

INDIANA: FINAL GRADING ANALYSIS

OVERALL SCORE:
246.5 / 700 POINTS
35 %
LETTER GRADE: **F**

I. OVERSIGHT BODY: **60.5/100 POINTS**

A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY THAT IS PUBLICLY ACCOUNTABLE?

52.5 / 60 POINTS

Element	Points	Type 1	Type 2	Average
Multi-Member Panel / Board created by statute	10	10	10	10
Board statutorily created specifically to oversee private postsecondary institutions	10	5	10	7.5
Board is the decision-maker (<i>NOT</i> a single person - like the head of the department or director)	10	10	10	10
Board can engage in rule-making	10	10	10	10
Meetings must be open to the public	5	5	5	5
Must allow public comment	5	0	0	0
Board can initiate investigations	5	5	5	5
Board can impose penalties for violations	5	5	5	5
Total Points	60	50	55	52.5

Explanation:

Indiana divides its private postsecondary educational institutions into two categories for the purposes of oversight and regulation. The first category, which will be referred to as “Type 1” in this report, includes non-credit-bearing, non-degree-granting institutions. As of July 1, 2016, the department of workforce development is responsible for regulation and oversight of Type 1 non-credit bearing, non-degree-granting institutions. **Ind. Code Ann. § 21-18.5-1-5; Ind. Code Ann. § 21-18.5-1-3; Ind. Code Ann. § 22-4.1-22-3** The second category, which will be referred to as “Type 2” in this report, includes credit-bearing, degree-granting institutions. As of July 1, 2012, the board for proprietary education is responsible for overseeing Type 2 credit-bearing, degree-

granting institutions. **Ind. Code Ann. § 21-18.5-1-5; Ind. Code Ann. § 21-18.5-1-3; Ind. Code Ann. § 21-18.5-5-1** Indiana requires meetings of both the department of workforce development and the board for proprietary education to be open to the public pursuant to the Indiana Open Door Law. **Ind. Code Ann. § 5-14-1.5 et seq.** However, Indiana law does not require meetings to include an opportunity for the public to comment.

Type 1: non-credit-bearing, non-degree-granting institutions:

While Indiana created the department of workforce development for broader purposes than the oversight of private non-credit-bearing, non-degree-granting institutions; Indiana created the office for the career and technical schools (OCTS) to carry out the responsibilities of the workforce and innovation council. **Ind. Code Ann. § 22-4.1-21-10** Thus, the state receives partial credit here. The OCTS has the authority to initiate investigations and impose penalties. **See Office for Career and Technical Schools (OCTS): 2015 Policies and Procedures.** Available online at: http://www.in.gov/dwd/files/OCTS_Policy_and_Procedures.pdf

Type 2: Credit-bearing proprietary institutions:

Indiana created the board for proprietary education for the purposes of authorization and oversight of credit-bearing proprietary institutions. **Ind. Code Ann. 21-18.5-6-2.** The board has the authority to engage in rule-making. **Ind. Code Ann. § 21-18.5-5-4; Ind. Code Ann. § 21-18.5-6-27** The board has the right to impose penalties (revoke authorization, for example) **Ind. Code Ann. § 21-18.5-6-13**

B. STATUTE-SPECIFIED MEMBERSHIP:

1. TO WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY?

5/ 25 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Explicit Prohibition on For-Profit majority + No possibility of a majority of the quorum	Explicit Prohibition on For-Profit Majority	Discouraged	No prohibition Specified, but not discouraged	For Profit Majority Mandated
Type 1:	25 Points	20 Points	10 Points	0 Points	-5 points
Type 2:	25 Points	20 Points	10 Points	0 Points	-5 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana does not prohibit or discourage a for-profit majority on the workforce innovation council, but the state does not mandate a for-profit majority.

Type 2: Credit-bearing proprietary institutions

Indiana law specifies that the board for proprietary education must consist of seven members: The state superintendent or the superintendent’s designee; the executive officer of the commission for higher education or the executive officer’s designee; five members appointed by the governor. The members appointed by the governor serve for a term of four years. Not more than three of the

members appointed by the governor may be members of the same political party. Of the five members appointed by the governor: one must have been engaged for a period of at least five years immediately preceding appointment in an executive or a managerial position in a postsecondary proprietary educational institution; one must have been engaged in administering or managing an industrial employee training program for a period of at least five years immediately preceding appointment; and three must be representatives of the public at large who are *not* representatives of the types of postsecondary credit bearing proprietary educational institutions to be authorized. **Ind. Code Ann. § 21-18.5-5-2** It is very unlikely that for-profits will comprise either a majority or a majority of the quorum on the board, but it is not explicitly prohibited. Because Indiana effectively discourages a board dominated by for-profit interest by virtue of the statutory structure, the state receives partial credit for this element.

2. IS THE OVERSIGHT BODY IS MANDATED TO INCLUDE AT LEAST ONE
CONSUMER ADVOCATE?

0/10 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	No
Type 1:	10 Points	0 Points
Type 2:	10 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

There is nothing in Indiana law or policy governing non-credit-bearing, non-degree-granting institutions that requires appointment of a consumer advocate to either the workforce and department of workforce development or the OCTS.

Type 2: Credit-bearing proprietary institutions

Indiana does not require the board for proprietary education to include a consumer advocate.

3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR
ELECTED IN A GENERAL ELECTION?

3/5 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	All	Majority	Half	Minority	None
Type 1:	5 Points	3 Points	2.5 Points	1 Point	0 Points
Type 2:	5 Points	3 Points	2.5 Points	1 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

The membership of the state workforce department of workforce development consists of the representatives required by the Workforce Investment Act, and must represent the diverse regions of Indiana. Additionally, the state superintendent of public instruction (elected official) or the

superintendent’s designee serves as a member and an individual designated by the governor who has been nominated by a recognized adult education organization serve as members of the state workforce innovation council. The governor appoints the members for 2 year terms. **Ind. Code Ann. §§ 22-4.1-22-5; 22-4.1-22-6.**

Type 2: Credit-bearing proprietary institutions

The governor appoints five of the seven members of the board for proprietary education. **Ind. Code Ann. § 21-18.5-5-2**

II. STATE OVERSIGHT – EFFICACY: 44.5/100 POINTS

A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS?

2/10 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Mandatory On-Site Reviews			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to Conduct On-Site Reviews	No Onsite Review 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 (+1 Point)

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions:

The OCTS conducts an initial onsite review to confirm physical location of an institution (not for purposes of a comprehensive review) and for institutions with temporary accreditation as a part of the final accreditation process. The OCTS also has discretion to conduct impromptu onsite reviews based on “right to premises” to investigate complaints / concerns. **Ind. Code Ann. § 22-4.1-21-21; See Office for Career and Technical Schools (OCTS): 2015 Policies and Procedures.** Available online at: http://www.in.gov/dwd/files/OCTS_Policy_and_Procedures.pdf Thus, Indiana receives credit for giving discretion to the workforce and department of workforce development and the OCTS to conduct onsite visits on an annual basis, given that Indiana requires institutions to renew accreditation annually and the OCTS may conduct site visits to investigate concerns, many of which may arise in the course of the annual accreditation.

Type 2: Credit-bearing, proprietary institutions

The board for proprietary education conducts onsite inspections of proprietary institutions during the course of the investigation for authorization. **Ind. Code Ann. §§ 21-18.5-6-8; 21-18.5-6-9** Indiana does not specify the frequency of onsite inspections after an institution is authorized. Indiana receives 1 point for the initial onsite inspection.

B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS?

2.5/ 5 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Required Unannounced Visits	Discretion to do Unannounced Visits	No indication
Type 1:	5 Points	3 Points	0 Points
Type 2:	5 Points	3 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

The OCTS has discretion to conduct impromptu onsite reviews based on “right to premises” to investigate complaints / concerns. **See *Office for Career and Technical Schools (OCTS): 2015 Policies and Procedures***. Available online at:

http://www.in.gov/dwd/files/OCTS_Policy_and_Procedures.pdf

Type 2: Credit-bearing, proprietary institutions

Indiana law does not specify a requirement or discretion for the board to conduct unannounced onsite inspections.

C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE?

20/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Mandatory			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct reviews	No Review Specified
Type 1:	20 Points	15 Points	1 Point	5 Points	0 Points
Type 2:	20 Points	15 Points	1 Point	5 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Annual renewal is required upon the payment of a \$25 fee, submission of a form (available online at http://www.in.gov/dwd/files/Accreditation_Renewal_Checklist.pdf) and continued compliance with applicable Indiana law. **Ind. Code Ann. § 22-4.1-21-24**

Type 2: Credit-bearing, proprietary institutions

Annual renewal is required upon the payment of a \$25 fee, submission of a form (available online at <http://www.in.gov/bpe/2452.htm>) and continued compliance with applicable Indiana law. **Ind. Code Ann. § 21-18.5-6-12(f)**

D. DOES THE CRITERIA FOR RENEWAL OF AUTHORIZATION MANDATE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY?

10/ 20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	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
Type 1:	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	0 Points
Type 2:	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Element	Type 1	Type 2
Admission Requirements	M	
Graduation Requirements		
Placement Rate	M	
Completion Rate (or Graduation Rate)	M	
Advertising Practices	M	M
Cohort Default Rate		
Accreditation Status	M	M
Financial Aid Policies	M	

M=Mandatory; D=Discretionary

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana requires the council to review advertising practices for accreditation **Ind. Code Ann. § 22-4.1-21-23(4)** See also the required accreditation renewal application available on the website of the Office of Career and Technical Schools.

http://www.in.gov/dwd/files/Accreditation_Renewal_Application.pdf

Type 2: Credit-bearing, proprietary institutions

Indiana requires review of advertising practices and accreditation status for renewal of authorization. Ind. Code Ann. § 21-18.5-6-11;

http://www.in.gov/bpe/files/Application_for_Renewal_of_Institutional_Authorization_-_Physical_Presence_V14.pdf

Institutions must remain in compliance with all laws, but the renewal form and laws that specify the process for renewal of authorization include only the elements noted above.

E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFITS AND NONPROFITS?

10/15 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, strongly distinguished	Yes, moderately distinguished	Yes, Slightly 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: Non-credit-bearing, non-degree-granting institutions

Indiana law does not distinguish between for-profit and nonprofit private postsecondary educational institutions, but the OCTS policies and procedures do. “The general assembly has given the following charge regarding the regulation of private (for profit) schools...” *Office for Technical and Career Schools (OCTS): 2015 Policies and Procedures* Available online at:

http://www.in.gov/dwd/files/OCTS_Policy_and_Procedures.pdf

Type 2: Credit-bearing proprietary institutions

Indiana distinguishes between proprietary (for-profit) institutions and nonprofit institutions. Religious institutions that offer educational instruction or an educational programs of a clearly religious nature are exempt. **Ind. Code Ann. § 21-18.5-6-2.5**

F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE?

0/10 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, Mandatory	Yes, Mandatory but Limited	Yes, Discretionary	Yes, Discretionary but Limited	No
Type 1:	10 Points	7.5 Points	5 Points	2.5 Points	0 Points
Type 2:	10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

There is no indication that Indiana requires non-credit-bearing, non-degree-granting institutions to undergo increased oversight / scrutiny based on poor performance.

Type 2: Credit-bearing, proprietary institutions

There is no indication that Indiana requires credit-bearing, proprietary institutions to undergo increased oversight / scrutiny based on poor performance.

G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS?

0 /20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	No
Type 1:	10 Points	0 Points

Type 2:	10 Points	0 Points
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Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

There is no indication that Indiana has put special protections in place specifically for veterans who attend non-credit-bearing, non-degree-granting institutions.

Type 2: Credit-bearing, proprietary institutions

There is no indication that Indiana has put special protections in place specifically for veterans who attend credit-bearing, proprietary institutions.

III. STATE OVERSIGHT - SCOPE & INCLUSION: 0/100 POINTS

A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED?

0/100 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	No Exemptions	Few Exemptions	Moderate Exemptions	Heavy Exemptions
Type 1	100 Points	75 Points	50 Points	0 Points
Type 2	100 Points	75 Points	50 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

The council may waive inspection of a postsecondary proprietary educational institution that has been accredited by an accrediting unit whose standards are approved by the council as meeting or exceeding the requirements enumerated in Indiana statute. **Ind. Code Ann. § 22-4.1-21-24** Additionally, in specified circumstances, the council may waive inspection if an institution presents a valid license, approval to operate, or other form of accreditation issued to a postsecondary proprietary educational institution by another state.

Type 2: Credit-bearing, proprietary institutions

Religious institutions that offer educational instruction or an educational programs of a clearly religious nature are exempt. **Ind. Code Ann. § 21-18.5-6-2.5** The exemption for religious institutions that offer educational programs of a clearly religious nature is a common exemption and does not result in a large exemption that would leave students unprotected.

The board for proprietary education may waive inspection of postsecondary credit-bearing proprietary educational institutions that have been authorized by an accrediting agency recognized by the United States Department of Education. **Ind. Code Ann. § 21-18.5-6-12** Indiana loses some credit here because of this waiver. The waiver still leaves institutions that qualify for the waiver subject to the oversight of the board, but exempts them from inspections, it does not exempt them from the oversight of the board entirely. Likewise, the board for proprietary education may accept

license, authorization to operate, or other form of authorization from another state in some circumstances if the requirements of the state meet or exceed those enumerated by Indiana. Additionally, Indiana expressly allows institutions to enter into reciprocity agreements with other states. **Ind. Code Ann. § 21-18.5-6-12** Reciprocity agreements may limit protections in place for students. Thus, Indiana loses points for this provision.

Taken together, Indiana provides extensive (heavy) exemptions to board or OCTS oversight and inspections private postsecondary institutions (both non-credit-bearing, non-degree-granting institutions and credit-bearing proprietary institutions).

IV. DISCLOSURE REQUIREMENTS: **2.5/100 POINTS**

A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS?

0/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, Mandatory	Yes, Discretionary	None
	Fact sheet or equivalent required to be given to students:	Fact sheet or documents given to students upon request:	No Performance Fact sheet required
Type 1:	20 Points	10 Points	0 Points
Type 2:	20 Points	10 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana does not require institutions to provide any fact sheet type performance disclosures to students or potential students.

Type 2: Credit-bearing, proprietary institutions

Indiana does not require institutions to provide any fact sheet type performance disclosures to students or potential students.

B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT?

0/60 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

Type 1: Non-credit-bearing, non-degree-granting 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

Explanation:

Indiana does not require institutions to provide any fact sheet type performance disclosures to students or potential students.

Type 2: Credit-bearing, 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

Explanation:

Indiana does not require institutions to provide any fact sheet type performance disclosures to students or potential students.

C. DOES THE STATE REQUIRE SCHOOLS TO INCLUDE ELEMENTS ESSENTIAL FOR STUDENTS TO MAKE AN INFORMED DECISION PRIOR TO ENROLLMENT OR IN THE ENROLLMENT CONTRACT?

2.5/ 20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

Type 1: Non-credit-bearing, non-degree-granting institutions

Element Description	Mandatory	Discretionary	Not Specified or explicitly excluded
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:

Indiana requires institutions to include council-approved refund policies in enrollment agreements. See *Office for Career and Technical Schools (OCTS): 2015 Policies and Procedures*. Available online at: http://www.in.gov/dwd/files/OCTS_Policy_and_Procedures.pdf Indiana does not

explicitly require inclusion of disclosures related to the total cost of program, transferability of credits, or amount of time required to complete the program in the enrollment contract.

Type 2: Credit-bearing, proprietary institutions

Element Description	Mandatory	Discretionary	Not Specified or explicitly excluded
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:

Indiana has a policy similar to non-credit-bearing, non-degree-granting institutions. The postsecondary credit bearing proprietary educational institution has and follows a refund policy approved by the board for proprietary education. **Ind. Code Ann. § 21-18.5-6-11 (7)**

V. REGULATION OF RECRUITING PRACTICES: 50/100 POINTS

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

50/100 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, strong regulation	Yes, Moderate Regulation	Yes, weak regulation	No list of 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 (re: military, public institution, business establishments...)		
Promise Employment	X	X
Compensation for enrollment		
Compensation or “bounty” to recruiters		
Deception (Broad prohibition)	X	X
Misrepresentation (Broad Prohibition)	X	X
Misleading representations re: accreditation		

1-3 Weak; 4-6 Moderate; 7+ Strong

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana requires the council to review an institution’s advertising to ensure that representations made therein are truthful and are free from misrepresentations and fraud. **Ind. Code Ann. § 22-4.1-21-23(4)**. Further, Indiana prohibits institutions and their agents from making a statement or representation, in connection with the offering or publicizing of a course, if the person knows or should reasonably know the statement or representation is false, deceptive, substantially inaccurate, or misleading; promising or guaranteeing employment to a student or prospective students; and from doing an act that constitutes part of the conduct of administration of a course if the person knows, or should reasonably know, that the course is being carried on by the use of fraud, deception, or other misrepresentation. **Ind. Code Ann. § 22-4.1-21-28**

Type 2: Credit-bearing, proprietary institutions

Indiana prohibits institutions and their agents from making a statement or representation, in connection with the offering or publicizing of a course, if the person knows or should reasonably know the statement or representation is false, deceptive, substantially inaccurate, or misleading; promising or guaranteeing employment to a student or prospective students; and from doing an act that constitutes part of the conduct of administration of a course if the person knows, or should reasonably know, that the course is being carried on by the use of fraud, deception, or other misrepresentation. **Ind. Code Ann. § 21-18.5-6-16**

VI. COMPLAINT PROCESS & RELIEF FOR STUDENTS:

64/100 POINTS

A. DOES THE STATE REQUIRE A BOND OR FUND AS A CONDITION OF AUTHORIZATION?

15/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	No
Type 1:	20 Points	0 Points
Type 2:	20 Points (-10 Points)	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions:

Indiana requires institutions to provide a surety bond with any application for accreditation (certification of a status of approval or authorization by the council to conduct business as a postsecondary proprietary educational institution). **Ind. Code Ann. § 22-4.1-21-15**

Type 2: Credit-bearing, proprietary institutions

Indiana does not require credit-bearing proprietary institutions to provide a surety bond or a fund that sufficient to serve an equivalent purpose, however, the state does require schools to contribute to the career college student assurance fund. **Ind. Code Ann. § 21-18.5-6-6**

B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT ENROLLS AS THE RESULT OF MISREPRESENTATION?

15/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, Full Refund	Yes, Partial Refund	No Refund Required
Type 1:	20 Points (-5 Points)	10 Points	0 Points
Type 2:	20 Points (-5 Points)	10 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana requires institutions to include a surety bond with any application for accreditation. The surety bond must cover the period of accreditation and provides indemnification to any student or enrollee who suffers a loss or damage as a result of an agent’s misrepresentation in procuring enrollment. **Ind. Code Ann. § 22-4.1-21-15(c)(3); Ind. Code Ann. § 22-4.1-21-18** Indiana 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 misrepresentation could reasonably result in a full refund in most circumstances.

Type 2: Credit-bearing proprietary institutions

Indiana requires institutions to make a quarterly contribution to the career college student assurance fund. **Ind. Code Ann. § 21-18.5-6-7** The career college student assurance fund provides indemnification to a student or an enrollee of a postsecondary credit bearing proprietary educational institution who suffers loss or damage as a result of an agent’s misrepresentation in procuring the student’s enrollment. **Ind. Code Ann. § 21-18.5-6-6(a)(3)** Indiana does not receive full credit 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 misrepresentation could reasonably result in a full refund in most circumstances.

C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF CLOSURE?

15/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, Full Refund	Yes, refund is limited in some way	Maybe. Provisions in place for a refund in very limited circumstances.	No Refund Required
Type 1:	20 Points	15 Points	10 Points	0 Points
Type 2:	20 Points	15 Points	10 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana requires institutions to include a surety bond with any application for accreditation. The

surety bond must cover the period of accreditation and provides indemnification to any student or enrollee who suffers a loss or damage as a result of the failure or neglect of the postsecondary proprietary educational institution to faithfully perform all agreements, express or otherwise, with the student or enrollee, the failure or neglect of the postsecondary proprietary educational institution to maintain and operate a course or courses of instruction or study in compliance with the standards enumerated in Indiana statute. Insolvency would result in an institution's failure to faithfully perform agreements and failure to maintain and operate courses of instruction in compliance with standards enumerated in Indiana statutes. Thus, Indiana receives partial credit for this element because the state requires indemnification, but does not specify that indemnification must include a full refund. **Ind. Code Ann. § 22-4.1-21-15; Ind. Code Ann. § 22-4.1-21-18**

Type 2: Credit-bearing, proprietary institutions

Indiana requires proprietary institutions to make a quarterly contribution to the career college student assurance fund. **Ind. Code Ann. § 21-18.5-6-7** The career college student assurance fund provides indemnification to any student or enrollee who suffers a loss or damage as a result of the failure or neglect of the postsecondary proprietary educational institution to faithfully perform all agreements, express or otherwise, with the student or enrollee, the failure or neglect of the postsecondary proprietary educational institution to maintain and operate a course or courses of instruction or study in compliance with the standards enumerated in Indiana statute. Insolvency would result in an institution's failure to faithfully perform agreements and failure to maintain and operate courses of instruction in compliance with standards enumerated in Indiana statutes. **Ind. Code Ann. § 21-18.5-6-6(a),(b)** Thus, Indiana receives partial credit for this element because the state requires indemnification, but does not specify that indemnification must include a full refund.

**D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT?
7.5/10 POINTS***

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	2 years or more (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

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana does not specify a deadline for students to file complaints against institutions.

Type 2: Credit-bearing, proprietary institutions

The board for proprietary education is part of the Indiana commission for higher education. Complaints must be submitted to the commission within 2 years of the incident. (see board / commission website <http://www.in.gov/che/2744.htm>)

**E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT
FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY?
2.5 /20 POINTS***

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

Type 1: Non-credit-bearing, non-degree-granting institutions

Medium	Mandatory	Discretionary	Not Specified
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment Contract	5 Points	2.5 Points	0 Points

Explanation:

Indiana does not require non-credit-bearing, non-degree-granting institutions to disclose information about filing complaints with the council or the OCTS. However, the council maintains a website with information for students with instructions on the complaint process.

Type 2: Credit-bearing proprietary institutions:

Medium	Mandatory	Discretionary	Not Specified
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment Contract	5 Points	2.5 Points	0 Points

Explanation:

Indiana requires proprietary institutions to include the board of proprietary education’s phone number and mailing address in the institution’s catalog, but does not specifically require inclusion of this information in relation to an explanation of the board’s complaint resolution process. Because Indiana requires inclusion the board’s contact information in the institution’s catalog, the state receives partial credit for this element. There are no other requirements related to the disclosure of the board’s complaint process. **Ind. Code Ann. § 21-18.5-6-5**

F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY WEBSITE?

9/10 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, w/ address	Yes, with phone #	Yes, with email address	Yes, with electronic form	No
Type 1:	2 Points	2 Points	3 Points	3 Points	0 Points
Type 2:	2 Points	2 Points	3 Points	3 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana maintains a website with instructions describing the student complaint process <http://www.in.gov/dwd/2731.htm> and with a link to an online form, which includes a mailing address and an email address. http://www.in.gov/dwd/files/Student_Complaint_Form.pdf

Type 2: Credit-bearing, proprietary institutions

The Commission for Higher Education maintains a website on which the board for proprietary

education has a page. Students can reach a webpage with step-by-step instructions on filing a complaint, deadlines, an email address, a phone number, and a link to a web form for students to use to file a complaint with the commission / board. <http://www.in.gov/che/2744.htm>

VII. ENFORCEMENT: 25/100 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*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes, Required	Yes, Required but limited	Yes, Discretionary	Yes, Discretionary 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: Non-credit-bearing, non-degree-granting institutions

There is no indication that non-credit-bearing, non-degree-granting institutions that repeatedly produce substandard graduation, job placement and /or cohort default rates lose any state aid.

Type 2: Credit-bearing, proprietary institutions

There is no indication that credit-bearing, proprietary institutions that repeatedly produce substandard graduation, job placement and /or cohort default rates lose any state aid.

B. DOES THE STATE EXPLICITLY ALLOW STUDENTS A PRIVATE RIGHT OF ACTION AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS / REGULATIONS IN PLACE TO GOVERN THEM?

15/30 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	Limited Circumstances	No
Type 1:	30 Points	15 Points	0 Points
Type 2:	30 Points	15 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana does not specifically enumerate a private right of action, however, the law does state explicitly that the fact that a bond is in force or that the fund exists does not limit or impair a right of recovery and the amount of damages or other relief to which a plaintiff may be entitled under applicable Indiana laws relating to these institutions. **Ind. Code Ann. § 22-4.1-21-31** Thus, Indiana

receives partial credit here because it is clear that a private right of action exists in a least some circumstances.

Type 2: Credit-bearing, proprietary institutions

Indiana does not specifically enumerate a private right of action, however, the law does state explicitly that the fact that the career college student assurance fund exists does not limit or impair a right of recovery and the amount of damages or other relief to which a plaintiff may be entitled.

Ind. Code Ann. § 21-18.5-6-19 Thus, Indiana receives partial credit here because it is clear that a private right of action exists in a least some circumstances.

C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST SUCH INSTITUTIONS?

0/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	Limited	No
Type 1:	20 Points	15 Points	0 Points
Type 2:	20 Points	15 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana does not expressly provide for attorney fee awards for students who prevail in litigation against institutions who have violated the laws / regulations in place to govern them.

Type 2: Credit-bearing, proprietary institutions

Indiana does not expressly provide for attorney fee awards for students who prevail in litigation against institutions who have violated the laws / regulations in place to govern them.

D. DOES THE STATE EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT?

10/20 POINTS*

**The points for Type 1 and Type 2 institutions have been averaged for the final element score, above.*

	Yes	Limited Circumstances	No
Type 1:	20 Points	10 Points	0 Points
Type 2:	20 Points	10 Points	0 Points

Explanation:

Type 1: Non-credit-bearing, non-degree-granting institutions

Indiana receives partial credit for this element because the prosecuting attorney of the county in which an offense under this chapter occurred shall, at the request of the council or on the prosecuting attorney’s own motion, bring any appropriate action, including a mandatory and prohibitive injunction. **Ind. Code Ann. § 22-4.1-21-36**

Type 2: Credit-bearing, proprietary institutions

Indiana receives partial credit for this element because while in some circumstances, violations of the laws governing proprietary institutions are actionable by the attorney general, **Ind. Code Ann.**

§ 21-18.5-6-22.5 the prosecuting attorney of the county in which an offense under this chapter occurred shall in other circumstances bring appropriate action at the request of the council or on the prosecuting attorney's own motion. **Ind. Code Ann. § 21-18.5-6-23**

BONUS POINTS:

Indiana does not receive any bonus points.



ILLUMINATING INFORMATION



PENDING LEGISLATION

Indiana Senate Bill No. 200: Provides that if a school or school corporation's performance category for 2014-2015 drops below the level it was at for 2013-2014 the school will become eligible for consequences.

Indiana House Bill No. 1397: Requires postsecondary educational institution to provide information regarding both federal education loans and private loan information as part of the institutions financial aid package, and to (1) provide to the commission for higher education; (2) make available on the institution's Internet web site; and (3) make available to the public upon request; certain information regarding student loan debt. The bill was referred to the Committee on Education on January 13, 2016.

RECIPROCITY AGREEMENTS

Indiana is a member of NC-SARA (the National Council for State Authorization Reciprocity Agreements). <http://nc-sara.org/states/in>

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

For information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at:

<http://www.republicreport.org/2014/law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf>