrolled in public institutions, 17 percent in private nonprofit institutions, and 6 percent enrolled in private for-profit institutions.¹ Additionally, about 6,900 degree- and non-degree-granting postsecondary education institutions had students that were receiving federal financial aid. Figure 2 shows the percentage of students attending public, private nonprofit, and private for-profit institutions, and figure 3 shows the type of institutions receiving these funds.

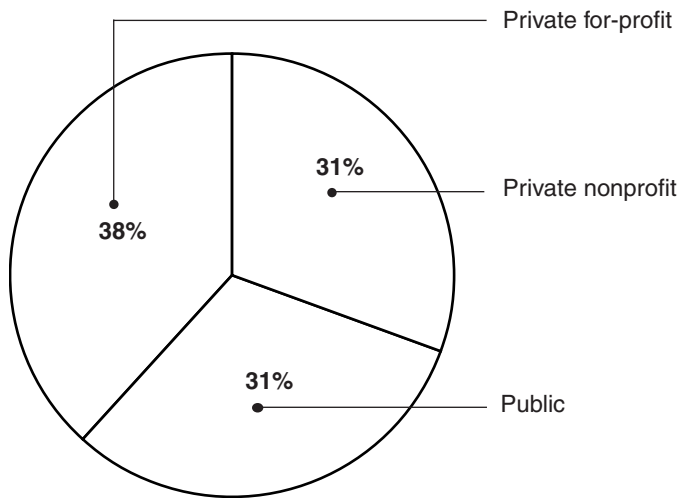
¹ Integrated Postsecondary Education Data System, U.S. Department of Education.

Figure 2: Percentage of Enrolled Postsecondary Students Enrolled in Public, Private Nonprofit, and Private For-Profit Institutions Participating in Title IV



Source: GAO analysis of Integrated Postsecondary Education Data System

Figure 3: Institutions Receiving Title IV Federal Financial Aid, by Type



Source: GAO analysis of Integrated Postsecondary Education Data System.

In order to acquire federal financial aid, students are required, among other things, to demonstrate financial need, demonstrate qualifications to enroll in postsecondary education, be working toward an eligible degree or certificate, be a U.S. citizen or eligible noncitizen, and maintain satisfactory academic progress while in school. Education uses a formula to determine the amount of a student's financial need and his or her expected family contribution toward tuition, taking into account a number of factors including the student's or family's resources and the costs of attending an institution. In their financial aid packages, students may receive federal grants or loans, with the neediest students receiving about \$4,000 per year in a Pell grant and up to \$4,000 in loans under the Perkins loan program. Additionally, all students qualify to receive Stafford loans for which the government may subsidize or defer the loan interest while students remain enrolled in school.

Institutions Consider Accreditation, Transfer Agreements, and Coursework Equivalency when Making Credit Transfer Decisions, but Policies Vary

Prior to granting credit for courses taken at another institution, institutions may consider a variety of criteria, such as accreditation, transfer agreements, and course equivalency. Many institutions consider the accreditation of the sending institution, including the type of accreditation—national or regional—when determining which transfer credits to accept. Institutions may also assess the equivalency of coursework taken at other institutions, either through establishing transfer agreements covering a number of courses or on a course-by-course basis. Though reviewing courses can be time-consuming and maintaining transfer agreements requires an ongoing commitment, officials said that transfer agreements do facilitate the transfer process. Institutions also vary in who makes the final decision on which credits to accept—administrative official or departmental faculty—and when they inform a student of their decision.

Institutions Consider Accreditation when Deciding Which Transfer Credits to Accept and Commonly Accept Credits Earned at Regionally Accredited Institutions

We found that when making decisions about whether or not to accept transfer credits, institutions often used the sending institution's accreditation as the initial measure of the quality of the institution and its coursework. We found that about 84 percent of postsecondary institutions had policies to consider the accreditation of the sending institution when assessing transfer credits.² About 63 percent of these institutions specified that accreditation from any regional accrediting agency was acceptable, and about 14 percent specified that they accepted national accreditation.³ Institutions indicating that they accepted regional accreditation told us that they also provide students with other options for getting their credits transferred, such as passing a competency examination before their credits would be granted. Many also said that they would allow any student to appeal a decision, and an appeal would result in a more thorough review of the student's transcript.

Several officials from postsecondary institutions with regional accreditation told us that as a rule, they did not accept credits earned at institutions with national accreditation. For example, an official at one institution told us that the institution did not accept credits from nationally accredited institutions because the coursework was technical and not academic. Similarly, an official at a regionally accredited institution told us that the institution could not accept credits from nationally accredited institutions unless the accrediting standards of the sending institution paralleled their own standards. One reason given by regional accrediting agency official for the incomparability of credits earned at nationally accredited institutions was that these institutions follow less stringent standards regarding such factors as faculty qualifications and library resources. However, our review of the standards from the regional accrediting agencies found that no regional accrediting agency explicitly stated in its written policy that credits from nationally accredited institutions should be denied.

² Less than 1 percent of postsecondary institutions specified that accreditation is not considered, while about 15 percent did not specify whether or not accreditation was considered or the information was not available.

³ Many institutions' policies toward national accreditation were unclear and did not specifically refer to national accreditation as unacceptable. For example, one institution's credit transfer policy said, "The institution will consider courses from postsecondary institutions that are regionally accredited or are candidates for regional accreditation." In this case (and in cases that were similar to this), we considered the policy on national accreditation to be unspecified.

We found that about 11 percent of institutions have policies that explicitly state that they will accept both regionally and nationally accredited credits. For example, one institution's credit transfer policy states that it will accept credits from "universities and colleges with accreditations by one of the regional accrediting associations,... community and technical colleges with accreditation by one of the regional accrediting associations,... and technical colleges, business colleges and other schools lacking regional accreditation but having accreditation by another agency recognized by the Council for Higher Education Accreditation [CHEA]."⁴ Officials from a regionally accredited institution told us that they would accept credits regardless of accreditation and would review all credits the same way. However, this process was more time-consuming than relying solely on accreditation. To save time, some institutions had developed databases to track previously approved courses in order to remove the need to reevaluate them.

Officials at a nationally accredited institution told us that their students often have difficulty transferring credits and that they are taking actions to assist their prospective transfer students. They told us that regionally accredited institutions did not always accept courses taken at the nationally accredited institution. They advised students to assume that credits would not transfer to regionally accredited institutions. Two nationally accredited institutions we visited have responded to the credit transfer difficulties by attaining, or seeking to attain, regional accreditation in order to improve their students' ability to transfer credits. One of the three nationally accredited institutions we visited—the institution with dual national-regional accreditation—reported having no problems with transferring its students to 4-year institutions. In lieu of seeking dual accreditation, another nationally accredited institution we visited is reaching out to regionally accredited institutions to develop transfer agreements to facilitate the transfer process.

⁴ CHEA is a nonprofit organization that certifies accrediting agencies.

Institutions Said That Transfer Agreements, though Time-Consuming, Do Facilitate Transfers

While many institutions use accreditation as a factor to assess transfer credits, about 69 percent of postsecondary institutions have entered into voluntary transfer agreements with other institutions.⁵ Typically, institutions we visited establish transfer agreements with institutions that send large numbers of transfer students. For example, Columbia College in Missouri—a college with campuses in 11 states—has transfer agreements with 18 community colleges throughout the country. In these agreements, receiving institutions review a number of courses from sending institutions and agree to accept comparable credits from that institution. For example, the State University of New York system has a transfer agreement among all of its institutions specifying that all 4 year universities will accept associate degrees from community colleges within its system, thus guaranteeing a baccalaureate degree with the completion of 60 additional credits. Agreements can also cover individual courses, such as mathematics and science courses that are required prerequisites for upper-level courses.

Institution officials told us that although maintaining transfer agreements requires considerable commitment, these agreements are useful because they make the transfer process more transparent and allow it to operate more smoothly. The agreements require receiving institutions to review the course content of each partner institution to determine its comparability and applicability to meeting the degree program requirements. Maintaining these agreements requires regular ongoing communication between participating institutions to keep apprised of all new course offerings or any changes to current courses or degree requirements. According to officials from several of the schools we visited, the process of establishing the agreements and keeping them current requires considerable commitment because institutions frequently revise their courses and degree requirements. For example, it took one private institution in New Jersey a full year to review courses for every community college with which it had established new transfer agreements. At another institution we visited, the official responsible for credit evaluation told us that the time required for maintaining transfer agreements had led the institution to reduce the number of its transfer agreements by about 25 percent. While transfer agreements can be time-consuming, they help make the transfer process more transparent. For example, in New Jersey, many 4-year institutions have established transfer

⁵ About 29 percent of institutions had not specified whether they had transfer agreements, and the rest, about 2 percent, had no transfer agreements.

agreements with community colleges in the state. Community college students may also access a Web page listing courses at their institution that will transfer to participating 4-year institutions in New Jersey, allowing students to know which credits will transfer before they apply to a new institution. One official told us that the transfer agreements, once established, allow the credit transfer process to operate smoothly between the partnering institutions, because it becomes a matter of checking a list to determine which credits to accept or deny.

Officials offered a variety of reasons for pursuing transfer agreements. In some instances, transfer agreements were mandated in state law or facilitated by state agencies, but these types of agreements were usually between public institutions only. In other instances, institutions sought to establish transfer agreements out of convenience because of the significant number of students that moved between their institutions. In addition to states and institutions, another organization we visited is also involved in facilitating the establishment of transfer agreements. To improve access to baccalaureate programs for certain populations of minority students, the National Articulation and Transfer Network has facilitated transfer agreements between community colleges and minority-serving institutions across the country.⁶

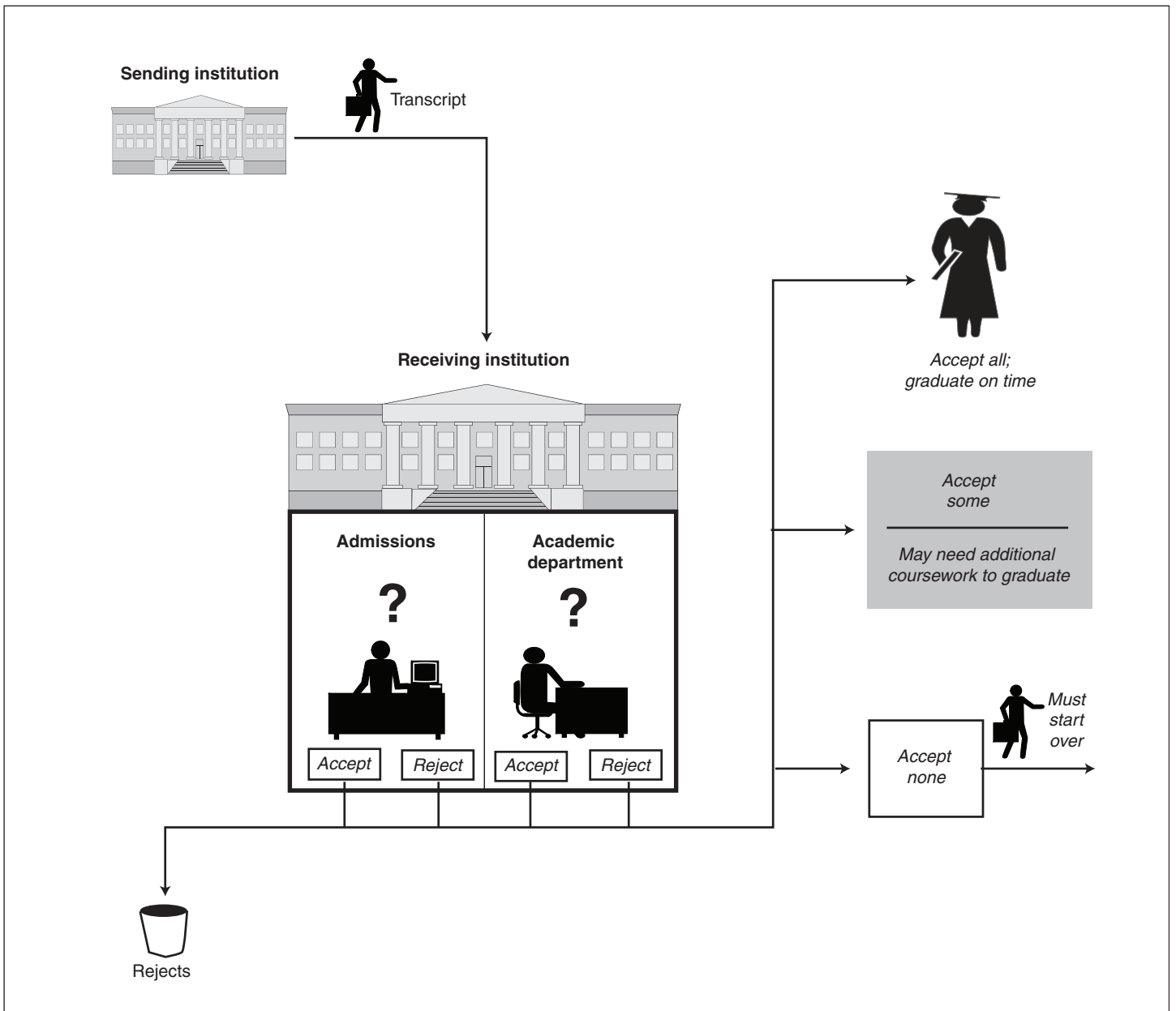
Institutions Review the Comparability of Coursework but Vary in How They Administer This Process

Some institutions review students' transcripts to determine the comparability of the students' coursework. Specifically, institutions consider the characteristics of individual courses, such as the similarity of courses on a student's transcript to courses offered at the receiving institutions and the applicability of the courses to the student's intended major. Institutions may ask for a course description or a class syllabus to support their assessment. To expedite this review, some institutions maintain a historical list of transfer courses that they have accepted in the past. While not always a guarantee of transferability, listed courses have a greater likelihood of acceptance than unlisted courses.

⁶ Participating organizations include the American Association of Community Colleges (AACC), American Council on Education (ACE), American Indian Higher Education Consortium (AIHEC), Council of the Great City Schools (CGCS), Hispanic Association of Colleges and Universities (HACU), National Association for Equal Opportunity in Higher Education (NAFEO), American Association of State Colleges and Universities (AASCU), and the United Negro College Fund (UNCF).

At the institutions we visited, two groups of reviewing officials are generally responsible for determining which courses to accept for transfer: (1) an admissions or other administrative officer, who determines which courses meet general requirements, and (2) academic department faculty members, who determine which courses meet degree requirements within their departments. When reviewing officials consider the student's official transcript, they may review transfer agreements and historical lists of accepted courses, request the syllabus or a list of books used in the course, or discuss the course with a representative from the sending institution or use an Internet service, such as the one maintained by the American Association of Collegiate Registrars and Admissions Officers, to obtain a syllabus and description of the course, among other things. This process is shown in figure 4.

Figure 4: The Evaluation Process for Transfer Credits



Source: GAO analysis and Art Explosion.

Some 4-year institutions, citing time constraints and a significant backlog, have taken steps to limit the number of courses they review. Some institutions have established criteria for transferable courses, such as

determining the minimum grade or course level for which credits will be accepted. Several 4-year institutions told us that they did not accept for transfer any remedial (developmental) courses, technical courses, or upper-level courses taken at a 2-year institution. Because of the backlog created by the number of transcripts to review, not all institutions succeed in providing students with an official report of transfer credits accepted before classes begin. Officials at one institution told us that they provide the report within 1 year of the student's matriculation and encourage students to take upper-level general education courses in the interim until the report is received.

Some States and Accrediting Agencies Facilitate the Credit Transfer Process

To facilitate the transfer of academic credits, states enact a variety of legislation and implement statewide initiatives covering primarily public postsecondary institutions, and accrediting agencies set accreditation standards. Many states have passed legislation that requires public community colleges and 4-year public institutions to establish transfer agreements and authorizes common curricula to ease the transfer of credits. Some states have established a common course numbering system for public institutions within the state and created statewide committees to oversee the transfer of credit process within the state. In other states, state law requires university systems to initiate and form transfer agreements with institutions within the system to enhance the transferability of credits. Some states have also launched statewide initiatives to encourage transfer between 2-year and 4-year public institutions, including offering guarantees that credit will transfer. For their part, accrediting agencies facilitate the transfer process through the standards they set for affiliated institutions. Accrediting agencies that we reviewed have set standards for accreditation that require institutions to make their credit transfer policy publicly available. The six regional accrediting agencies that we reviewed generally encourage their member institutions not to accept or deny transfer credit exclusively on the basis of the accreditation of the sending institution. Some accrediting agencies have incorporated this criterion into their standards; others have issued policy or position statements.

Some State Legislation and Statewide Initiatives Ease Credit Transfer

States facilitate the transfer of credits among public institutions through various statewide legislation and initiatives that, among other things, support the establishment of statewide transfer agreements, common core curricula, and common course numbering systems, and encourage institutions and others to make transfer information available to the public. We identified 39 states that had legislation pertaining to the

transfer of credit between postsecondary public institutions. In general, most of the legislation focuses on facilitating the transfer of credit for students transferring from community colleges to 4-year public institutions.

Some states require or encourage the establishment of statewide transfer agreements. For example, a Massachusetts statute empowers its board of higher education to develop and implement a statewide transfer agreement to facilitate the transfer of students without the loss of academic credit or standing from one public institution to another. Arizona law requires institutions to cooperate in operating a statewide transfer network to facilitate the transfer of community college students to Arizona public universities without a loss of credit toward a baccalaureate degree. An Indiana statute requires the state's Commission for Higher Education to develop statewide transfer of credit agreements for courses that are most frequently taken by undergraduates. Colorado's statewide transfer policy guarantees that as many as 37 credits of approved general education courses taken at a Colorado public college or university will transfer among all 2-year and 4-year institutions in the state.

Some states require or encourage the establishment of common core curricula. A California statute directed the governing boards of the University of California, the California State University, and the California community colleges to jointly develop and adopt a common core curriculum in general education for the purpose of transfer. These efforts led to California's general education transfer curriculum, which identifies courses that community college students may complete to satisfy general education requirements at campuses of both the University of California and California State University systems. An Arkansas statute requires the Arkansas Higher Education Coordinating Board to consult with colleges and universities to establish a minimum core of courses that applies toward the general education core curriculum requirements and is fully transferable between state institutions.

Some states require or encourage the establishment of a common course numbering system. Florida has developed a statewide course numbering system that provides a database of equivalent postsecondary courses at public vocational technical centers, community colleges, universities, and participating nonpublic institutions. More than 100 institutions in Texas participate in the state's voluntary course numbering program, which provides a shared, uniform set of course designations for students and their advisers to use in determining both course equivalency and degree applicability of transfer credits on a statewide basis.

Some state statutes identify the types of courses or blocks of courses that are transferable. For example, Missouri officials told us that they interpret their state law as requiring all institutions to accept associate degrees from any source as evidence that general education courses have been completed. Additionally, to facilitate student transfer among Missouri institutions and to increase institutions' accountability for student performance in general education, the Coordinating Board for Higher Education designed a 42-semester-hour block of general education.⁷ Similarly, a Texas statute states that if a student successfully completes a field-of-study curriculum developed by the state's board of higher education, that block of courses may be transferred and must be substituted for the receiving institution's lower division requirements for the comparable degree program, and the student must receive full academic credit. Likewise a Kentucky statute mandates that all lower division academic courses offered by community colleges be transferable for academic credit to any and all 4-year public colleges and universities in the state.

Some state higher education agencies make information on transfer agreements and course equivalency guides available to the public. For example, some states, such as California, Maryland, and Florida, have placed course equivalencies online for easy access and reference. California maintains an online student transfer system called ASSIST that serves as the official repository of transfer agreements for all public postsecondary institutions in California and facilitates transfer from a California community college to a University of California or California State University campus. Maryland's interactive online transfer information source called ARTSYS allows students to find course equivalencies between institutions, evaluate their transcripts, search for majors, and explore recommended transfer programs. In addition, it provides faculty access to update courses and provide course evaluations. The Florida Academic Counseling and Tracking for Students (FACTS) system offers a comprehensive range of transfer services, including a transfer student bill of rights, links to statewide transfer agreements, and

⁷ The 42-hour block of general education is required of public institutions and recommended for private institutions in the state.

an interactive transfer evaluation tool.⁸ A Pennsylvania statute supports the implementation of a Web-based application that makes all transfer agreements among higher education institutions available on the Internet. Similarly, Virginia requires its state council of higher education to publicize all general education courses offered at public 2-year institutions, designating the courses accepted for transfer credit at 4-year public and private postsecondary institutions in Virginia. Ohio implemented a framework that guarantees students a statewide transfer and published a transfer assurance guide to advise students of the 38 different baccalaureate degree pathways available for them to pursue anywhere within the public higher education system and in Ohio's participating private institutions, and to identify which courses are guaranteed to transfer and apply to requirements within the system.

While state legislation regarding credit transfer is generally intended to facilitate the transfer of credits among public institutions, a few state statutes require or encourage the involvement of private institutions. For example, the Louisiana Board of Supervisors of Community and Technical Colleges is required to continue development of articulation agreements between institutions under the management of the board and institutions managed by other postsecondary management boards, both public and private. A Minnesota statute requests the governing boards of private institutions that grant associate and baccalaureate degrees and have a high frequency of transfer students to participate in the development of required course equivalency guides. A West Virginia statute requires the state's Council for Community and Technical College Education to establish and implement policies and procedures that ensure that students may transfer and apply the credits earned at any regionally accredited in-state or out-of-state higher education institution.

⁸ Unlike California's and Maryland's systems, which are devoted to transfer information, Florida's FACTS system assists users in determining career objectives, choosing the major and institutions that are best suited for them, applying for admission and financial aid, and tracking their progress toward a degree or certificate. In addition, it allows students to access their grades and transcripts online.

Accrediting Agencies Set Accreditation Standards, and Some Encourage Institutions to Promote the Consistent Evaluation of Transfer Credit

Accrediting agencies' standards for evaluating transfer credit generally reflect the three criteria specified in a 1978 joint national statement on the transfer and award of credit: the educational quality of the sending institution, the comparability of credit to be transferred to the receiving institution, and applicability of the credit in relation to the programs being offered at the receiving institution.⁹ These agencies' accrediting standards generally require receiving institutions to consider if courses are equivalent with their own curricula and standards. In 2000, CHEA issued an updated statement that offered four additional criteria that accrediting agencies and institutions should consider when making decisions about transfer of credit and academic quality. Specifically, these criteria emphasized the need for institutions and accrediting agencies to

- (1) ensure that transfer decisions are not solely based on the source of accreditation of a sending program or institution,
- (2) reaffirm that the considerations that inform transfer decisions are applied consistently in the context of changing student attendance patterns and emerging new providers of higher education,
- (3) ensure that students and the public are fully and accurately informed about their respective transfer policies and practices, and
- (4) be flexible and open in considering alternative approaches to managing transfer when these approaches will benefit students.

The accrediting standards and transfer policies of the 6 regional and 10 national accrediting agencies that we reviewed generally reflect the original criteria included in the 1978 joint statement.¹⁰ In addition, some accrediting agencies incorporated into their standards the CHEA criteria added in 2000 that the institutions' process for accepting transfer credit be fair, consistently applied, and publicly communicated.

⁹ The joint statement was developed by the three national associations whose member institutions are directly involved in the transfer and award of academic credit: the American Association of Collegiate Registrars and Admissions Officers, the American Council on Education, and the Council for Higher Education Accreditation.

¹⁰ We reviewed accrediting standards of the 6 regional accrediting agencies that accredit senior institutions (i.e., those that grant bachelor's degrees) and the 10 national accrediting agencies that accredit degree-granting institutions, rather than programs.

The 6 regional accrediting agencies that we reviewed all support CHEA’s statement on the role of accreditation in the credit transfer decision-making process. As shown in table 1, some accrediting agencies have incorporated this criterion into their standards; others have issued policy or position statements.

Table 1: Information from Regional Accrediting Agencies on the Role of Accreditation in Credit Transfer Decisions

Agency	Information source	Specific language
Middle States Commission on Higher Education	Standards	“The acceptance or denial of transfer credit will not be determined exclusively on the basis of the accreditation of the sending institution or the mode of delivery, but rather will consider if the course is equivalent, including expected learning outcomes with those of the receiving institution’s curricula and standards. Such criteria will be fair, consistently applied, and publicly communicated.”
New England Association of Schools and Colleges	Standards	“Accreditation speaks to the probability but does not guarantee that students have met acceptable standards of educational accomplishment. . . . Since accreditation does not address [comparability and applicability], the information must be obtained from catalogs and other materials and from direct contact between knowledgeable and experienced faculty and staff at both the receiving and sending institutions.”
North Central Association of Colleges and Schools	Position Statement	“The Commission does not dictate organizational policies and procedures for accepting transfer credits, but it holds that good practice requires the consideration of more than the source of the accreditation of a sending program or institution.”
Northwest Commission on Colleges and Universities	Standards	“Accreditation speaks to the probability but does not guarantee that students have met acceptable standards of educational accomplishment. . . . Since accreditation does not address [comparability and applicability], the information must be obtained from catalogs and other materials and from direct contact between knowledgeable and experienced faculty and staff at both the receiving and sending institutions.”
Southern Association of Colleges and Schools	Position statement	“The accreditation standards do not mandate that institutions accept transfer credit only from regionally accredited institutions. When an institution relies on another institution’s regional accreditation as an indicator for acceptability of credit, it should not be the only criterion used for acceptability nor should it be represented as a requirement of this accreditation agency, which it is not.”
Western Association of Schools and Colleges	Policy	“Accreditation speaks to the probability but does not guarantee that students have met applicable standards of educational accomplishment. . . . Since accreditation does not address [comparability and applicability], the information must be obtained from catalogs and other materials and from direct contact between knowledgeable and experienced faculty and staff at both the receiving and sending institutions.”

Source: GAO analysis of regional accrediting agencies’ standards.

Regional accrediting agencies recognize that the institutions are responsible for determining their own policies and practices with regard to the transfer and award of credit. Accrediting agencies will not know whether an institution is following the standards and general guidelines until the institution is reviewed. Officials at one accrediting agency told us that because of the nature of the review cycle, it could take several years to review all of the institutions and thereby ensure that they had implemented the standards.

Students' Inability to Transfer Credits May Have Cost Implications, but Financial Effects on Students and the Federal Government Are Unknown

The inability to transfer credits may result in longer enrollment, more tuition payments, and additional federal financial aid awards, but the full extent to which such results occur cannot be determined because institutions told us they do not collect specific data on students that are unable to transfer credit. For example, a 1996 study of Arizona's public university transfer practices found that community college transfer students may be required to take additional courses in order to complete their degrees because academic departments do not always accept community college courses as prerequisites.¹¹ The study found that the accumulation of excess college credit hours could lead to additional years in school, added taxpayer expense such as financial aid awards, or a failure to complete a degree. Officials at selected nationally accredited institutions also told us that denials based on accreditation can result in students taking additional coursework in order to graduate. For example, one nationally accredited institution told us that one of its recent graduates had been required to repeat 2 years of coursework at a regionally accredited institution before he could be admitted to a graduate program. While credit transfer denials likely affect transfer students in a number of ways, the effect that these denials have on students' enrollment duration, success in completing a baccalaureate program, or the affordability of postsecondary education cannot be determined with available data. Institution officials told us that they did not maintain data on the number of credits they have denied for transfer because it would be too cumbersome to maintain these files.

Our analysis of Education's postsecondary education data found that transfer students fare differently from nontransfer students. The national

¹¹ Wright, M. Irene, and others, *Articulation and Transfer: Definitions, Problems, and Solutions*. Tempe, Arizona: Maricopa County Community College District (January 1996). The study was published prior to the enactment of Arizona's legislation that required state institutions to operate a statewide transfer network.

data indicate that, on average, transfer graduates take about 10 more credits¹² and 3 more months¹³ to complete their baccalaureate degree than nontransfer graduates. However, transfer students could take longer to graduate for a variety of reasons that may or may not be related to their decision to transfer. For example, a student who changes majors may need to take additional courses in order to graduate. We could not determine the extent to which transfer students differ from nontransfer students in these areas. Nonetheless, students taking additional credits as a result of being unable to transfer credits will likely have to pay additional tuition. Based on national averages, these tuition payments could range from about \$150 per credit hour for students attending public institutions to about \$520 for those attending private schools. The extent to which these costs are borne by the student or the federal government would vary depending on the student's eligibility for financial aid.

Conclusions

Postsecondary institutions differ in how they assess transfer credits, and as a result, the current credit transfer process does not ensure the consistent consideration of student coursework. To facilitate the credit transfer process, many states have enacted legislation and implemented statewide initiatives covering primarily public postsecondary institutions within their respective states. However, state efforts have limited influence over students transferring to and from the nation's private institutions or institutions located outside state boundaries. Also, all regional accrediting agencies subscribe to the principle that credits should not be accepted or denied on the basis of the type of accreditation, but not all of them have set standards requiring their member institutions to do so. When such standards have been set, it takes accrediting agencies years to review their member institutions' policies to confirm their compliance.

To preserve their institutional reputations and maintain quality, postsecondary institutions want their graduates to meet certain academic standards. The federal government sets the same standards for regional and national accrediting agencies to ensure that postsecondary institutions provide a quality education. At the same time, it is in the federal government's interest to ensure that students receiving assistance

¹² National Education Longitudinal Study, 1988–1994, U.S. Department of Education, National Center for Education Statistics.

¹³ Beginning Postsecondary Students Longitudinal Study: 1996–2001, U.S. Department of Education, National Center for Education Statistics

through federal aid programs, who have earned credits at an approved accredited institution, do not have to repeat coursework when transferring to another institution meeting the same standards. However, some institutions continue to deny credits from institutions with national accreditation without reviewing student coursework despite the fact that these institutions are accredited by federally recognized national accrediting bodies. Consequently, qualified students could be denied credit for comparable coursework, leading them to incur further educational costs that they may need to offset with additional federal financial aid.

Matter for Congressional Consideration

In order to ensure consistent consideration of students' previous coursework, Congress should consider further amending the Higher Education Act of 1965 to require postsecondary institutions eligible for Title IV funding to not deny transfer credits on the basis of the type of accreditation.

Agency Comments

We provided a draft of this report to the Department of Education for review and comment. In its written response, included as appendix III, Education said our report was useful and informative.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the issue date. At that time, we will send copies of this report to the Secretary of Education, interested congressional committees, and other interested parties. We will also make copies of this report available to others on request. In addition, the report will be available at no charge on GAO's Web site at <http://www.gao.gov>.

If you have any questions about this report, please contact me at (202) 512-7215 or ashbyc@gao.gov. Staff acknowledgments are listed in appendix IV.



Cornelia M. Ashby
Director, Education, Workforce, and
Income Security Issues

Appendix I: Scope and Methodology

To describe how the transfer of credit operates among postsecondary institutions, we examined transfer of credit policies for a nationally representative sample of institutions and interviewed officials responsible for credit transfer evaluations from public, private, nonprofit, and private for-profit institutions. At each institution, we interviewed officials and asked them questions related to their policies and practices on transfer of credit, such as their criteria for accepting transfer credits, their process for evaluating transcripts, and if students had appeal rights once a decision was made. We also interviewed officials from the Council for Higher Education Accreditation (CHEA), the American Association of Collegiate Registrars and Admissions Officers (AACRAO), and the Institute for Higher Education Policy (IHEP). We reviewed publications and studies conducted by these organizations, the American Association of Community Colleges (AACC), and the Career College Association (CCA).

To learn about how states and accrediting agencies facilitate the transfer of credit process, we searched legal databases for state statutes in all 50 states to determine if the states had legislation related to transfer of credit. We also interviewed officials responsible for higher education from five states, officials from national and regional accrediting agencies, and the Department of Education (Education). We reviewed standards for accreditation from 10 national accrediting agencies that accredit institutions that grant degrees and the 6 regional accrediting agencies that accredit senior or 4-year institutions. The 5 states we visited were California, Florida, Missouri, New Jersey, and New York. In order to get a broad perspective on the challenges that students face when transferring credit, we selected states based on their varying levels of involvement in the credit transfer process and with large transfer student populations.

To understand the implications for students and the federal government of students' inability to transfer credit, we reviewed some of Education's national databases to describe the typical transfer student. We reviewed the Integrated Postsecondary Education Data System (IPEDS) database to analyze the average cost of attendance at various types of institutions and the Beginning Postsecondary Students (BPS) database to learn about the transfer trends. We also used data from the National Educational Longitudinal Study of 1988 (NELS). In addition, we spoke with national experts and reviewed national studies related to the implications for students and the federal government of student's inability to transfer credits.

Sampling Strategy

In order to collect information about the ways in which institutions of higher education treated transfer credits, we undertook a data collection effort from a random sample of 270 institutions of higher education. The sample was obtained from the IPEDS database. The IPEDS data were from the 2000-2001 time period. IPEDS is the Department of Education’s core postsecondary education data collection program. It is a single, comprehensive system that encompasses all identified institutions with the primary purpose of providing postsecondary education. IPEDS is designed to produce national-, state-, and institution-level data for most postsecondary institutions.

We conducted a stratified random sample from the IPEDS database. The sample represented 270 institutions, with 90 institutions from each of three categories of postsecondary institutions. The three categories we sampled included 4-year public, 4-year private nonprofit, and 2-year public institutions. These three types of institutions represent 3,096 institutions and over 95 percent of students attending higher education institutions. GAO did not sample 4-year private, for-profit institutions and 2-year private institutions. These types of institutions represented 1,264 institutions but less than 5 percent of students attending higher education institutions.

Of the 270 institutions that were randomly selected, 6 were found to be out of scope because our research indicated that they did not grant degrees or granted only graduate degrees. These 6 institutions were not included in the eventual results. Table 2 describes our source and response rates for our sample of institutions.

Table 2 : Source and Response Rate of GAO’s Sampling of Education’s IPEDS Database

Type of institution	Total institutions in IPEDS database	GAO sample size	Response rate for GAO Web or telephone data collection instrument
4-year public	624	90	100%
4-year private nonprofit	1,326	88	100%
2-year public	1,146	86	100%

Source: GAO analysis of IPEDS database.

Survey results based on probability samples are subject to sampling error. Our sample of 264 institutions is only one of a large number of samples we

might have drawn from the total population of postsecondary institutions. Since each sample could have provided different estimates, we express our confidence in the precision of our three results as 95 percent confidence intervals. These are intervals that would contain the actual population values for 95 percent of the samples we could have drawn. As a result, we are 95 percent confident that each of the confidence intervals in this report will include the true values of the study population. All percentage estimates from this survey of 4-year public institutions, 4-year private nonprofit institutions, and 2-year public institutions have sampling errors not exceeding plus or minus 7 percentage points.

Data Collection Methods

We collected data from the 264 schools primarily through a data collection instrument that we filled out after examining the Web sites of the sampled schools. Before deploying the Web site data collection instrument, we conducted pretests with Web sites from 5 randomly sampled schools. We followed up these Web site examinations with telephone calls to ensure that the information we were obtaining from the Web sites accurately reflected the transfer credit policies of the respective schools.

The extent of an institution's policies on transferring credit from sending institutions varied widely, and the policies were found under different categories on the institutions' Web sites. For example, some institutions listed their policies under links to transfer student information or admissions information, while others listed their policies only in the college catalog/bulletin that was available at the Web site. Most college catalogs/bulletins listed the transfer credit policy. In almost all cases, we printed proof of answers and highlighted, underlined, or numbered the answers to match the question number. All results obtained from the Web site data collection instrument were verified by a second GAO reviewer who independently examined documentation from the Web site or the information on the Web site itself.

All but 8 of the 264 institutions had Web sites that we were able to examine. For those institutions that did not have Web sites, we spoke with officials from the institutions and asked questions from a telephone data collection instrument. The results of these telephone interviews were recorded by GAO interviewers.

Data Reliability Assessments

For this report we used data from the Integrated Postsecondary Education Data System database, the National Educational Longitudinal Study of 1988, and the Beginning Postsecondary Students longitudinal study

database. We reviewed technical and methodological documentation for all three databases, and in the case of NELS also spoke with a research methodologist who had worked on the study. We found the data from the databases to be sufficiently reliable for the purposes of this engagement.

Appendix II: State Legislation Related to Transfer of Academic Credit

Alabama	Ala. Code § 16-5-8. Mandates a statewide articulation agreement under which all applicable credits transferred from a 2-year institution to a 4-year institution shall fulfill degree requirements at the 4-year institution as if they were earned at the 4-year institution.
Alaska	None found
Arizona	Ariz. Rev. Stat. § 15-1824. Requires that community college districts and universities cooperate in operating a statewide articulation and transfer system, including the process of transfer of lower division general education credits, general elective credits, and curriculum requirements for approved majors, to facilitate the transfer of community college students to Arizona public universities without a loss of credit.
Arkansas	<p>Ark. Code Ann. § 6-53-205. Requires that the Arkansas Higher Education Coordinating Board develop a plan to maximize transfer credits of students from institutions within the system, including the development of a core transfer program for students desiring to obtain a baccalaureate degree after transferring from an institution within the 2-year system to the 4-year system.</p> <p>Ark. Code Ann. § 6-61-218. Requires the Arkansas Higher Education Coordinating Board to establish in consultation with the colleges and universities a minimum core of courses that shall apply toward the general education core curriculum requirements and that shall be fully transferable between state institutions.</p> <p>A.C. Ark. Code Ann. § 6-61-505. Gives the State Community College Board the duty and power to work with senior institutions of the state to develop the criteria for transfer of credits of students entering senior institutions from community colleges.</p>
California	<p>Cal. Ed. Code § 66720. Requires the Board of Governors of the California Community Colleges, the Regents of the University of California, and the Trustees of the California State University to jointly develop, maintain, and disseminate a common core curriculum in general education courses for the purposes of transfer.</p> <p>Cal. Ed. Code § 66730 and note. Directs the Regents of the University of California (UC), the Trustees of the California State University (CSU), and the Board of Governors of the California Community Colleges to have as a fundamental policy the maintenance of a healthy and expanded student transfer system. Community college students must have access to a viable and efficient transfer agreement program to the California State University and the University of California for upper division work toward a baccalaureate degree.</p> <p>Cal. Ed. Code § 66738. Holds the governing board of each public postsecondary education segment accountable for the development and implementation of formal systemwide articulation agreements and transfer agreement programs.</p> <p>Cal. Ed. Code § 66739.5. States the intent of the legislature as ensuring that community colleges students who wish to earn the baccalaureate degree at California State University are provided with a clear and effective path to this degree.</p> <p>Cal. Ed. Code § 66740. Requires each department, school, and major in UC and CSU to develop, in conjunction with community college faculty in appropriate and associated departments, discipline-specific articulation agreements and transfer agreements for those majors that have lower-division prerequisites.</p>

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Transfer of Academic Credit**

Colorado	<p>Colo. Rev. Stat. § 23-1-108. Requires the Colorado Commission on Higher Education to establish, after consultation with the governing boards of institutions, and enforce student transfer agreements between 2-year and 4-year institutions and among 4-year institutions. Such transfer agreements shall include provisions under which institutions shall accept all credit hours of acceptable coursework for automatic transfer to another state-supported institution of higher education in Colorado. The commission shall also establish and enforce student transfer agreements between degree programs offered on the same campus or within the same institutional system.</p> <p>Colo. Rev. Stat. § 23-1-125. Directs the Colorado Commission on Higher Education, in consultation with each Colorado public institution of higher education, to outline a plan to implement a core course concept that defines the general education course guidelines for all public institutions of higher education.</p> <p>Colo. Rev. Stat. § 23-5-122. Requires the governing board of every state-supported institution of higher education to have in place and enforce policies regarding transfers by students between undergraduate degree programs that are offered within the same institution or within the same system.</p> <p>Colo. Rev. Stat. § 23-13-104. Lists statewide expectations and goals for higher education, including ensuring that no student's graduation is delayed due to lack of access to or availability of required and core courses and ensuring that students who change degree programs lose only those credit hours that clearly and justifiably cannot apply in the degree programs to which the student transfers.</p>
Connecticut	<p>Conn. Gen. Stat. § 10a-19a. Directs the Commissioner of Higher Education, in consultation with the Higher Education Coordinating Council, to establish a statewide Advisory Council on Student Transfer and Articulation to maximize the transferability of course credits.</p>
Delaware	None found
Florida	<p>Fla. Stat. Ann. § 1007.01. Requires the State Board of Education, in order to improve and facilitate articulation systemwide, to develop policies and guidelines with input from statewide K-20 advisory groups established by the Commissioner of Education relating to a number of issues, including articulation agreements, admissions requirements, and the transferability of credits among institutions.</p> <p>Fla. Stat. Ann. § 1007.22. Authorizes university boards of trustees and community college boards of trustees to establish intrainstitutional and interinstitutional programs to maximize articulation. These may include transfer agreements that facilitate the transfer of credits between public and nonpublic postsecondary institutions and the concurrent enrollment of students at a community college and a state university.</p> <p>Fla. Stat. Ann. § 1007.23. Requires the State Board of Education to establish in rule a statewide articulation agreement, which must among other things specifically provide that every associate in arts graduate of a community college shall have met all general education requirements and must be granted admission to the upper division of a state university, except for certain listed programs. The articulation agreement must also guarantee the statewide articulation of appropriate courses within associate in science degree programs to baccalaureate degree programs.</p>
Georgia	None found
Hawaii	None found
Idaho	None found
Illinois	<p>110 Ill. Comp. Stat. 805/2-11. Empowers the State Board in cooperation with the 4-year colleges to develop articulation procedures to the end that maximum freedom of transfer among community colleges and between community colleges and degree-granting institutions be available.</p>

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Transfer of Academic Credit**

Indiana	<p>Ind. Code Ann. § 20-12-0.5-8. Requires the Commission for Higher Education to, among other things, develop through the committee statewide transfer of credit agreements for courses that are most frequently taken by undergraduates; develop through the committee statewide agreements under which associate degrees articulate fully with related baccalaureate degree programs; and publicize by all appropriate means, including an Internet Web site, a master list of course transfer of credit agreements and program articulation agreements.</p> <p>Ind. Code Ann. § 20-12-17-2. Requires all state-supported universities to accept the transfer credit of all appropriate courses successfully completed by any student at any other state-supported postsecondary educational institution having the same level of accreditation.</p>
Iowa	None found
Kansas	<p>Kans. Stat. Ann. § 72-4454. Requires the state board of regents to adopt a policy requiring articulation agreements among area vocational schools, area vocational-technical schools, community colleges, technical colleges, and state educational institutions.</p>
Kentucky	<p>Ky. Rev. Stat. Ann. § 164.580. Requires the Kentucky Community and Technical College System to be responsive to the needs of students and employers to support the lifelong learning needs of Kentucky citizens in order to, among other things, facilitate transfers of credit among certificate, diploma, technical, and associate degree programs.</p> <p>Ky. Rev. Stat. Ann. § 164.583. Requires all lower-division academic courses offered by the community colleges to be transferable for academic credit to any and all 4-year public colleges and universities.</p>
Louisiana	<p>La. Rev. Stat. Ann. § 17:3129.1. Requires postsecondary management boards to adopt and implement in the institutions under their jurisdiction common core courses that articulate from any institution of public higher education to any other such institution, taking into consideration the accreditation criteria of the institution receiving the credit.</p> <p>La. Rev. Stat. Ann. § 17:1871. Requires the Board of Supervisors of Community and Technical Colleges to continue development of articulation agreements between institutions under the management of the board and institutions managed by other postsecondary management boards, both public and private.</p>
Maine	<p>Me. Rev. Stat. Ann. tit. 20-A, § 10902. States that one of the fundamental policies in the state's public higher educational planning is to provide for a uniform system of transferring credits for equivalent courses among the various units of the University of Maine system.</p> <p>Me. Rev. Stat. Ann. tit. 20-A, § 10907. Requires the Chancellor of the University of Maine system to form a committee that shall, among other things, establish a uniform system to facilitate the transfer of credits for equivalent courses among the various units of the University of Maine system.</p>
Maryland	<p>Md. Code Ann., Education § 11-207. Lists among the duties of the Maryland Higher Education Commission the establishment of procedures for transfer of students between the public segments of postsecondary education and the establishment, in conjunction with the governing boards, of standards for articulation agreements.</p>
Massachusetts	<p>Mass. Gen. Laws ch. 15A, § 9. Gives the board of higher education the duty and power to, among other things, develop and implement a transfer compact for the purpose of facilitating and fostering the transfer of students without the loss of academic credit or standing from one public institution to another.</p>
Michigan	None found

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Minnesota	<p>Minn. Stat. Ann. § 135A.052. Recognizes as one of the missions of postsecondary institutions that community colleges shall offer lower-division instruction in occupational programs in which all credits earned will be accepted for transfer to a baccalaureate degree in the same field of study.</p> <p>Minn. Stat. Ann. § 136F.05. Requires the Minnesota State Colleges and Universities Board of Trustees to develop administrative arrangements that make possible the efficient use of the facilities and staff of the technical colleges, community colleges, and state universities so that students may have the benefit of improved and broader course offerings, ease of transfer among schools and programs, integrated course credit, coordinated degree programs, and coordinated financial aid.</p> <p>Minn. Stat. Ann. § 135A.08. Requires the regents of the University of Minnesota and the trustees of the Minnesota State Colleges and Universities shall develop and maintain course equivalency guides for use by institutions that have a high frequency of transfer. The governing boards of private institutions that grant associate and baccalaureate degrees and that have a high frequency of transfer students are requested to participate in developing these guides.</p>
Mississippi	None found
Missouri	Mo. Rev. Stat. § 173.005. Requires the coordinating board for higher education to establish guidelines to promote and facilitate the transfer of students between institutions of higher education within the state.
Montana	None found
Nebraska	<p>Neb. Rev. Stat. Ann. § 85-1413. Requires the Coordinating Commission for Postsecondary Education to incorporate into the comprehensive statewide plan for postsecondary education, among other things, the facilitation of statewide transfer-of-credit guidelines to be considered by institutional governing boards.</p> <p>Neb. Rev. Stat. Ann. § 85-963. Encourages the community college areas to work in cooperation with the University of Nebraska and the state colleges for the articulation of general academic transfer programs of the six community college areas.</p>
Nevada	Nev. Rev. Stat. Ann. § 396.568. Requires that all credits earned by a student in a course at a community college within the system must be accepted and applied toward the coursework required of the student in his major or minor for the award of a baccalaureate degree upon graduation from any university or state college within the system if certain criteria are met.
New Hampshire	N.H. Rev. Stat. Ann. § 188-F:6. Requires the department of regional community-technical colleges and the university system of New Hampshire to develop mutually agreed upon transfer articulation agreements.
New Jersey	N.J. Stat. Ann. § 18A:3B-8. Gives responsibility to the New Jersey Presidents' Council to encourage the formation of regional or other alliances among institutions, including interinstitutional transfers, program articulation, cooperative programs and shared resources and the development of criteria for full faith and credit transfer agreements between county colleges and other institutions of higher education.
New Mexico	<p>N.M. Stat. Ann. § 21-1B-3. Requires the commission on higher education to establish and maintain a comprehensive statewide plan to provide for the articulation of educational programs and facilitate the transfer of students between institutions. The commission shall define, publish, and maintain modules of lower-division courses accepted for transfer at all institutions.</p> <p>N.M. Stat. Ann. § 21-1B-4. Requires each institution to accept for transfer course credits earned by a student at any other institution that are included in a transfer module.</p> <p>N.M. Stat. Ann. § 21-1B-5. Requires the commission on higher education to establish and maintain a process to monitor and improve articulation through frequent and systematic consultation with institutions. The commission shall establish a complaint procedure for transfer students who fail to receive credit and investigate all articulation complaints and render decisions as to the appropriateness of the actions of the participants.</p>
New York	N.Y. Educ. Law § 351. Lists as one of the missions of the state university system to exercise care to develop and maintain a balance of its human and physical resources that promotes appropriate program articulation between its state-operated institutions and its community colleges as well as encourages regional networks and cooperative relationships with other educational and cultural institutions.

**Appendix II: State Legislation Related to
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North Carolina	<p>1995 Sess. Laws, c. 287, §§ 1-3. Provides for the development, by the Board of Governors of the University of North Carolina and the State Board of Community Colleges, of a plan for the transfer of credits among the institutions of the North Carolina Community College System, and between those institutions and the constituent institutions of the University of North Carolina, the intention of the General Assembly to adopt a plan for the transfer of credits, and the implementation, by the State Board of Community Colleges, of a common course numbering system.</p> <p>1995 Sess. Laws, c. 625. Provides that the Board of Governors of the University of North Carolina and the State Board of Community Colleges shall develop a plan to provide students with information regarding the transfer of credits among community colleges and between community colleges and the University of North Carolina and shall develop a timetable for development of guidelines.</p>
North Dakota	None found
Ohio	Ohio Rev. Code Ann. § 3333.16. Requires the Ohio board of regents to establish policies and procedures applicable to all state institutions of higher education that ensure that students can begin higher education at any state institution of higher education and transfer coursework and degrees to any other state institution of higher education without unnecessary duplication; the board must also develop and implement a universal course equivalency classification system for state institutions so that the transfer of students and the transfer and articulation of equivalent courses are not inhibited by inconsistent judgment about the application of transfer credits. Coursework completed within such a system at one state institution of higher education and transferred to another institution shall be applied to the student's degree objective in the same manner as equivalent coursework completed at the receiving institution. The board of regents shall develop a system of transfer policies that ensure that graduates with associate degrees shall be admitted to a state institution of higher education. The board of regents shall study the feasibility of credit recognition and transferability to state institutions of higher education for graduates who have received associate degrees from a career college.
Oklahoma	Okla. Stat. Ann. tit. 70, § 3207.1. States that the intent of the legislature is that credits earned by students in any institution of higher education within the Oklahoma State System of Higher Education be fully accepted at any other institution of higher education within the system.
Oregon	<p>Or. Rev. Stat. § 348.470. Declares that it is the policy of the state to encourage cooperation between the Oregon University System and community colleges on issues affecting students who transfer between the two segments and that all unnecessary obstacles that restrict student transfer opportunities between the two segments shall be eliminated.</p> <p>1997 Or. Laws ch. 653, § 1. Requires the State Board of Higher Education to continue to work with the State Board of Education to develop policies and procedures to ensure maximum transfer of academic credits between community colleges and state institutions of higher education.</p>
Pennsylvania	24 Pa. Cons. Stat. Ann. § 15-1504-A. Requires the Department of Education and the Office of Administration to establish management teams to distribute funds appropriated for the researching, planning, and development of the Pennsylvania Education Network, which can include, when appropriate, implementing a Web-based application that makes all articulation agreements among higher education institutions available on the Internet.
Rhode Island	R.I. Gen. Laws § 16-45-1.1. Requires vocational programs to be organized for maximum articulation between educational levels.
South Carolina	S.C. Code Ann. § 59-52-100. Requires the State Board of Technical and Comprehensive Education and the Council of College Presidents, through the Commission on Higher Education, to clarify and strengthen articulation agreements between associate degree programs and baccalaureate degree programs.
South Dakota	S.D. Codified Laws § 13-53-43. Requires that all general education credit hours fulfilling graduation requirements in institutions accredited by the North Central Association of Colleges and Secondary Schools be transferable between the universities under the control of the South Dakota Board of Regents and the technical institutes governed by the South Dakota Board of Education. General education course credit hours are transferable between the technical institutes and universities only for credit for general education courses.

**Appendix II: State Legislation Related to
Transfer of Academic Credit**

Tennessee	Tenn. Code Ann. § 49-7-202. Requires the Tennessee Higher Education Commission to establish and ensure that all postsecondary institutions in Tennessee cooperatively provide for an integrated system of postsecondary education. The commission shall guard against inappropriate and unnecessary conflict and duplication by promoting transferability of credits and easy access of information among institutions.
Texas	<p>Tex. Educ. Code Ann. § 61.822. States that if a student successfully completes the core curriculum at an institution of higher education, that block of courses may be transferred to any other institution of higher education and must be substituted for the receiving institution’s core curriculum. A student shall receive academic credit for each of the courses transferred and generally may not be required to take additional core curriculum courses at the receiving institution.</p> <p>Tex. Educ. Code Ann. § 61.823. States that if a student successfully completes a field of study curriculum developed by the board, that block of courses may be transferred to a general academic teaching institution and must be substituted for that institution’s lower division requirements for the degree program for the field of study into which the student transfers, and the student shall receive full academic credit toward the degree program for the block of courses transferred.</p> <p>Tex. Educ. Code Ann. § 61.831. States that it is the purpose of the statutory subchapter on transfer of credit to develop a seamless system of higher education with respect to student transfers between institutions of higher education, including student transfers from public junior colleges to general academic teaching institutions.</p>
Utah	<p>Utah Code Ann. § 53B-6-105.5. Requires the Technology Initiative Advisory Board to provide the State Board of Regents with an assessment and reporting plan that includes an analysis of program articulation among higher education institutions in engineering, computer science, and related technology.</p> <p>Utah Code Ann. § 53B-16-105. Requires the Board of Regents to facilitate articulation and the seamless transfer of courses within the state system of higher education; develop, coordinate, and maintain a transfer and articulation system within the state system of higher education that allows students to transfer courses among institutions of higher education to meet requirements for general education and lower-division courses that transfer to baccalaureate majors and facilitates student acceleration and the transfer of students and credits between institutions; and identify common prerequisite courses and course substitutions for degree programs across all institutions of higher education.</p>
Vermont	None found
Virginia	<p>Va. Code Ann. § 23-9.6:1. Gives the State Council of Higher Education the duty, responsibility, and authority to facilitate the development of dual admissions and articulation agreements between 2- and 4-year public and private institutions of higher education in Virginia. Such agreements shall be subject to the admissions requirements of the 4-year institutions.</p> <p>Va. Code Ann. § 23-9.14:2. Requires the State Council of Higher Education to develop, in cooperation with the governing boards of the public 2- and 4-year institutions of higher education, a State Transfer Module that designates those general education courses that are offered within various associate degree programs at the public 2-year institutions that are transferable for credit or admission with standing as a junior to the public 4-year institutions. In developing such module, the council shall also seek the participation of private institutions of higher education. The council shall also facilitate the development of dual admissions and articulation agreements between the state’s public and private 2- and 4-year institutions of higher education, which are subject to the admissions requirements of the 4-year institutions. The council shall make public all general education courses offered at public 2-year institutions and designating those that are accepted for purposes of transfer for course credit at 4-year public and private institutions of higher education in Virginia.</p>

**Appendix II: State Legislation Related to
Transfer of Academic Credit**

Washington	<p>Wash. Rev. Code Ann. § 28B.45.014. Requires higher education branch campuses to collaborate with the community and technical colleges in their region to develop articulation agreements to ensure that branch campuses serve as innovative models of a two plus two educational system. Areas of collaboration include joint development of curricula and degree programs.</p> <p>Wash. Rev. Code Ann. § 28B.76.240. Requires the higher education coordinating board to adopt statewide transfer and articulation policies that ensure efficient transfer of credits and courses across public 2- and 4-year institutions of higher education. The intent of the policies is to create a statewide system of articulation and alignment between 2- and 4-year institutions.</p> <p>Wash. Rev. Code Ann. § 28B.76.2401. States that the statewide transfer of credit policy and agreement must not require or encourage the standardization of course content or prescribe course content or the credit value assigned by any institution to the course. Policies adopted by public 4-year institutions concerning the transfer of lower-division credit must treat students transferring from public community colleges the same as students transferring from public 4-year institutions.</p> <p>Wash. Rev. Code Ann. § 28B.76.250. Requires the higher education coordinating board to convene work groups to develop transfer associate degrees that will satisfy lower-division requirements at public 4-year institutions of higher education for specific academic majors. Each transfer associate degree developed under this section must enable a student to complete the lower-division courses or competencies for general education requirements and preparation for the major that a direct-entry student would typically complete in the freshman and sophomore years for that academic major. Completion of a transfer associate degree does not guarantee a student admission into an institution of higher education.</p> <p>Wash. Rev. Code Ann. § 28B.720. Requires the higher education coordinating board, in consultation with the state board for community and technical colleges and the council of presidents, to recruit and select institutions of higher education to participate in a pilot project to define transfer standards in selected academic disciplines on the basis of student competencies. Under the pilot project, participants shall develop standards, definitions, and procedures for quality assurance for a transfer system based on student competencies.</p>
West Virginia	<p>W. Va. Code Ann. § 18B-2B-6. Lists among the powers and duties of the West Virginia Council for Community and Technical College Education to establish and implement policies and procedures to ensure that students may transfer and apply toward the requirements for a degree the maximum number of credits earned at any regionally accredited in-state or out-of-state higher education institution; to cooperate with the governor's P-20 council of West Virginia to remove barriers relating to transfer and articulation between and among community and technical colleges, state colleges and universities, and public education, and to implement a policy jointly with the commission whereby any course credit earned at a community and technical college transfers for program credit at any other state institution of higher education and is not limited to fulfilling a general education requirement.</p>
Wisconsin	<p>Wis. Stat. Ann. § 36.11. Lists among the powers and duties of the board of regents to establish policies for the appropriate transfer of credits between institutions within the system, to establish policies for the appropriate transfer of credits with other educational institutions outside the system, and to establish and maintain a computer-based credit transfer system that shall include all transfers of credit between institutions within the system and other courses for which the transfer of credits is accepted.</p>
Wyoming	<p>Wyo. Stat. Ann. § 21-16-602. Requires the Wyoming Education Planning and Coordination Council to facilitate cooperative arrangements among state education institutions in the sharing of facilities, personnel, and technology or otherwise assist in articulation between the institutions.</p>

Source: GAO analysis of state legislation.

Appendix III: Comments from the Department of Education



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

OCT 6 2006

THE ASSISTANT SECRETARY

Ms. Cornelia M. Ashby
Director, Education, Workforce,
and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

Dear Ms. Ashby:

Thank you for providing the Department of Education with a copy of the U.S. Government Accountability Office's (GAO) draft audit report entitled "Transfer Students: Postsecondary Institutions Could Promote More Consistent Consideration of Coursework by Not Basing Determinations on Accreditation" (GAO-06-22). We have reviewed the draft report and have the following comments.

We appreciate your examining a complex subject area—the processes and requirements that colleges, universities, and other postsecondary education institutions have established to assess requests by students to transfer their academic credits—and providing very useful information. We found your description of the legislative and administrative efforts by states to facilitate the credit transfer process especially informative.

We appreciate your examination of this important issue and look forward to receiving a copy of the final report when it is issued.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sally L. Stroup".

Sally L. Stroup

1990 K STREET, N.W. WASHINGTON, D.C. 20006

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.

Appendix IV: GAO Contacts and Staff Acknowledgments

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In addition to those mentioned above, Elizabeth Bax, Richard Burkard, Sara Edmondson, Jonathan S. McMurray, John Mingus, James Rebbe, Walter Vance, and Ann T. Walker made significant contributions to this report.

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