# **LOUISIANA** FINAL GRADING ANALYSIS

OVERALL SCORE: 320.25/700 POINTS (45.8%) LETTER GRADE: F

## I. OVERSIGHT BODY: 54.25/100 POINTS

### A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY THAT IS PUBLICLY ACCOUNTABLE? 51.25/60 POINTS

| El | ement  | Points<br>Available | Type<br>1 | Type 2 | Points<br>Awarded<br>(Average) |
|----|--|---------------------|-----------|--------|--------------------------------|
| 1. | Oversight body is a multi-member board, commission, or panel created by statute  | 10                  | 10        | 10     | 10                             |
| 2. | Oversight body was statutorily created specifically to oversee private postsecondary institutions  | 10                  | 5         | 0      | 2.5                            |
| 3. | Multi-member board, commission, or panel is the<br>ultimate decision maker (as opposed to a single<br>person, like the head of a department or director) | 10                  | 10        | 10     | 10                             |
| 4. | Oversight body can engage in rulemaking  | 10                  | 10        | 10     | 10                             |
| 5. | Oversight body's meetings must be open to the public   | 5                   | 5         | 5      | 5                              |
| 6. | Oversight body's meetings must allow public comment  | 5                   | 5         | 5      | 5                              |
| 7. | Oversight body can initiate investigations   | 5                   | 5         | 5      | 2.5                            |
| 8. | Oversight body can impose penalties for violations   | 5                   | 5         | 2.5    | 3.25                           |
|    | Total Points   | 60                  | 55        | 47.5   | 51.25                          |

## Explanation:

Louisiana has two types of private for-profit postsecondary educational institutions: proprietary institutions that provide education and vocational training, preparing students for gainful employment, but do not grant degrees (Type 1) and private degree-granting institutions that have authority to confer degrees (Type 2).

*Type 1: Proprietary institutions.* The Louisiana Board of Regents serves as the oversight body for Type 1 institutions. Louisiana has also created the Advisory Commission on Proprietary Schools under the jurisdiction of the Board of Regents. (La. R.S. § 17:3141.3(G).) Although the Commission is advisory in nature, the state receives partial credit #2 above for creating a body specifically focused on these institutions. Both the Board and the Commission have the authority to engage in rulemaking, are required

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to conduct meetings that are open to the public and allow public comment; can initiate investigations and assess and impose sanctions.

*Type 2: Private degree-granting institutions.* The Louisiana Board of Regents is responsible for regulation and oversight of private degree-granting institutions. The Board has authority to engage in rulemaking. (La. R.S. § 17:1808.) All public and private postsecondary, academic degree-granting institutions offering instruction in Louisiana must register annually with the Board. Regular licenses are reviewed every two years. (LAC 28:IX.103(A).) The Board has some authority to impose penalties, specifically to revoke authorization; however, because its authority appears to be limited in this regard, the state receives partial credit for the element. (LAC 28:IX.501.) The Board is authorized to monitor institutional compliance with applicable law and may request any such information necessary to do so (i.e., conduct investigations). (La. R.S. § 17:1808(E)(1).) Pursuant to the Louisiana Open Meetings Law, the Board's meetings must be open to the public and allow public comment. (La. R.S. § 42:11 *et seq.*)

## B. STATUTE-SPECIFIED MEMBERSHIP:

## 1. TO WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY? -1.5/25 POINTS\*

|        | Explicit prohibition on<br>for-profit majority,<br>plus no possibility of a<br>majority of the quorum | Explicit prohibition<br>on for-profit<br>majority | Discouraged | No prohibition<br>specified, but not<br>discouraged | For-profit<br>majority<br>mandated |
|--------|---|---|-------------|---|------------------------------------|
| Type 1 | 25 Points   | 20 Points   | 10 Points   | <del>0</del> – 3 Points                             | -5 points                          |
| Type 2 | 25 Points   | 20 Points   | 10 Points   | 0 Points  | -5 points                          |

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

## Explanation:

*Type 1: Proprietary institutions.* The Board of Regents is composed of fifteen members appointed by the governor with the consent of the Senate, who are electors of the state. Two members shall be from each congressional district and the remaining member or members from the state at large. (La. R.S. § 17:3121.) For-profit interests are not prohibited or discouraged from serving on the Board of Regents.

A note of caution. The Advisory Commission on Proprietary Schools also does not prohibit a forprofit majority, and its structure creates a possibility that for-profit interests may constitute majority of the quorum. The nine members of the Commission are appointed as follows: one member by the commissioner of higher education; two members by the Board of Regents; three members by the Louisiana Proprietary Schools Association, one member by the Board of Supervisors of Community and Technical Colleges; one member by the State Association of Better Business Bureaus; one member by the Louisiana Association of Chamber of Commerce Executives. (La. R.S. § 17:3141.3(A).)

Although the Commission is advisory only, it is concerning that three of its members are appointed by the Louisiana Proprietary Schools Association. Members of the industry being regulated are appointing the regulators, creating a potential conflict of interest. Three points are deducted from the state's score to reflect the three members of the Commission appointed by proprietary education industry members.

*Type 2: Private degree-granting institutions.* The Board of Regents is composed of fifteen members appointed by the governor with the consent of the Senate, who are electors of the state. Two members shall be from each congressional district and the remaining member or members from the state at large. (La. R.S. § 17:3121.) For-profit interests are not prohibited or discouraged from serving on the Board of Regents.

## 2. IS THE OVERSIGHT BODY MANDATED TO INCLUDE AT LEAST ONE CONSUMER ADVOCATE? 0/10 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes       | No       |
|--------|-----------|----------|
| Type 1 | 10 Points | 0 Points |
| Type 2 | 10 Points | 0 Points |

## Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not require the Board of Regents to include a consumer advocate member. Although Louisiana law does require that one member of the Commission be appointed by the State Association of Better Business Bureaus (La. R.S. § 17:3141.3(A)), this element requires that a member of the oversight body be an independent, experienced consumer advocate.

*Type 2: Private degree-granting institutions.* Louisiana does not require the Board of Regents to include a consumer advocate member.

## 3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR ELECTED IN A GENERAL ELECTION? 4.5/5 POINTS\*

#### \*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | All       | Majority | Half       | Minority | None     |
|--------|-----------|----------|------------|----------|----------|
| Type 1 | 54 Points | 3 Points | 2.5 Points | 1 Point  | 0 Points |
| Type 2 | 5 Points  | 3 Points | 2.5 Points | 1 Point  | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* The Louisiana governor appoints members to the Board of Regents with the consent of the Senate. (La. R.S. § 17:3121.)

As described above, a minority of the Commission members are appointed by elected officials. (La. R.S. § 17:3141.3(A).) Because the Commission advises the Board, one point is deducted from the state's score.

## Type 2: Private degree-granting institutions

The Louisiana governor appoints members to the Board of Regents with the consent of the Senate. La. R.S. § 17:3121

## II. STATE OVERSIGHT – EFFICACY: 33.75/100 POINTS

## A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS? 3/10 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Mandato       | ory onsite revi | iews     | Discretionary         | None      |
|--------|---------------|-----------------|----------|-----------------------|-----------|
|        | Every 2 years | Every 3-5       | Over 5   | Discretion to conduct | No review |
|        | or less       | years           | years    | onsite reviews        | specified |
| Type 1 | 10 Points     | 8 Points        | 5 Points | 3 Points              | 0 Points  |
| Type 2 | 10 Points     | 8 Points        | 5 Points | 3 Points              | 0 Points  |

#### Explanation:

*Type 1: Proprietary institutions.* The Board of Regents may conduct onsite visits and require such information as may be necessary to grant a license and monitor institutional compliance. Louisiana requires the Board to monitor institutional compliance, and institutions must renew their licenses every year, therefore the state receives credit for giving the Board discretion to conduct onsite reviews annually. (LAC 28:III.509(D).)

*Type 2: Private degree-granting institutions.* Louisiana does not require the Board to do regular onsite inspections, however, the Board has discretion to conduct onsite reviews as a part of initial licensure and in the course of investigations where necessary. (LAC 28:IX.501.)

## B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS? 1.5/ 5 POINTS\*

| * T.                | 1 1 T                                   | 1. 1 1                | l to calculate the above score   |
|---------------------|---|-----------------------|----------------------------------|
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| r J Jr              | · · · · · · · · / · · · · · · · · · · · |                       |                                  |

|        | Required unannounced visits | Discretion to do<br>unannounced visits | No indication |
|--------|-----------------------------|--|---------------|
| Type 1 | 5 Points                    | 3 Points                               | 0 Points      |
| Type 2 | 5 Points                    | 3 Points                               | 0 Points      |

#### **Explanation:**

*Type 1: Proprietary institutions.* The Commission has discretion to conduct an onsite investigation of a school. The inspection may or may not be announced at the discretion of the staff. (LAC 28:III.1501(C).)

*Type 2: Private degree-granting institutions.* Louisiana law does not expressly require or authorize unannounced inspections for onsite reviews.

## C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE? 20/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|         | Mandatory          |                    |              | Discretionary                    | None                   |
|---------|--------------------|--------------------|--------------|----------------------------------|------------------------|
|         | 2 years or<br>less | Every 3-5<br>years | Over 5 years | Discretion to<br>conduct reviews | No review<br>specified |
| Type 1: | 20 Points          | 15 Points          | 10 Points    | 5 Points                         | 0 Points               |
| Type 2: | 20 Points          | 15 Points          | 10 Points    | 5 Points                         | 0 Points               |

### Explanation:

*Type 1: Proprietary institutions.* The Board of Regents requires proprietary institutions to renew licenses annually, which requires an application, a fee, and review. (La. R.S. § 17:3141.4; LAC 28:III.509(D); LAC 28:III.2301(A).)

*Type 2: Private degree-granting institutions.* The Board of Regents requires institutions to renew registration annually and reviews licenses every two years. (LAC 28:IX.103.)

## D. DO THE CRITERIA FOR RENEWAL OF AUTHORIZATION MANDATE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY? 6.75/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | 8 of 8 | 7 of 8 | 6 of 8 | 5 of 8 | 4 of 8 | 3 of 8  | 2 of 8 | 1 of 8 | 0 of 8 |
|--------|--------|--------|--------|--------|--------|---------|--------|--------|--------|
| Tune 1 | 20     | 17.5   | 15     | 12.5   | 10     | 7.5     | 5      | 2.5    | 0      |
| Type 1 | Points | Points | Points | Points | Points | Points  | Points | Points | Points |
|        | 20     | 17.5   | 15     | 12.5   | 10     | 7.5 8.5 | 5      | 2.5    | 0      |
| Type 2 | Points | Points | Points | Points | Points | Points  | Points | Points | Points |

| Element:                                    | Type 1 | Type 2 |
|---|--------|--------|
| Admission Requirements                      |        | Μ      |
| Graduation Requirements                     |        |        |
| Placement Rate                              |        |        |
| <b>Completion Rate (or Graduation Rate)</b> |        | D      |
| Advertising Practices                       | Μ      | Μ      |
| Cohort Default Rate                         |        |        |
| Accreditation Status                        | Μ      | Μ      |
| Financial Aid Policies                      |        |        |

M=Mandatory; D=Discretionary

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana requires review of advertising practices and accreditation status as a condition of licensure. The applicable renewal forms also require schools to disclose number of

students enrolled in the previous year the number of students who graduated in the previous year, but there is no requirement that the Board review graduation rates. (LAC 28:III.2301.)

*Type 2: Private degree-granting institutions.* The Board requires a review of admission requirements, advertising practices, and accreditation status for license renewal. The online renewal form also requests information on graduation rates, if applicable. Louisiana receives partial credit for requiring review of graduation rates. (LAC 28:IX.103; LAC 28:IX.305; LAC 28:IX.311.)

## E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFIT AND NONPROFIT EDUCATIONAL INSTITUTIONS? 2.5/15 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes, strongly<br>distinguished | Yes, moderately<br>distinguished | Yes, slightly<br>distinguished | Not distinguished |
|--------|--------------------------------|----------------------------------|--------------------------------|-------------------|
| Type 1 | 15 Points                      | 10 Points                        | 5 Points                       | 0 Points          |
| Type 2 | 15 Points                      | 10 Points                        | 5 Points                       | 0 Points          |

## Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not distinguish between for-profit and nonprofit proprietary institutions for the purposes of regulation.

*Type 2: Private degree-granting institutions.* Louisiana law provides an exception for nonprofit religious institutions whose primary purpose is to provide religious training or theological education, including sacred music, and whose degree is limited to evidence of completion of that education. (La. R.S. § 17:1808(J)(2).)

## F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE? 0/10 POINTS\*

Yes, discretionary Yes, mandatory Yes. Yes. No but limited discretionary but limited mandatory 5 Points **0** Points Type 1 10 Points 7.5 Points 2.5 Points 2.5 Points Type 2 7.5 Points 5 Points 0 Points 10 Points

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

## Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not require increased oversight / scrutiny of proprietary schools based on poor performance (poor graduation rates, high cohort default rates, poor placement rates, etc.).

*Type 2: Private degree-granting institutions.* Louisiana law does not require increased oversight / scrutiny of private degree-granting institutions based on poor performance (poor graduation rates, high cohort default rates, poor placement rates, etc.).

## G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS? 0/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes       | No       |
|--------|-----------|----------|
| Type 1 | 20 Points | 0 Points |
| Type 2 | 20 Points | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not have special protections in place for veterans who attend proprietary institutions.

*Type 2: Private degree-granting institutions.* Louisiana law does not have special protections in place for veterans who attend private degree-granting institutions.

## III. STATE OVERSIGHT—SCOPE AND INCLUSION: 75/100 POINTS

## A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED? 75/100 POINTS

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | No exemptions | Few exemptions | Moderate exemptions | Broad exemptions |
|--------|---------------|----------------|---------------------|------------------|
| Type 1 | 100 Points    | 75 Points      | 50 Points           | 0 Points         |
| Type 2 | 100 Points    | 75 Points      | 50 Points           | 0 Points         |

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law provides for several common exemptions, such as schools that provide religious training or theological education and do not offer training in a secular field; schools that provide training in recreation; courses of instruction sponsored by an employer for the training of its own employees; a course of study sponsored by a recognized trade, business or professional organization for the instruction of the members of such organization; tutors; day camps; yoga instruction; test preparation; and several other similar exemptions. Louisiana law specifically includes two exclusions that are of concern. First, a private school which provides a basic academic education comparable to that provided in the public schools of the state. Second, a school which is otherwise regulated and licensed under the laws of this state. (LAC 28:III.103.)

Private colleges and universities which only award a baccalaureate or higher degree and which maintain and operate educational programs for which credits are given and schools which are regulated and licensed under the laws of the state are exempt from the statutes and regulations that govern proprietary schools. (The Board of Regents provides oversight for these institutions.) *Type 2: Private degree-granting institutions.* Louisiana law provides an exception for nonprofit religious institutions whose primary purpose is to provide religious training or theological education, including sacred music, and whose degree is limited to evidence of completion of that education. (La. R.S. § 17:1808(J)(2).) The Board will consider a possible waiver of the accreditation requirement in the case of single purpose institutions. (LAC 28:IX.302.) Taken together, there are very few exemptions to private for-profit postsecondary institutions in Louisiana. There are no exemptions, for example, for accredited institutions. Most exemptions are common-sense exemptions common in most states. The state gives discretion in very narrow circumstances for the Board of Regents to grant a waiver of accreditation to some private degree-granting institutions.

## IV. DISCLOSURE REQUIREMENTS: 13.75/100 POINTS

## A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS? 0/20 POINTS\*

|        | Yes, mandatory                   | Yes, discretionary             | None                      |
|--------|----------------------------------|--------------------------------|---------------------------|
|        | Fact sheet or equivalent         | Fact sheet or equivalent given | No performance fact sheet |
|        | required to be given to students | to students upon request       | provided                  |
| Type 1 | 20 Points                        | 10 Points                      | 0 Points                  |
| Type 2 | 20 Points                        | 10 Points                      | 0 Points                  |

#### \*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not require proprietary institutions to provide a performance fact sheet to students.

*Type 2: Private degree-granting institutions.* Louisiana law does not require private degree-granting institutions to provide a performance fact sheet to students.

# B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT? 0/60 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### Type 1: Proprietary institutions

| Disclosures                         | Mandatory | Discretionary | Not specified |
|-------------------------------------|-----------|---------------|---------------|
| Cohort default rate (CDR)           | 10 Points | 5 Points      | 0 Points      |
| Graduation / completion rates       | 10 Points | 5 Points      | 0 Points      |
| Placement rates                     | 10 Points | 5 Points      | 0 Points      |
| Wage information                    | 10 Points | 5 Points      | 0 Points      |
| License exam passage rates          | 10 Points | 5 Points      | 0 Points      |
| Methods & sources used to calculate | 10 Points | 5 Points      | 0 Points      |

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#### Explanation:

Louisiana law does not require proprietary institutions to disclose information including any of the above performance measures to students prior to enrollment.

| Disclosures                         | Mandatory | Discretionary | Not specified |
|-------------------------------------|-----------|---------------|---------------|
| Cohort default rate (CDR)           | 10 Points | 5 Points      | 0 Points      |
| Graduation / completion rates       | 10 Points | 5 Points      | 0 Points      |
| Placement rates                     | 10 Points | 5 Points      | 0 Points      |
| Wage information                    | 10 Points | 5 Points      | 0 Points      |
| License exam passage rates          | 10 Points | 5 Points      | 0 Points      |
| Methods & sources used to calculate | 10 Points | 5 Points      | 0 Points      |

#### **Explanation:**

Louisiana law does not require degree-granting schools to disclose information including any of the above performance measures to students prior to enrollment.

## C. DOES THE STATE REQUIRE SCHOOLS TO DISCLOSE ELEMENTS ESSENTIAL TO STUDENT PROTECTION PRIOR TO ENROLLMENT OR IN THE ENROLLMENT CONTRACT? 13.75/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### Type 1: Proprietary Institutions

| Element description        | Mandatory | Discretionary | Not specified |
|----------------------------|-----------|---------------|---------------|
| Total cost of program      | 5 Points  | 2.5 Points    | 0 Points      |
| Refund information         | 5 Points  | 2.5 Points    | 0 Points      |
| Transferability of credits | 5 Points  | 2.5 Points    | 0 Points      |
| Length of program          | 5 Points  | 2.5 Points    | 0 Points      |

#### Explanation:

Louisiana law requires proprietary institutions to disclose the total costs of the program and refund information to students prior to enrollment. (La. R.S. § 17:3141.5(A).)

#### Type 2: Private degree-granting institutions

| Element description        | Mandatory | Discretionary | Not specified |
|----------------------------|-----------|---------------|---------------|
| Total cost of program      | 5 Points  | 2.5 Points    | 0 Points      |
| Refund information         | 5 Points  | 2.5 Points    | 0 Points      |
| Transferability of credits | 5 Points  | 2.5 Points    | 0 Points      |
| Length of program          | 5 Points  | 2.5 Points    | 0 Points      |

#### Explanation:

Louisiana law requires institutions to provide prospective students with information about admissions policies; program descriptions and objectives; schedule of tuition, fees, and other charges; cancellation

and refund policies; and other material information about the institution and its programs which may impact a student's enrollment decision. (LAC 28:IX.305(B).) Louisiana law requires private degreegranting institutions to include in the enrollment contract commencement date of the program; titles of courses within the student's chosen curriculum; total hours (quarter, trimester, semester); a payment schedule which includes the total cost to the student; the refund policy of the institution; a statement indicating that the individual signing the agreement has read and understands all aspects of the agreement; and the student grievance procedures. (LAC 28:IX.311(C).) Louisiana does not require institutions to provide potential students with information regarding the transferability of credits earned at the institution. However, because transferability of credits reasonably may be considered "material information about the institution and its programs which may impact a student's enrollment decision," Louisiana receives partial credit for this element.

#### V. **REGULATION OF RECRUITING PRACTICES:** 62.5/100 POINTS

#### A. HAS THE STATE PUT INTO LAW A LIST OF PROHIBITED ACTS **REGARDING ADVERTISING AND RECRUITING?**

62.5/100

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes, strong regulation | Yes, moderate regulation | Yes, weak<br>regulation | No list of<br>prohibited acts |
|--------|------------------------|--------------------------|-------------------------|-------------------------------|
| Type 1 | 100 Points             | 75 Points                | 50 Points               | 0 Points                      |
| Type 2 | 100 Points             | 75 Points                | 50 Points               | 0 Points                      |

### PROHIBITED ACTS

| Included in list of prohibited acts  | Type 1 | Type 2 |
|--|--------|--------|
| Misleading representations using the word "college" or "university"                | /      |        |
| Misleading institution affiliations (e.g., military, public institution, business) |        |        |
| Promise of employment  | X      |        |
| Compensation for enrollment  |        |        |
| Compensation or "bounty" to recruiters   |        |        |
| Deception (broad prohibition)  | X      | X      |
| Misrepresentation (broad prohibition)  | X      | X      |
| Misleading representations re: accreditation                                       | 1      | X      |

1-3=Weak; 3.5-6=Moderate; 6.5-8=Strong

#### **Explanation:**

Type 1: Proprietary institutions. Louisiana law requires proprietary institutions to disclose the purpose of the advertising, that education training, not a job, is offered. It prohibits proprietary schools from directly, or by implication, misrepresenting the services it renders. It further prohibits proprietary schools from conveying false, misleading or exaggerated impressions with respect to the school, its personnel, its courses and services, or the occupational opportunities for its graduates. (LAC 28:III.1301.) Taken

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together, these requirements and prohibitions achieve the purposes reflected by some of the elements above (prohibiting misrepresentation, deception, and promises of employment).

Additionally, Louisiana regulations expressly state that "Every advertisement shall constitute to the reader a clear statement of a bonafide offer or announcement made in good faith. It shall be written to its anticipated readership, normally persons unsophisticated in the traditional word usage of the education industry. Therefore, all solicitation must be truthful and conducted with extreme care." (LAC 28:III.1301.) The state receives partial credit for three elements because the above quoted language reasonably could be interpreted to encompass the following elements aimed at prohibiting misleading representations regarding accreditation, misleading institutional affiliations, and misleading representations using the words college or university.

*Type 2: Private degree-granting institutions.* Louisiana law prohibits institutions from engaging in false advertising or other misleading practices. These prohibitions encompass broadly both deception and misrepresentation. Further, Louisiana law requires institutions claiming accreditation by agencies not recognized by the U.S. Department of Education to clearly state in all advertising and promotional literature that the institutions' accreditation is not recognized by either the U.S. Department of Education or the State of Louisiana. (LAC 28:IX.321.) The effect of this regulation is to prohibit misleading representations related to accreditation.

## VI. COMPLAINT PROCESS AND RELIEF FOR STUDENTS: 61/100 POINTS

## A. DOES THE STATE REQUIRE A BOND OR FUND AS A CONDITION OF AUTHORIZATION? 20/20 POINTS\*

| *points for Type 1 and Type 2 schools have been averaged to calculat | e the above score |
|--|-------------------|
|--|-------------------|

|        | Yes       | No       |
|--------|-----------|----------|
| Type 1 | 20 Points | 0 Points |
| Type 2 | 20 Points | 0 Points |

## Explanation:

*Type 1: Proprietary institutions.* Louisiana law requires proprietary institutions to post a surety bond with application for licensure. (La. R.S. § 17:3141.5(D)(1)(a).)

*Type 2: Private degree-granting institutions.* Louisiana law requires institutions to post a surety bond issued by a surety authorized to do business in the state of Louisiana in the amount of \$10,000 to cover the period of the license. These bonds are intended to protect students in the event of a sudden closure of the institution. (LAC 28:IX.319.)

## B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT ENROLLS AS THE RESULT OF MISREPRESENTATION? 7.5/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes, full refund        | Yes, partial refund | No refund required |
|--------|-------------------------|---------------------|--------------------|
| Type 1 | <del>20</del> 15 Points | 10 Points           | <b>0</b> Points    |
| Type 2 | 20 Points               | 10 Points           | 0 Points           |

#### **Explanation:**

*Type 1: Proprietary institutions.* Louisiana law requires institutions to include a surety bond with any application for accreditation; the bond covers the period of the license. The bond provides for the indemnification of any person suffering loss or damages due to a number of circumstances of which use of fraud or misrepresentation in procuring enrollment. Louisiana loses five points here because the statute does not explicitly state that institutions must provide a full\_refund. However, indemnification in instances in which a student enrolls due to fraud or misrepresentation could reasonably be assumed to result in a full refund in most circumstances. (La. R.S. § 17:3141.5(D)(1)(b).)

*Type 2: Private degree-granting institutions.* Louisiana law does not expressly require a refund of tuition if a student enrolls as the result of misrepresentation.

## C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF CLOSURE? 15/20 POINTS\*

|        | Yes, full refund | Yes, partial refund | Yes, refund in limited<br>circumstances | No refund<br>required |
|--------|------------------|---------------------|---|-----------------------|
| Type 1 | 20 Points        | 15 Points           | 10 Points                               | 0 Points              |
| Type 2 | 20 Points        | 15 Points           | 10 Points                               | 0 Points              |

#### \*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law requires proprietary institutions to include a surety bond with any application for accreditation; the bond covers the period of the license. The bond provides for the indemnification of any person suffering loss or damages due to a number of circumstances including the inability of the student to complete the course or courses because the school ceased operation or failed to furnish the facilities advertised or included in the contracted agreement. (La. R.S. § 17:3141.5(D).) The tuition refund policy enumerated in statute and regulation limits the refund available in these circumstances. (La. R.S. § 17:3141.5(A).)

Louisiana also requires schools to contribute to a student protection fund, which is used to indemnify students when a school's surety bond has been exhausted. Refunds from the student protection fund are limited. (LAC 28:III.1101.)

*Type 2: Private degree-granting institutions.* Louisiana law has provisions in place to protect students and provide refund in the event of closure of the institution. The state requires institutions to post a surety bond issued by a surety authorized to do business in the state of Louisiana in the amount of \$10,000 to cover the period of the license. These bonds are intended to protect students in the event of a sudden closure of the institution. (LAC 28:IX.319.)

## D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT? 10/10 POINTS\*

|        | 2 years or more<br>(or no deadline) | 1-2 years | Under 1 year | Not Applicable |
|--------|-------------------------------------|-----------|--------------|----------------|
| Type 1 | 10 Points                           | 5 Points  | 1 Point      | 0 Points       |
| Type 2 | 10 Points                           | 5 Points  | 1 Point      | 0 Points       |

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law outlines a complaint process for students at proprietary institutions, but does not specify a deadline for the initial filing. (LAC 28:III.1701(A).)

*Type 2: Private degree-granting institutions.* Louisiana law does not specify a deadline for student complaints.

## E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY? 5/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

#### **Type 1: Proprietary institutions**

| Medium                     | Yes       | Discretionary | No       |
|----------------------------|-----------|---------------|----------|
| Catalog                    | 10 Points | 5 Points      | 0 Points |
| Website                    | 5 Points  | 2.5 Points    | 0 Points |
| <b>Enrollment contract</b> | 5 Points  | 2.5 Points    | 0 Points |

#### **Explanation:**

Louisiana law requires proprietary schools to include in either their catalog or their enrollment agreement the following:

Complaints relative to actions of school officials may be made and must be in writing, addressed to the Louisiana Board of Regents, Proprietary Schools Section, P.O. Box 3677, Baton Rouge, LA 70821-3677, 225/342-4253. Such complaints may be made only after the student has unsuccessfully attempted to resolve the matter with the school by having first filed a written and signed complaint with that school's officials. Any student who wishes to review the student complaint procedure may make a request for a copy of the procedure, in writing, addressed to the Louisiana Board of Regents, Proprietary Schools Section, P.O. Box 3677, Baton Rouge, LA 70821-3677, (225)342-4253. (LAC 28:III.1701(A)(3).)

The state receives partial credit for requiring schools to include information on the school website because it is a common practice for schools to include a catalog on the school website.

#### Type 2: Private degree-granting institutions

| Medium                     | Yes       | Discretionary | No       |
|----------------------------|-----------|---------------|----------|
| Catalog                    | 10 Points | 5 Points      | 0 Points |
| Website                    | 5 Points  | 2.5 Points    | 0 Points |
| <b>Enrollment contract</b> | 5 Points  | 2.5 Points    | 0 Points |

#### Explanation:

Louisiana law does not require private degree-granting institutions to disclose information to students with regard to filing a complaint with the Board of Regents.

## F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY'S WEBSITE? 3.5/10 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes, with<br>address | Yes, with phone # | Yes, with<br>email address | Yes, with electronic form | No       |
|--------|----------------------|-------------------|----------------------------|---------------------------|----------|
| Type 1 | <b>21</b> Points     | <b>21</b> Points  | 3 1.5 Points               | 3 Points                  | 0 Points |
| Type 2 | 2 1 Points           | 2 1 Points        | 3 1.5 Points               | 3 Points                  | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* The Board of Regents has a webpage for proprietary schools. The webpage contains a link to a description of the student complaint process. However, there is no contact information on this page. In order to find any contact information, a student would need to search for "student complaint," which brings up a page with some contact information. The same page applies to private degree-granting schools. Louisiana receives partial credit here.

*Type 2: Private degree-granting institutions.* The Board of Regents webpage states that "While the Board of Regents (BoR) has no direct jurisdiction over the day-to-day operations of postsecondary institutions, the BoR does receive student complaints from students. Students are encouraged to exhaust all appropriate internal campus processes. If a complaint is not resolved at the institution level to the student's satisfaction, BoR staff will assist in referring the student to the appropriate entity, such as the institution's governing/management board." The website gives the addresses, phone numbers, and email addresses of the Office of Consumer Protection and the Office for Civil Rights. There is no contact information on the webpage specifically for students to contact the Board of Regents with complaints, but there is a general phone number, address, and fax number. Because there is no contact information specifically intended for students to use to file complaints with the Board of Regents, Louisiana receives partial credit for this element.

## VII. ENFORCEMENT: 20/100 POINTS

### A. IS THERE LOSS OF STATE AID FOR SCHOOLS THAT REPEATEDLY PRODUCE SUBSTANDARD GRADUATION RATES, JOB PLACEMENT RATES, AND/OR COHORT DEFAULT RATES? 0/30 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes, required | Yes, required<br>but limited | Yes,<br>discretionary | Yes,<br>discretionary<br>but limited | No       |
|--------|---------------|------------------------------|-----------------------|--------------------------------------|----------|
| Type 1 | 30 Points     | 20 Points                    | 15 Points             | 5 Points                             | 0 Points |
| Type 2 | 30 Points     | 20 Points                    | 15 Points             | 5 Points                             | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not mandate the loss of state aid for proprietary schools that repeatedly produce substandard graduation rates, job placement rates, and/or cohort default rates.

*Type 2: Private degree-granting institutions.* Louisiana law does not mandate the loss of state aid for private degree-granting institutions that repeatedly produce substandard graduation rates, job placement rates, and/or cohort default rates.

## B. DOES STATE LAW EXPLICITLY AUTHORIZE A PRIVATE RIGHT OF ACTION FOR STUDENTS AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS AND REGULATIONS IN PLACE TO GOVERN THEM? 0/30 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes       | Limited circumstances | No       |
|--------|-----------|-----------------------|----------|
| Туре 1 | 30 Points | 15 Points             | 0 Points |
| Type 2 | 30 Points | 15 Points             | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* While Louisiana law expressly allows for either party to request judicial review of Board decisions (LAC 28:III.1701(E)), it does not explicitly authorize a private right of action against institutions that have violated the laws and regulations in place to govern them.

*Type 2: Private degree-granting institutions.* Louisiana law does not explicitly authorize a private right of action for students against institutions that have violated the laws and regulations in place to govern them.

## C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST PRIVATE FOR-PROFIT POSTSECONDARY INSTITUTIONS? 0/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes       | Limited   | No       |
|--------|-----------|-----------|----------|
| Type 1 | 20 Points | 15 Points | 0 Points |
| Type 2 | 20 Points | 15 Points | 0 Points |

### Explanation:

*Type 1: Proprietary institutions.* Louisiana law does not explicitly allow attorney fee awards for students who prevail in litigation against proprietary schools that have violated the laws and regulations in place to govern them.

*Type 2: Private degree-granting institutions.* Louisiana law does not explicitly allow attorney fee awards for students who prevail in litigation against private degree-granting institutions that have violated the laws and regulations in place to govern them. Louisiana law does specify that all costs, incurred by the state in instances in which the attorney general in seeking injunctive relief against an institution operating in noncompliance with the law, shall be borne by the institution if it is found to be operating illegally. (LAC 28:IX.501(D).)

## D. DOES STATE LAW EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT? 20/20 POINTS\*

\*points for Type 1 and Type 2 schools have been averaged to calculate the above score

|        | Yes       | Limited Circumstances | No       |
|--------|-----------|-----------------------|----------|
| Type 1 | 20 Points | 10 Points             | 0 Points |
| Type 2 | 20 Points | 10 Points             | 0 Points |

#### Explanation:

*Type 1: Proprietary institutions.* Louisiana law allows attorney general involvement in matters regarding proprietary institutions.

*Type 2: Private degree-granting institutions.* Louisiana law contains provisions allowing for attorney general involvement when an institution is in violation of Louisiana law. (LAC 28:IX.501(D).)

## **BONUS POINTS:**

Louisiana does not receive any bonus points.



## RECIPROCITY AGREEMENTS

Louisiana is a member of the State Authorization Reciprocity Agreements (SARA).

## LITIGATION, INVESTIGATIONS, AND ACTIONS INVOLVING PRIVATE FOR-PROFIT EDUCATIONAL INSTITUTIONS IN LOUISIANA

For more information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at <u>http://www.republicreport.org/2014/</u>law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf.