

UNITED STATES DEPARTMENT OF DEFENSE



Voluntary Education Program Readiness (Force Education & Training)

DoD Voluntary Education Institutional Compliance Program

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Agenda

- **Introductions**
- **Strategic Plan**
- **Third Party Review – Then & Now**
- **Selecting the Sample**
- **Institutional Compliance Program (ICP) Review Process**
- **ICP Review Cycle**
- **Summary & Next Steps**
- **Discussion**



Introductions

- **Dr. Jonathan Woods** is the Deputy, for the Department of Defense (DoD) Voluntary Education Program.
- **Scott Flood** is a manager in PricewaterhouseCoopers' (PwC) Public Sector Practice, and serves as the Project Manager for the DoD Voluntary Education ICP project.
- **Nathan Dyer** is a consultant in PwC's Public Sector Practice, and serves as the Compliance Analyst for the DoD Voluntary Education ICP project.





Strategic Plan

(2015-2020)

Vision Statement

“Shaping quality voluntary educational experiences to foster better service members, better citizens”

Mission Statement

“Champion policies, programs, and partnerships that enable access to quality postsecondary educational opportunities, empower informed service member decision-making, shape meaningful personal and professional pathways, and drive military student success in higher education.”

Focus Area One

Promote Quality Educational Opportunities

Focus Area Two

Ensure Military Student Readiness and Success

Focus Area Three

Enable a Viable VolEd Community

Focus Area Four

Cultivate a Culture of Organizational Effectiveness



Third Party Review

(Then)

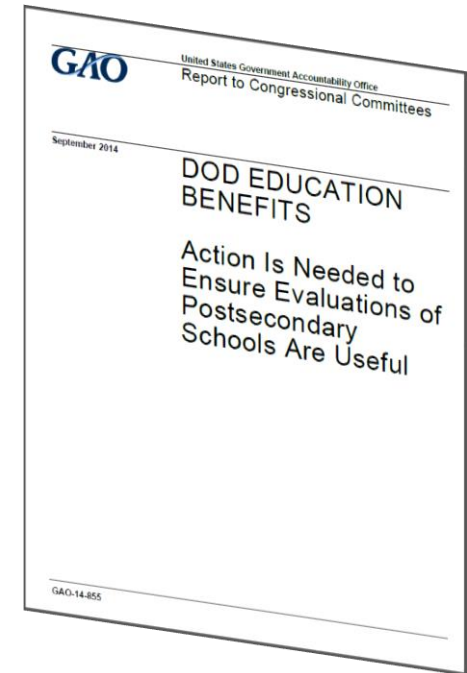
- **“The Bailey Report”, Academic Quality Control: The Case of College Programs on Military Bases (1979)**
- **Military Installation Voluntary Education Review (MIVER):**
 - **Effective 1991-2011.**
 - **Institutional input – heavy (5 full-length reports).**
 - **Installation input – heavy (5 full-length reports).**
 - **>20 institutions per year (1995 report indicated 24).**
- **Military Voluntary Education Review (MVER) / Third Party Educational Assessment (3 PEA):**
 - **Effective 2012-2014.**
 - **Institutional input – even heavier (11 full-length reports).**
 - **Installation input eliminated.**
 - **Service-level input – heavy (5 full-length reports).**
 - **~20 on-base institutions, plus 6 off-base and/or distance institutions per year.**



Third Party Review

(Transition - An Independent Review)

- **Government Accountability Office (GAO)
Assessment 14-855: Action is Needed to
Ensure Evaluations of Postsecondary Schools
Are Useful. Published September 2014.**
- **Findings:**
 - Evaluations did not provide DoD with the information needed to assess schools.
 - Lacked specific plan to frame evaluations.
 - Federal standards call for agencies to clearly define the evaluation questions and methodology.



**GAO Overarching Recommendation:
DoD develop a plan for future school evaluations – DoD agreed**



Third Party Review

(Transition – Define Requirement)

- **Aspects of Former Process (MIVER / MVER / 3 PEA):**

 - Heavy burden on institutions / Services.
 - Can NEVER get a look at all institutions.

- **Desire for ICP Process:**

 - Minimize burden on institutions / Services.
 - Get a look at all institutions every 3-5 years.

- **How Do Other Agencies / Industries Achieve These Desires?**

 - Reviewed Quality Control across Government and Industry
 - 27 different sources to include both federal and non-federal entities.



Third Party Review

(Transition – Define Need)

- **There are many promising “Best Practices” for compliance in use across government and industry**
- **Starting with these Best Practices, DoD conducted an Analysis of Alternatives considering components such as:**
 - **Data Mining, Focus Groups, Surveys, Continuous Monitoring, Self-Reporting, Web-Verification, Data Control, among many others.**
 - **DoD chose five Best Practices from among the range of options reviewed.**
- **A sampling approach meets the desire to review all 2,700 institutions regularly.**



Third Party Review

(Now – Selecting the Sample)

➡ **“Best-Practice” Components Selected Include:**

- Areas most desired.
- Areas most accessible.

Data Element 1	Data Element 2	Data Element 3	Data Element 4	Data Element 5	Data Element 6	DoD VoEd Risk Scale
Rate of Course Completion	Sum of Total PECS Complaint Cases	Enrollment Changes	Cost-to-Graduation Ratio	Outcome Stability Ratio	Transaction Volume	High
Normative Scoring Applied to Blind Data Set						Medium
						Low

➡ **Key Features of the ICP:**

- Less burdensome on Institutions, Services, and Installations.
- More comprehensive.
- Full transparency.
- Culture of Compliance.

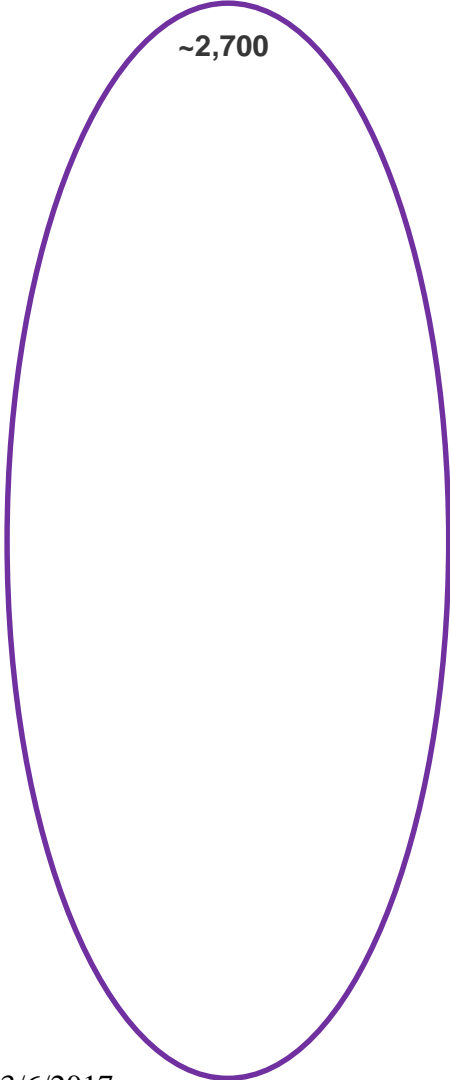


Selecting the Sample

(An Industry-Standard Approach)

Full Population

~2,700



- ➡ **Third party vendor selected specifically for its experience.**
- ➡ **Apply standard methodology to all participating educational institutions with an active DoD Voluntary Education Partnership Memorandum of Understanding (MOU).**
- ➡ **Utilize risk attributes and weights to perform initial screening on full population.**



Selecting the Sample (Initial Screening)

Full Population

~2,700

Department of Defense
INSTRUCTION

MEMBER (1322.25)
January 11, 2012
Superseding Change 1 (Effective Date: 01/11/12)

SUBJECT: Voluntary Education Programs
Reference: See Section 2.

**DoDI 1322.25
Voluntary Education Programs**

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Model

**Risk Model Output –
Institution List for
Iteration 1 Assessment**

Rank	Risk Score	Institution
1	76.03	Institution A
2	75.83	Institution B
3	75.78	Institution C
4	75.75	Institution D
5	75.65	Institution E
6	75.53	Institution F
7	75.33	Institution G
8	75.28	Institution H
9	75.25	Institution I
10	75.15	Institution J
11	75.03	Institution K
12	74.83	Institution L
13	74.78	Institution M
14	74.75	Institution N
2705	4.60	Institution TTTTT
2706	4.43	Institution UUUUU
2707	4.38	Institution VVVVV
2708	4.35	Institution WWWWW
2709	4.25	Institution XXXXX
2710	4.13	Institution YYYYY
2711	4.01	Institution ZZZZZ



Selecting the Sample

(Risk Factors)

- ➡ **What Risk Factors are:**
 - Indicators of potential risk.
 - Reflective of DoD MOU goals and requirements.
 - An objective systematic selection from the total population to a smaller subset.

- ➡ **What Risk Factors are NOT:**
 - A compliance assessment mechanism.
 - Immediate cause for remediation.
 - Explicit or implicit allegation of wrongdoing.

- ➡ **ICP Risk Factors are Norm-Referenced, not Criterion-Referenced.**





Selecting the Sample

(Data Elements)

- ➡ **Rate of Course Completion**
- ➡ **Sum of Total Complaint Cases**
- ➡ **Enrollment Changes**
- ➡ **Cost-to-Graduation Ratio**
- ➡ **Outcome Stability Ratio**
- ➡ **Transaction Volume**



Selecting the Sample

(Data Element Descriptions)

- **Data Element 1 – Rate of Course Completion:**

 - Number of TA students who fail, or do not complete, a course in a given year.
 - Subtracted from the number of TA students enrolled in courses at an institution.
 - All divided by the total number of TA students enrolled in courses.

- **Data Element 2 – Sum of Total Complaint Cases:**

 - Total number of verified complaints in the PECs system during a given year.



Selecting the Sample

(Data Element Descriptions - continued)

- ➡ **Data Element 3 – Enrollment Changes:**

 - Enrollment “Delta.”
 - Average number of TA students over a given set of years.
 - Subtracted from the number of TA students in a given year.
 - Divided by the average number of TA students over a given set of years.

- ➡ **Data Element 4 – Cost-to-Graduation Ratio:**

 - Graduation rate relative to cost.
 1. Institutional graduation rate.
 2. Institutional cost per course divided by the average cost per course of all TA Institutions.



Selecting the Sample

(Data Element Descriptions - continued)

- **Data Element 5 – Outcome Stability Ratio:**
 - Identifies the magnitude of year-over-year change as an indicator of shifting dynamics.
 - Average graduation rate over a given number of years.
 - Subtracted from the yearly graduation rate.
 - Divided by the average TA student graduation rate over a given set of years.

- **Data Element 6 – Transaction Volume:**
 - Total number of enrollment transactions processed by the Services for an institution during a reporting year.



ICP Review Process

(Iteration 1 Assessment Overview)

Full Population

~2,700

Random Sample

200

50

Model



Iteration 1 Reports

Iteration 1 Assessments



ICP Review Process

(Iteration 1 Assessment – 250 Institutions*)

➡ **Data collection mechanisms:**

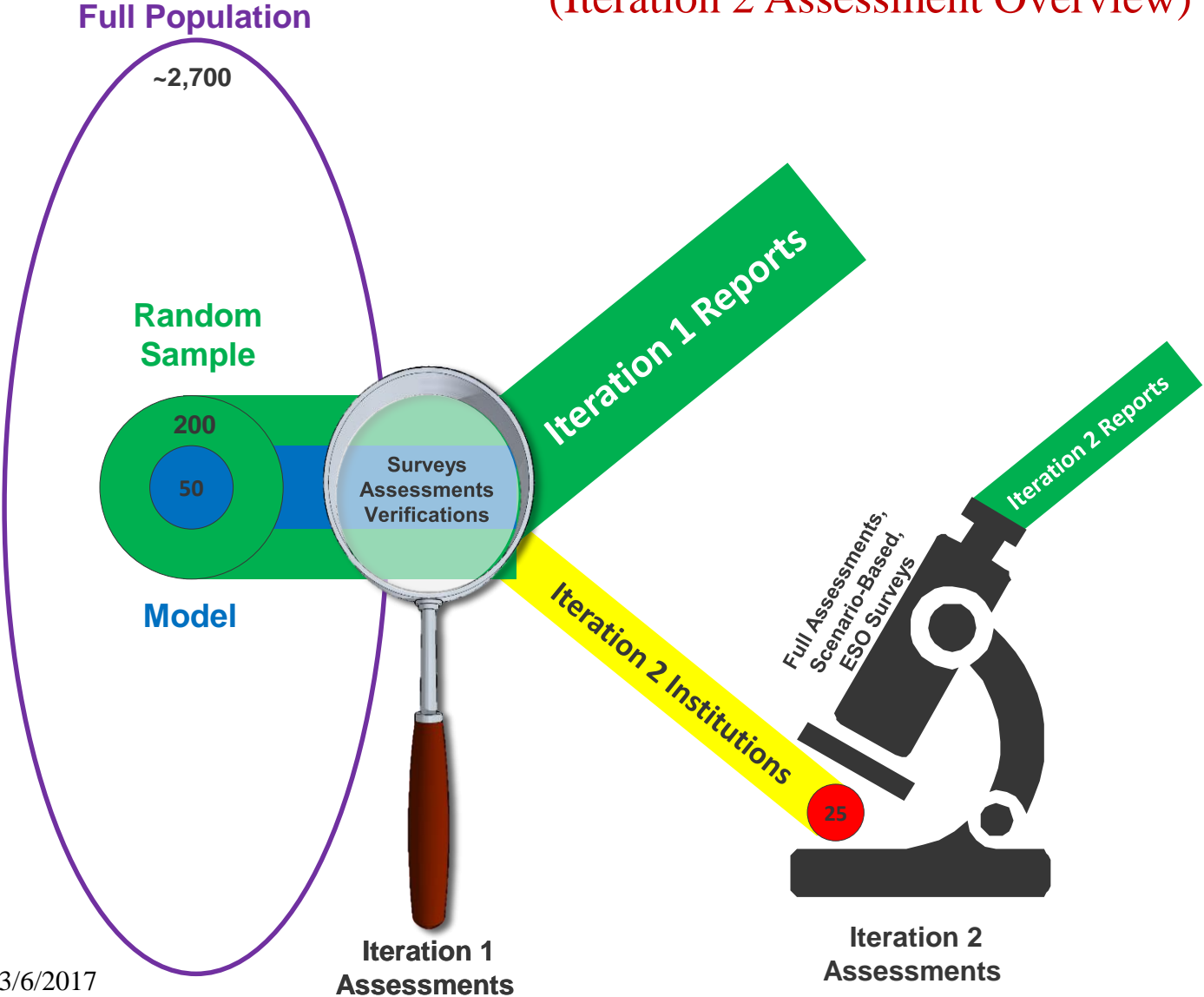
	Estimated Burden
<p>DoD MOU Compliance Tutorial</p> <ul style="list-style-type: none"> Completed by institution Primary Point of Contact. 90 minute web-based course. 	Low
<p>Institution Self-Assessment (Abbreviated)</p> <ul style="list-style-type: none"> Completed by all 250 institutions. <20 questions focused on internal processes to support compliance. 	Low
<p>Student Surveys</p> <ul style="list-style-type: none"> Services provide listing of TA participants at institution. <20 questions focused on overall experience. 	Low
<p>Web-Based Verification</p> <ul style="list-style-type: none"> Completed by third-party review team. Team assesses publicly available content. 	Low

*For fiscal year 2017, January through April will include the selection and notification of 250 institutions.



ICP Review Process

(Iteration 2 Assessment Overview)





ICP Review Process

(Iteration 2 Assessment – 25 Institutions*)

➔ **Data collection mechanisms:**

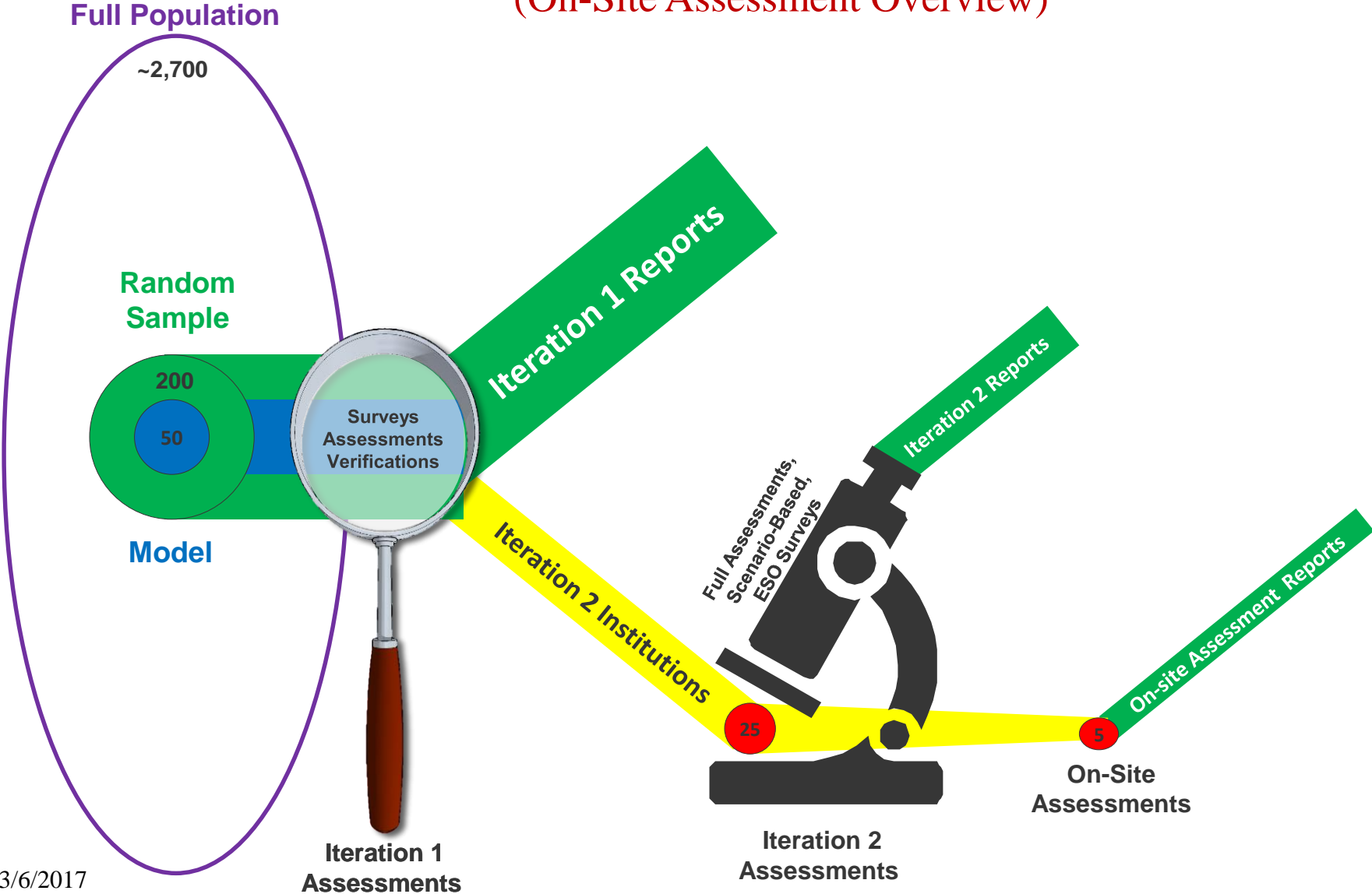
	Estimated Burden
<p>Institution Self-Assessment (Full)</p> <ul style="list-style-type: none"> Builds on responses from abbreviated self-assessment. Questions focused on internal processes to support compliance, requests evidence of compliance, and examples of internal controls . 	High
<p>ESO Surveys</p> <ul style="list-style-type: none"> Captures interactions with the institutions. <20 questions focused on ESO observations. 	Low
<p>Scenario-based assessment</p> <ul style="list-style-type: none"> Completed by third-party review team. Short interaction designed to capture the experiences of potential military students. 	Low

*For fiscal year 2017, May through July will include the selection and notification of 25 institutions.



ICP Review Process

(On-Site Assessment Overview)





ICP Review Process

(Outputs)

➡ Iteration 1 Assessment:

1. Report for each institution (250) identifying any potential finding(s), condition(s), cause(s), and recommendation(s).
2. List for Iteration 2 Assessment (25 institutions).

➡ Iteration 2 Assessment:

1. Report for each institution (25) identifying any potential finding(s), condition(s), cause(s), and recommendation(s).
2. List for On-Site Assessment (no more than 5).

➡ On-Site Assessment:

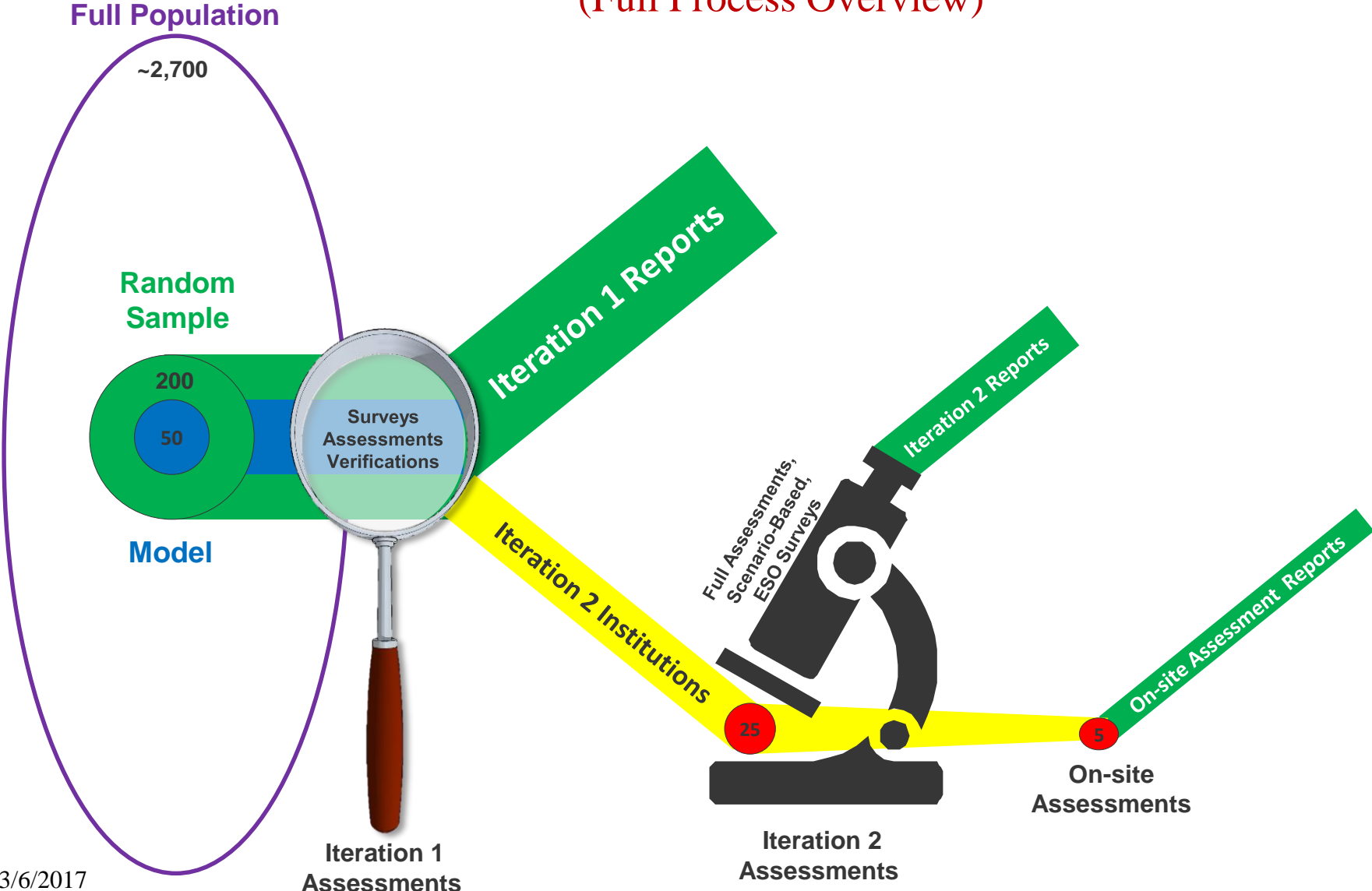
1. Report for each institution (5) identifying any potential finding(s), condition(s), cause(s), and recommendation(s).

As appropriate, Third Party Review findings will be shared with other government agencies/regulators.



ICP Review Process

(Full Process Overview)





ICP Review Process

(DoD MOU Requirements)

- **By signing the DoD Voluntary Educational Partnership MOU, institutions agreed to:**
 - **Participate in the Third Party Review process when requested.**
 - **Resolve any assessment report findings and provide corrective actions taken within 6 months of the Third Party Education Assessment report.**
 - **In instances when the resolution action cannot be completed within 6 months of the assessment report, submit a status report every 3 months until the recommendation is resolved.**

- **Educational institutions demonstrating an unwillingness to resolve findings may receive a range of penalties from a written warning to termination of the DoD MOU.**



ICP Review Cycle

(Overview)

- The ICP cycle is a continuous process.
- The three phases include collect data, evaluate activities, manage resources and evaluate outcomes.
- Each year the cycle begins again using results from the previous cycle.





ICP Review Cycle

(Schedule)

- The review cycle ends with adjustments to risk model and/or data collection instruments.
- An announcement letter kicks off each institutional review.
- Report for institutions identifying any potential finding(s), condition(s), cause(s), and recommendation(s).
- Iteration 1 participants with no issues will be exempt from random selection for three years, and risk-based selection for one year.
- Typical fiscal year schedule:

Oct - Dec*	Jan - April	May - Jul	Aug - Sep
Process Review and Improvements	Announcement Letter	Iteration 2 Assessments	On-Site Assessments
Review/revision to risk model	Iteration 1 Assessments	Iteration 1 Reports for Institutions	Iteration 2 Reports for Institutions

*For fiscal year 2017, October through December included ICP establishment and launch activities.



Summary & Next Steps

➤ Summary:

- Transparency is the key to success for the Voluntary Education Program.
- This is the first implementation of the new ICP, thus it will necessarily undergo annual review and receive process improvements accordingly.

➤ Next Steps:

- Issue Announcement Letters for Iteration 1 Assessments (250 Institutions)
- Follow-on webinars
 - 21 March 2017, 1400 EST
 - 23 March 2017, 1000 EST

A “Culture of Compliance” is the ultimate goal.

UNITED STATES DEPARTMENT OF DEFENSE



Questions

DoD Policy & MOU Compliance Inquiries:
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