The Educational Approval Program

Student Outcomes Report: 2018 Cohort

EAP Overview

The Educational Approval Program (EAP) was created in order to protect Wisconsin's consumers and support quality educational options. Under s.440.52 (2), Wis. Stats., "[t]he department shall protect the general public by inspecting and approving private trade, correspondence, business and technical schools doing business within this state whether located within or outside this state…"

Although the current statutory definition of a school includes "private trade, correspondence, business and technical schools," a more up-to-date set of school descriptors to adequately cover the scope of the EAP's approval would be "technical, career, distance-learning, and degree-granting schools."

In fact, under SPS 401.01 (23), a school is defined as "any person, located within or outside this state, maintaining, advertising or conducting a program for profit or a tuition charge not exempted…" Administrative rule further defines a person as an individual, partnership, association, or corporation. Together, these administrative rule definitions provide the legal framework by which the EAP operates. In addition to setting operating parameters of the EAP, Wis. Stat. §. 440.52(1)(e), explains in depth what schools are exempt from EAP approval. Included are schools that are mainly supported by taxes (The UW System), schools of a parochial or denominational character offering courses having a sectarian objective, and schools primarily offering instruction avocational or recreational in nature and not leading to a vocational objective.

Furthermore, Wisconsin is a member of NC-SARA, the State Authorization Reciprocity Agreement. Per the NC-SARA website, "SARA provides a voluntary, regional approach to state authorization of postsecondary distance education. SARA member states assume the principal responsibility of ensuring that SARA policies are followed by the institutions they approve to participate in SARA – policies designed to result in high-quality distance education offerings being available to students around the country. Institutions approved to participate in SARA enjoy a streamlined approach to securing approval to offer distance education/online programming in SARA member states."[1] The only state that is currently not a part of NC-SARA is California, meaning the EAP has to regulate schools from California that would be otherwise exempt.

The following strategic values and goals are what the EAP strives to accomplish.

- Assuring Wisconsin consumers that EAP-approved schools are well run, educationally sound, and financially stable.

- Protecting consumers and helping schools through regulatory enforcement and processes that are reasonable, consistent, firm, fair, and timely.

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[1] https://nc-sara.org/sara-states

- Demonstrating a commitment to the private postsecondary education sector by supporting the success of students and school.

- Regularly updating and/or revising applicable statutes, administrative rules, and oversight policies and procedures to reflect changes in the career education sector.

The goal of the Student Outcomes Report is to give Wisconsin residents as much information as possible as they consider what EAP school(s) or program(s) they are interested in applying to and attending. In addition, the EAP will strive to protect Wisconsin residents by working with schools that may have struggled to produce positive results from the first year of the 2018 Cohort. Improving outputs benefits both Wisconsin residents and schools alike.

Methodology

The EAP requires approved schools to report cohort data every renewal cycle, and the reported data is what is used to generate the Student Outcomes Report. EAP schools are constantly fluctuating, whether its new schools being approved, schools closing, schools becoming exempt from EAP approval through NC-SARA membership and more. As a result of the constantly changing number of schools, the data used in the Student Outcomes Report includes all data reported by schools at the 2020 renewal deadline of December 31, 2019, regardless if that school has since closed or become EAP exempt.

The Student Outcomes Report examines the results of the 2018 Cohort in their first year enrolled in EAP approved schools. A cohort consists of all students that start a particular program during the cohort year. Although the standard EAP cohort year is July 1st through June 30th, the EAP allows schools flexibility in terms of how they define their 12-month period. Some prefer to use the calendar year, a fiscal year, or something else that is more compatible with the school's operations. The only requirement is that the schools do not vary from their cohort year, as to keep reporting as consistent as possible.

Students that make up the input of a cohort can be categorized as either a "new start" (NS), a "transfer in" (TI), or a "transfer from" (TF). The largest body of the cohort are typically new students. TI describes students that were enrolled in another school before transferring to a program offered by an EAP approved school for the current cohort. Students that are categorized as TF were already enrolled in the school but changed their program for the reported school year.

Students finish the year in one of five output categories. These are "drop/withdraw" (DW), "completed" (CP), "continuing next year" (CNY), "transfer out" (TO), or "transfer to" (TT). Students that are categorized under DW either voluntarily withdrew from the program or met their school's criteria for an involuntary drop. Students that complete their program and are reported as CP have met their school's required hours, grades, and any other requirements specified by the school in the EAP approved catalog.

CNY refers to students who are continuing the program, whether they are enrolled in a lengthy program or entered their program late in the cohort year. Keeping with the same format as the input, students that transfer out leave the school for another, while students that transfer to will be starting another program at the same school.

The following formulas explain how the percentages that will be prevalent in this report are calculated:

$$\text{Drop Rate} = DW / (NS + TI + TF) \times 100$$
$$\text{Completion Rate} = CP / (NS + TI + TF) \times 100$$
$$\text{Continuing Next Year} = CNY / (NS + TI + TF) \times 100$$

Implications of a Drop/Withdrawal

Students who drop out of a post-secondary school are proven to be at a higher disadvantage than their peers who complete a chosen program at a post-secondary school. The following charts are from the United States Bureau of Labor Statistics[2] and reflect the median weekly earnings and unemployment rate as it related to each level of degree in 2017.

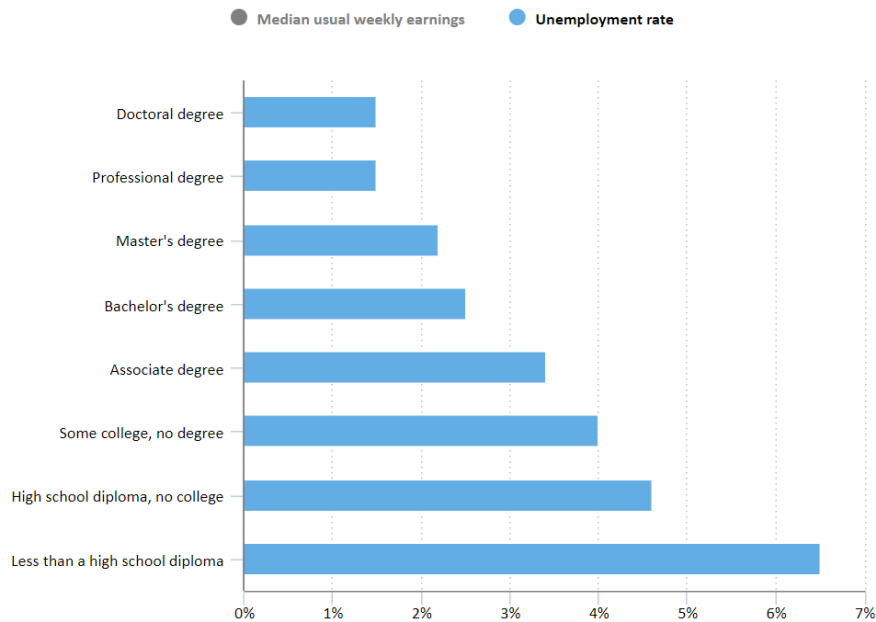Median weekly earnings and unemployment rate by educational attainment, 2017

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[2] https://www.bls.gov/careeroutlook/2018/data-on-display/education-pays.htm

Median weekly earnings and unemployment rate by educational attainment, 2017

● Median usual weekly earnings ● Unemployment rate
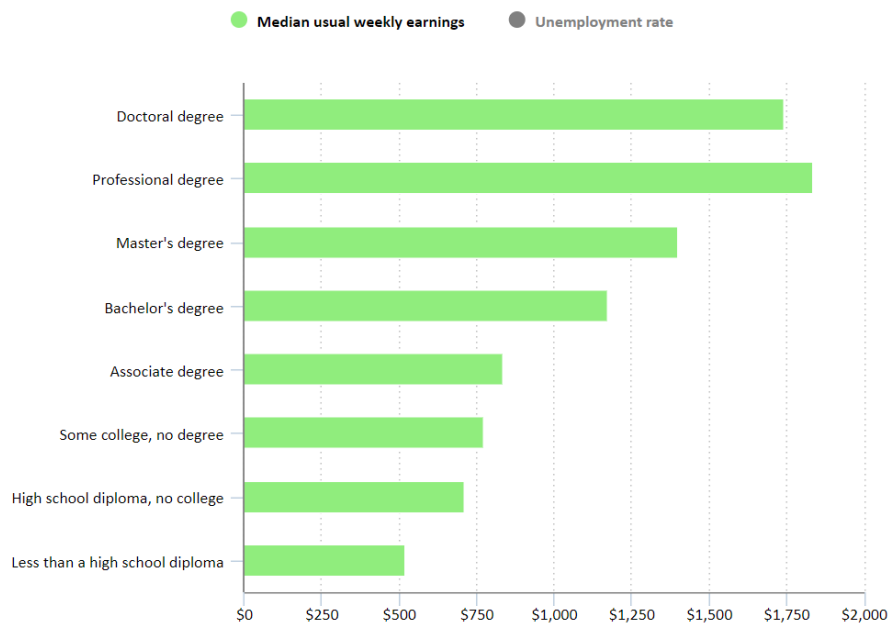
Click legend items to change data display. Hover over chart to view data.
Note: Data are for persons age 25 and over. Earnings are for full–time wage and salary workers.
Source: U.S. Bureau of Labor Statistics.

As evidenced by the graphs, the higher degree a student obtains correlates to higher median weekly earnings along with a lower rate of unemployment. Students who drop a program are still stuck in their grouping that they were in before, but now also likely have debt from a federal or private loan.

According to Office of Federal Student Aid analysis cited in a Deportment of U.S. Education article[3] published in 2015, students who drop out before completing their program are three times more likely to default on their loans in comparison to students who graduate. As further described by the Office of Federal Student Aid[4], students who default on their student loan will experience an acceleration of their loan, meaning the entire balance plus interest is immediately due. Effects of this range from potential garnishing of wages, withholding of federal benefit payments and tax refund, and the lowering of one's credit score, among other things. Because of this, students who drop out of a program and default on their loans suffer from a massive economic disadvantage that could potentially impact them for years to come. This economic disadvantage doesn't only affect the students who drop, but also the Wisconsin economy as a whole. The more qualified that Wisconsin workers are to enter the workforce, the more attractive the state is for businesses and the better wages the average worker earns. This equates to the qualified workers having more money to spend, which improves the economy all around. The success of students in post-secondary schools impacts everyone and shows the importance of the EAP in making sure approved schools are ensuring the success of their students.

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[3] https://www.ed.gov/news/press-releases/fact-sheet-focusing-higher-education-student-success#_ftn8
[4] https://studentaid.gov/manage-loans/default

2018 Cohort Overview

Although 170 schools participated in the 2020 EAP renewal process, 26 of them reported that they enrolled no Wisconsin students during the 2018 year. The following charts breakdown both the input and output of the 2018 Cohort from the 144 schools that reported Wisconsin students.

Table 1. Students Making Up the 2018 Cohort Input by Classification

New Students	Transfers In	Transfers From
8833	485	347

Table 2. Students Making Up the 2018 Cohort Output by Classification

Transfers Out	Transfers To	Drops	Completions	Continuing Next Year
3	125	2159	3619	3759

As shown in the above table, almost all of the students that comprise the 2018 Cohort were new students. On the other hand, a very small number of students in the 2018 Cohort transferred out to another school or to another program offered by the same school. Because of this, transfer numbers will not be mentioned often in this report, as students may transfer out or to for a multitude of reasons. These students don't reflect well or poorly on the schools' performance, unlike the drop percentage or completion percentage. However, it should also be noted that students that transferred will not be subtracted out either, explaining why rates of a certain groups do not add up to 100%.

Table 3. Overall Statistics for the 2018 Cohort

Total Students	Drop Rate	Completion Rate	Continuing Next Year
9665	22%	37%	39%

Table 4. First Year Totals from 2012-2015 Cohorts.[5]

Year	Total Students	Drop Rate	Completion Rate	Continuing Next Year
2012	18647	26%	25%	47%
2013	18064	29%	26%	43%
2014	16918	31%	20%	46%
2015	15050	29%	25%	45%

By comparing the 2018 Cohort table to the table from the last Student Outcomes Report produced by the EAB (published in 2017) there are some positives to take away from the 2018 Cohort's first year. The total drop percentage for the 2018 Cohort is lower than all the drop percentages recorded in a first year of the previous Student Outcomes Reports. Additionally, the completion percentage was the highest in a Cohort's first year. This can most likely be attributed to a higher ratio of students enrolled in Certificate and Diploma programs which are typically shorter than the rest of the programs offered by EAP schools. For the 2012-2015 Cohorts, they exhibited the highest range of growth in drop percentage from year one

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[5] EAB Student Outcomes Report 2017

to year two, so after the 2021 renewal cycle the EAP will have a better grasp on if the low drop percentage for the 2018 Cohort so far is an anomaly or the new norm.

Another prominent difference between 2018 and the years before it is the drop off in students attending EAP schools. The trend of smaller cohorts of EAB and EAP approved schools has been prevalent for the last decade. This can be attributed to both schools becoming exempt from EAP regulation and through school closures.

Schools with High Drop Rates

Identifying a school's drop rate is important for the EAP, as a school with a high drop rate is not producing graduates who are contributing to the Wisconsin workforce. Furthermore, students that drop or withdraw from a school typically will have student debt with no degree to enhance their job prospects. As such, it is important for the EAP to identify what schools are not effectively graduating Wisconsin students into the workforce, and to work with them to improve their output statistics.

Graph 2. Number of Institutions and Student Enrollment, By Drop/Withdrawal Rate Category
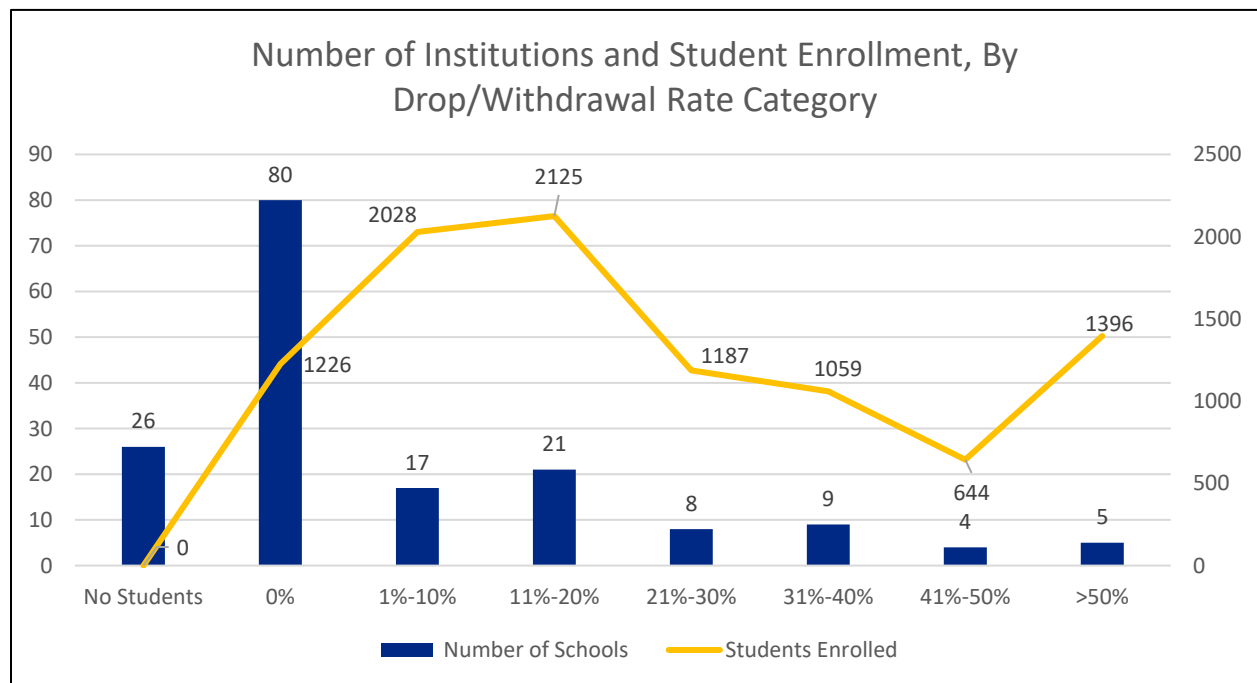
As you can see in the graph above, there are only five schools that had a drop percentage above 50% for the first year of the 2018 Cohort. There were however, 1,396 Wisconsin students who were enrolled in those five schools. For the 2018 Cohort, one of the schools enrolled 1,058 students, of which 579 students or 55% dropped or withdrew. These students make up most of the body that is enrolled in schools with a drop rate higher than 50%. The other schools that had drop rates over 50% had 119 drops (55% drop rate), 39 drops (57% drop rate), 29 drops (60% drop rate), and 3 drops (75% drop rate).

While the high drop percentages of the above schools are troubling and will require collaboration between those schools and the EAP to improve those statistics in the future, there are a lot of positives to take from those numbers as well. For instance, 80 schools reported having no students from the 2018 Cohort drop or withdraw in their first year. An additional 38 schools reported between 1-20% of enrolled students either dropping or withdrawing from programs. The number of students that were enrolled in these 118 schools for the 2018 Cohort's first year was 5,379, or more than half of the student body making up the 2018 Cohort. While the EAP knows these numbers will rise each year throughout the progression of the cohort, it is a very promising start.

Data by Program Level

Keeping consistent with past Student Outcomes Reports generated by the EAB, the largest group of students are enrolled in a Certificate or Diploma program. In fact, 67% of students from the 2018 Cohort were enrolled in a Certificate or Diploma program. Of the 170 schools that reported cohort data during the renewal process, 149 of them offered certificate/diploma programs, which contributed to the high number of individuals enrolling in these programs. Additionally, with a 55% completion rate in year one, these programs show how beneficial they are to students who want to get into their respective field as soon as possible.

Also showing consistency with previous EAB Student Outcomes Reports, students enrolled in Associates level programs were most likely to drop out or withdraw from their program in their first year.
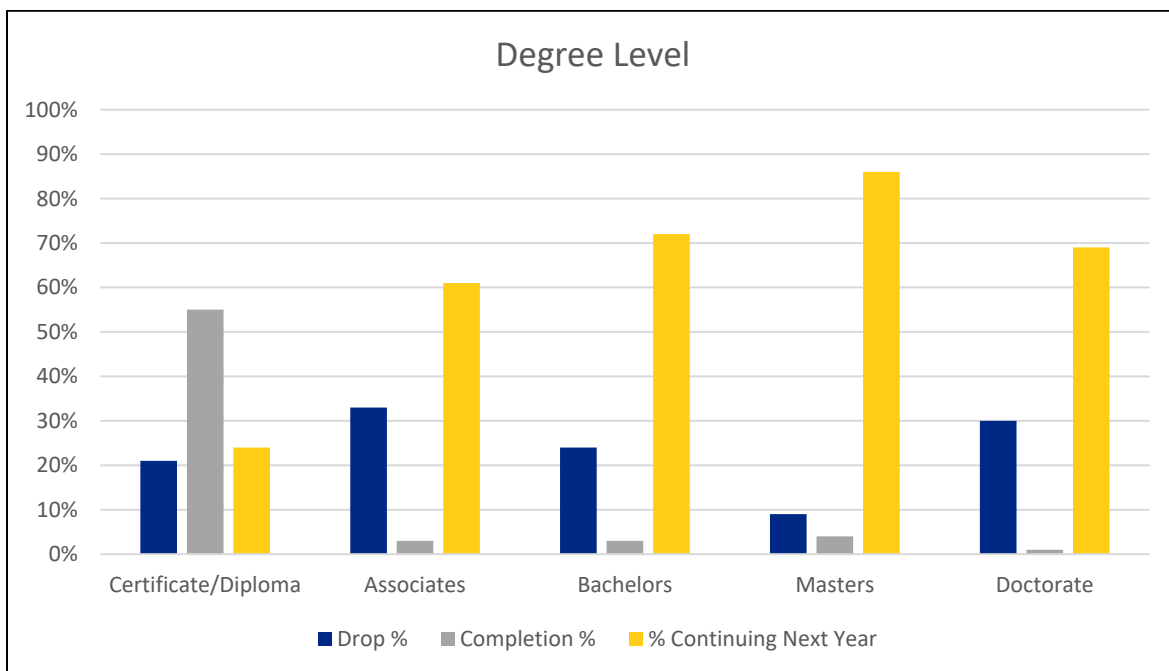
Graph 1. Outputs by Degree Level

Table 5. Statistics by Degree Level

Degree Level	Students	Drop Rate	Completion Rate	Continuing Next Year
Certificate/Diploma	6437	21%	55%	24%
Associates	1547	33%	3%	61%
Bachelors	1029	24%	3%	72%
Masters	582	9%	4%	86%
Doctorate	70	30%	1%	69%

Institutional Data

Using data that separates schools into institutional characteristics can also give us insight into how other factors may impact student drop rates. Two major ways that the EAP categorizes schools is by their location and if they are for-profit or on-profit.

For location, schools must indicate if their location is "In-State" or "Out-of-State." For the 2020 EAP Renewal, 120 of the 170 schools were located in-state, while the remaining 50 were out-of-state. The breakdown of students per location matched closely to the percentage of schools per location. In-state schools make up 71% of the reporting schools, and have 67% of the reported Wisconsin students enrolled. Conversely, out-of-state schools make up 29% of the reporting schools, and have 33% of the reported Wisconsin students enrolled.

Table 6. Statistics by Location and Degree Level

Location, Degree Level	Students	Drop Rate	Completion Rate	Continuing Next Year
In-State, Certificate/Diploma	4,893	16%	62%	20%
In-State, Associates	1,284	34%	3%	60%
In-State, Bachelors	252	30%	7%	62%
In-State, Masters	33	6%	3%	79%
In-State, Doctorate	2	0%	0%	100%
Out-of-State, Certificate/Diploma	1,544	35%	31%	34%
Out-of-State, Associates	263	30%	3%	65%
Out-of-State, Bachelors	777	22%	1%	76%
Out-of-State, Masters	549	9%	4%	87%
Out-of-State, Doctorate	68	31%	1%	68%

Graph 3. Outputs by Location

In State vs Out of State
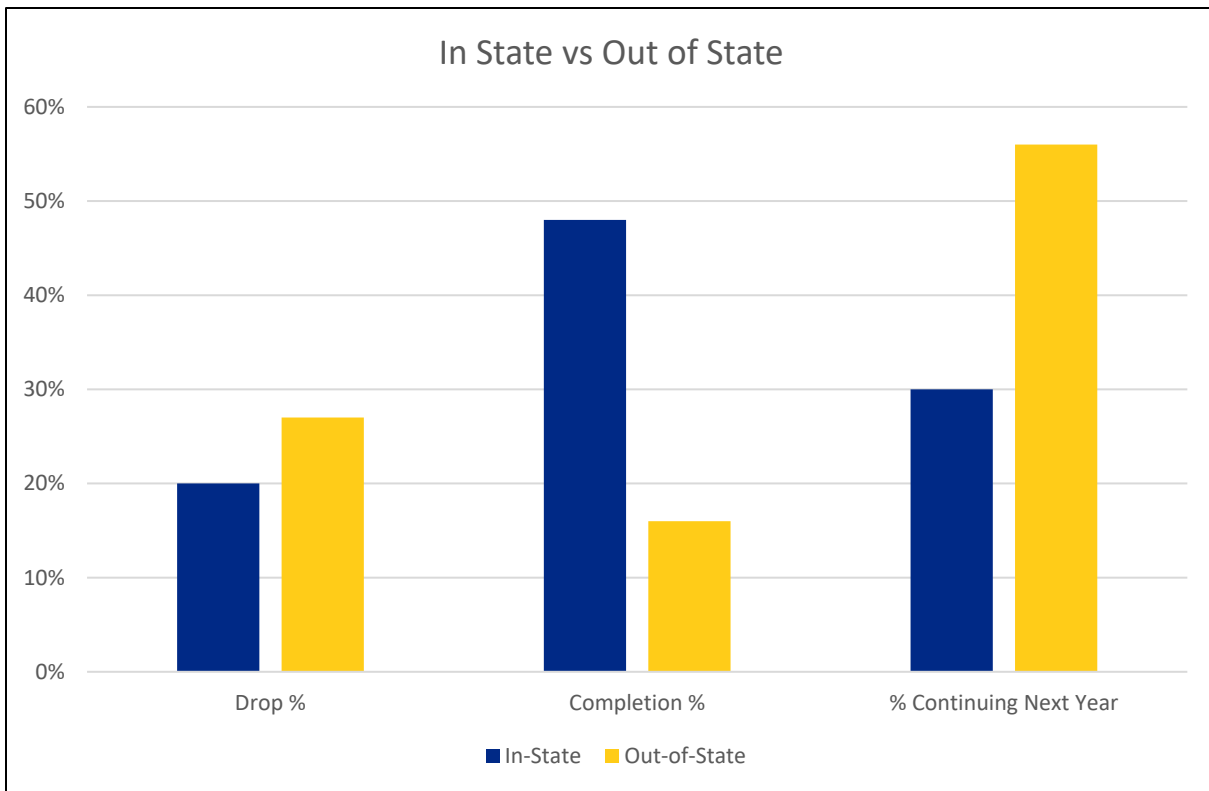
As evidenced by the above table, there is a lot of difference between in-state and out-of-state schools. The most glaring difference is that an enormous percentage of in-state students are enrolled in certificate and diploma programs. Conversely, out-of-state schools have a larger number of students in bachelor's and master's programs, both in relation to other out-of-state programs and the same in-state degree level. From data shown earlier in this report, we understand that students enrolled in certificate and diploma programs were most likely to have completed their program, while students enrolled in other programs were all most likely to be continuing their program. These differences can explain the above graph that shows a large number of in-state students completing their program, while a higher number of out-of-state students were continuing next year.

Another way to break down the outcomes data by institution is by a school's profit status. Schools regulated by the EAP are defined either as for-profit or non-profit. There were 151 schools that completed the 2020 EAP Renewal Application and that are classified as for-profit, while the remaining 19 schools are classified as non-profit. Just like the schools themselves, a large majority of EAP students are enrolled in for-profit schools. The following table and graph show the outputs for schools based on their profit status.

Table 7. Statistics by Profit Status

For-Profit vs Non-Profit	Students	Drop Rate	Completion Rate	Continuing Next Year
For-Profit	8668	24%	41%	33%
Non-Profit	997	7%	6%	87%

Graph 4. Statistics by Profit Status
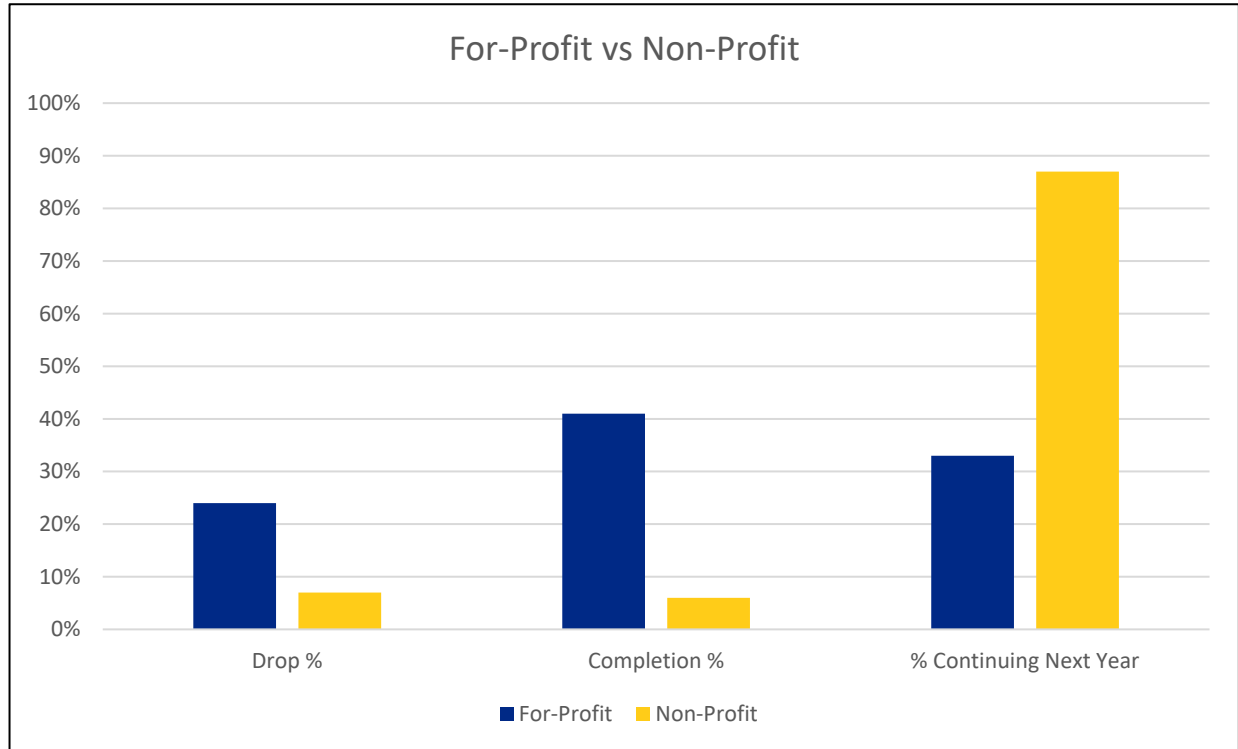
Outcomes by Category of Study

Categorizing outcomes by CIP codes reveal the most common fields of study for students enrolled at EAP approved schools. Per the National Center for Education Statistics, "the Classification of Instructional Programs (CIP) provides a taxonomic scheme that supports the accurate tracking and reporting of fields of study and program completions activity."[6] CIP codes consist of six digits in the following format: 26.0805. The first two digits categorize the program in a general area of study, in this case "26" refers to "Biological and Biomedical Sciences." The "08" means the program is a "Genetics" program, and the "05" specifically classifies the program as a "Plant Genetics" program. For the 2018 Student Outcomes Report, the first two digits (in this case the "26") will be used to group the programs.

There were 48 categories that a program could be classified under for the 2020 EAP Renewal. For the 2018 Cohort, programs spreading across 31 different categories reported students. 7,468 students were enrolled in programs classified under three of the 31 categories, making up 77% of the enrollment.

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[6] https://nces.ed.gov/ipeds/cipcode/Default.aspx?y=56

Meanwhile, every other category consisted of less than 400 students each. "Health Professions and Related Programs" enrolled 3,445 students with a 23% drop rate and a 23% completion rate. Areas of study included for Health Professions and Related Programs include nursing, veterinary assistant, and yoga teaching courses. 2,081 students were enrolled programs classified under "Transportation and Materials Moving." Programs in this category include CDL driving courses and large machinery courses. These programs reported a 10% drop rate and 79% completion rate. The completion rate for Transportation and Materials Moving was the highest among categories that consisted of more than 10 students. The popularity of online business classes made "Business, Management, Marketing, and Related Support Services" programs the last of the three categories, consisting of 1,942 students that had a drop rate of 40% and a completion rate of 33%. Other categories to have drop rates at or above 40% were "English Language and Literature/Letters" (57%), "Engineering/Engineering-Related Technologies/Technicians" (54%), and "Communication, Journalism, and Related Programs" (43%).

Finding Specific Program Data

A prospective student for an EAP school may find out more about the output for a preferred program or school at the following link: https://dspseap.wi.gov/resources/schoolsprograms.asp.

Once students reach the above page, they can search for a school, specific program, or area of study that they may be interested in using the following "Search using Free-Form Text."

Search using Free-Form Text

[   ] [Search]

After clicking on a school or program, they should go to the "Student Outcomes" tab highlighted below.

| Description | Programs | Branch Campuses | Teaching Locations | **Student Outcomes** | Student Profile | Financial Aid |

Then, they can click "+ Details" in order to get more information: + Details

More can be found at the above link than just outcomes data. Prospective students can click on any school and read a description that includes how long the school has been EAP approved, if the school is accredited and who they are accredited by, and a description that may include the school's missions, goals, and other pertinent information. Students also get the chance to look at program details such as the hours needed to complete the program and the cost listed by the school. For students who may be interested in a program that is offered by many EAP schools, this can be particularly helpful to assist them in finding the program that is right for them. Finally, contact information such as the schools phone number, email, and website are provided.

Conclusion

Due to program restructuring, the EAP had an inadvertent 3-year hiatus in producing outcomes reports which means that it is difficult to compare and contrast the first year of the 2018 Cohort. The best sign for the 2018 Cohort is that the drop rates were lower across the board compared to the first year drop rates of the 2012-2015 Cohorts. Additionally, the completion rate for 2018 was substantially higher than anything previously recorded in a first year. Although this can most likely be contributed to the high number of students taking certificate and diploma courses, it can also be interpreted to show a growing market demand for Wisconsin residents with these types of degrees. Moving forward, the 2021 EAP Renewal period will give the EAP a chance to compare the 2018 and 2019 first year outcomes, and if 2018 was an anomaly or if a drop rate around 22% is the new norm for the first year. Additionally, the next renewal period will give the opportunity to further track the 2018 Cohort as they advance through their second year.

Questions the EAP is hoping to answer from the 2021 EAP Renewal period includes: Can the drop rate that is currently above previous cohorts' be retained or will they regress to the previous means? Will Associate programs continue to have the highest drop rate? What will happen to the 1063 students who continued on in bachelor's and master's programs? We know that the drop rate will inevitably increase, but how much and where will dictate where the EAP needs to focus on helping schools and students succeed.

Attempting to gain a better understanding of the factors that play into an individual student's decision to drop or withdraw from a program would provide both the EAP and schools an enhanced understanding on how to produce better outcomes and better serve Wisconsin students. Students enroll in EAP schools for a myriad of reasons, from becoming a CDL licensed truck driver, to obtaining a PhD in psychology, to getting a bachelor's degree in accounting. The large range of programs and schools means that there is no one way to improve outcomes of students.

Therefore, the EAP will continue to work closely with schools on an individual basis for the purpose of learning from effective programs and using that information to work with programs that aren't producing favorable outcomes. This report doesn't so much give the EAP definitive action to be taken against schools currently, as much as it lays the groundwork for working towards the future. Trends will be able to be compared to more recent results, programs that perhaps had a poor year of outcomes will be able to show the first year of the 2018 Cohort was an outlier, and the EAP will be able to produce policy to better serve Wisconsin students moving forward.