Higher Learning Commission

HLC Trends and Update

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Trends & Updates

- Trends
- Substantive Change
  - Evolving Bachelor's Degrees
  - Competency-based Education
  - Workforce Pell
- Short-term Credentials

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Trends

- Who Is in Charge of Higher Education? Governance and Increased Political Influence
- Student Success and Outcomes: Validating the ROI of Programs and Institutions
- Competition and Choices: The Dynamic Landscape of Credentials
- The Reality of Finances: Program Cuts, Mergers, Consolidations and Closings
- Teaching and Learning

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Trends (continued)

- Harnessing the Strengths of Artificial Intelligence
- Strategic Partnerships
- Global Impact and International Students
- Navigating Change and Chaos: Burnout, Mental Health and Security
- Talent Management and Turnover
- Change Management: Resistance or Adaptation
- Accreditation

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Substantive Change

Evolving Bachelor's Degrees

- Stackable
- Reduced Time to Degree
  - Less than the typical four years
- Reduced Credits to Degree
  - Less than recognized standard of at least 120 credits
- Requires review by accrediting agency
  - Change visit typically required for first program

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Competency-based Education

- Revised and expanded materials
- No policy changes
- Types of CBE & definitions
- Notification and Approvals

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Overview

Revised and expanded materials related to CBE, including:

- definitions
- substantive change application
- new guidelines for institutions and peer reviewers

Competency-based education - Education that is organized around competencies and requires students to demonstrate mastery of competencies.

There are two types of CBE programs:

- Credit-based CBE program
- Direct Assessment (DA) CBE program

Note: HLC eliminated the term “hybrid direct assessment program” from our materials. A CBE program will be considered either a direct assessment or credit-based CBE program.

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Additional Definitions

HLC's Glossary has been updated, including:

- competency-based education program
  - An educational program offered through CBE. A CBE program may be a credit-based competency-based education program or a direct assessment competency-based education program.
- credit-based competency-based education program
  - An educational program in which 50% or more of the credits required for the educational program are offered through CBE.
- direct assessment competency-based education program
  - An educational program in which student achievement and completion for any portion of the educational program are based solely on a student's demonstrated mastery of competencies, rather than completion of credits.

https://www.hlcommission.org/glossary/

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Notification & Approvals

Depending on the circumstances, an institution may need to notify HLC or obtain prior approval to begin offering a CBE program.

Approvals needed for:

- First 2 credit-based CBE programs
  - Some institutions offered credit-based CBE programs prior to May 1, 2015 and if reported to HLC then these are noted in the CBE stipulation. The first two credit-based CBE programs offered after this date have to follow the CBE approval rules.
- Credit-based CBE program that is a significant departure from first or second programs
- All direct assessment programs need approvals

NOTE: As applicable, an institution's CBE offerings will also be regularly reviewed as part of the institution's ongoing accreditation activities.

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Change Application Updates

- Elements of the Applications

  History with CBE, Planning for CBE programs, Evaluation of potential limitations (e.g., licensure, transfer), Establishment of learning goals and competencies, Calendar format, Credit hour equivalencies, and Assessments demonstrate mastery of competencies
- Hybrid definition eliminated
- Credit hour worksheet no longer required; questions regarding assignment of credits added
- Peer reviewers may ask for additional documentation or data in order to sufficiently evaluate the methodology for determine credit or clock hour equivalencies

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Review Elements for Credit-based & DA

Why does this matter when doing a review?

Understand the purpose of each – ideally aligned to program goals

Tips and Tricks for reviewing each type of CBE Program

- Has the institution considered how the program design aligns with the CBE type?
- Does the student understand what they are registering for?
  - Will students be assigned grades?
  - How are the competencies and courses transcribed? (matters for transfer, future educational pursuits)
- Is there an orientation for students?
- Is there evidence of quality outcomes for students?

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Regular and Substantive Interaction Expectations

An institution ensures **regular interaction** between a student and an instructor or instructors by, prior to the student's completion of a course or competency:

- providing the opportunity for substantive interactions with the student on a predictable and scheduled basis; and
- monitoring the student's academic engagement and success and ensuring that an instructor is responsible for promptly and proactively engaging in substantive interaction with the student

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Regular and Substantive Interaction Expectations - continued

Substantive interaction is engaging students in teaching, learning, and assessment, consistent with the content under discussion, and also includes at least two of the following:

- providing direct instruction;
- assessing or providing feedback on a student's coursework;
- providing information or responding to questions about the content of a course or competency;
- facilitating a group discussion regarding the content of a course or competency;
- or other instructional activities approved by the institution's or program's accrediting agency

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Direct Assessment

- ED approves all programs for DA
- Transcription is unique
- Students move at their own pace (minimum)
- Academic progression is different (satisfactory academic progress, grades, transcription, etc.)
- Bridge between the competencies & credit hours equate to a credit-based degree

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Credit-Based Program

- Still responsible for seat-based credit hour
- Moving through at student's own pace but student must still complete the entire term

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Guidelines Document

- *Evaluating Competency-Based Education 2026*
- Address Criteria, Core Components, Assumed Practices, Federal Compliance Requirements



- Provides examples of potential evidence:
  - Transparency (e.g. skills needed to be successful in program, academic policies)
  - Tuition model
  - Transferable credit
  - Competencies emphasize application of learning, not simple knowledge acquisition
  - Assignment of credit

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Workforce Pell

Workforce Pell

Various requirements to be an eligible workforce program

- 8-14 weeks of instruction, may be non-consecutive
- Must be measured in either clock hours or credit hours
- Must either be (a) 150-599 clock hours or (b) 4-15 credit hours for semesters/trimesters or 6-23 credit hours for quarters
- High-demand assessment
- Stackability/portability or single recognized credential
- Transfer pathways
- 70% completion rate
- 70% job placement rate
- Value-added earnings requirements
- Variety of other requirements

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Workforce Pell

- Creates a new kind of undergraduate educational program called an “eligible workforce program”
- Only open to institutions of higher education
- Program must have been in operation for 12 months

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Workforce Pell

- Approval process through state and US Department of Education (ED)
- Accreditation approval not mentioned in rule, but preamble states:

[A]n eligible institution must be able to demonstrate that each program (including eligible workforce programs, collectively or individually) is formally accredited and included within its grant of accreditation. The Department does not require the accrediting agency to approve each eligible workforce program individually, and an accrediting agency recognized by the Department may establish its own internal processes regarding the approval of eligible workforce programs, which must follow its established review procedures for substantive changes.

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Workforce Pell: HLC's Approach

- Certificate screening form
  - No cost
  - Immediate response
- Certificate application if required
  - Required if 50% or more of the program's courses were developed specifically for the new program and not derived from courses in an existing degree program(s)
  - Single desk review fee for up to ten programs
  - Approval typically within three months or less
- Official letter request process
- Evaluating Certificate Programs Guidelines

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Relationship Within the Triad

To be a member of HLC, colleges and universities provide evidence that they meet HLC requirements.

The college or university's mission is central to HLC's accreditation and assurance of academic quality. In determining whether institutions meet HLC requirements, HLC considers the institution's mission. An accredited institution demonstrates how it meets HLC requirements through a mission-reflective lens.

HLC's requirements reflect its values of academic quality. These values include academic freedom and freedom of expression in the pursuit of knowledge, as well as providing opportunities for civic engagement in a diverse, multicultural society and globally connected world, as appropriate within an institution's mission and for the constituencies it serves.

Full statement: hlcommission.org/about-hlc/relationship-within-the-triad/

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Should any of HLC's requirements overlap with requirements from other members of the Triad, we work with the other Triad members to identify these situations and limit the burden on the institution.

HLC does not prescribe how a member institution meets HLC's requirements. If a requirement of another entity of the Triad may appear to limit an institution's ability to meet HLC's requirements in a particular manner, an institution has the flexibility within HLC's requirements to identify other ways to demonstrate it meets HLC's requirements.

By being recognized by the U.S. Department of Education as a gatekeeper agency, HLC agrees to fulfill specific federally defined responsibilities related to accreditation. Each member of the Triad has a role in quality assurance and ensuring transparency to students. For example, the U.S. Department of Education publishes the College Scorecard, which allows students to search and compare colleges: their fields of study, costs, admissions, results and more.

Full statement: hlcommission.org/about-hlc/relationship-within-the-triad/

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Short-term Credentials

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Promising Practices:

Certification Plus Degree Pathways



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https://download.hlcommission.org/PromisingPracticesCertification_INF.pdf

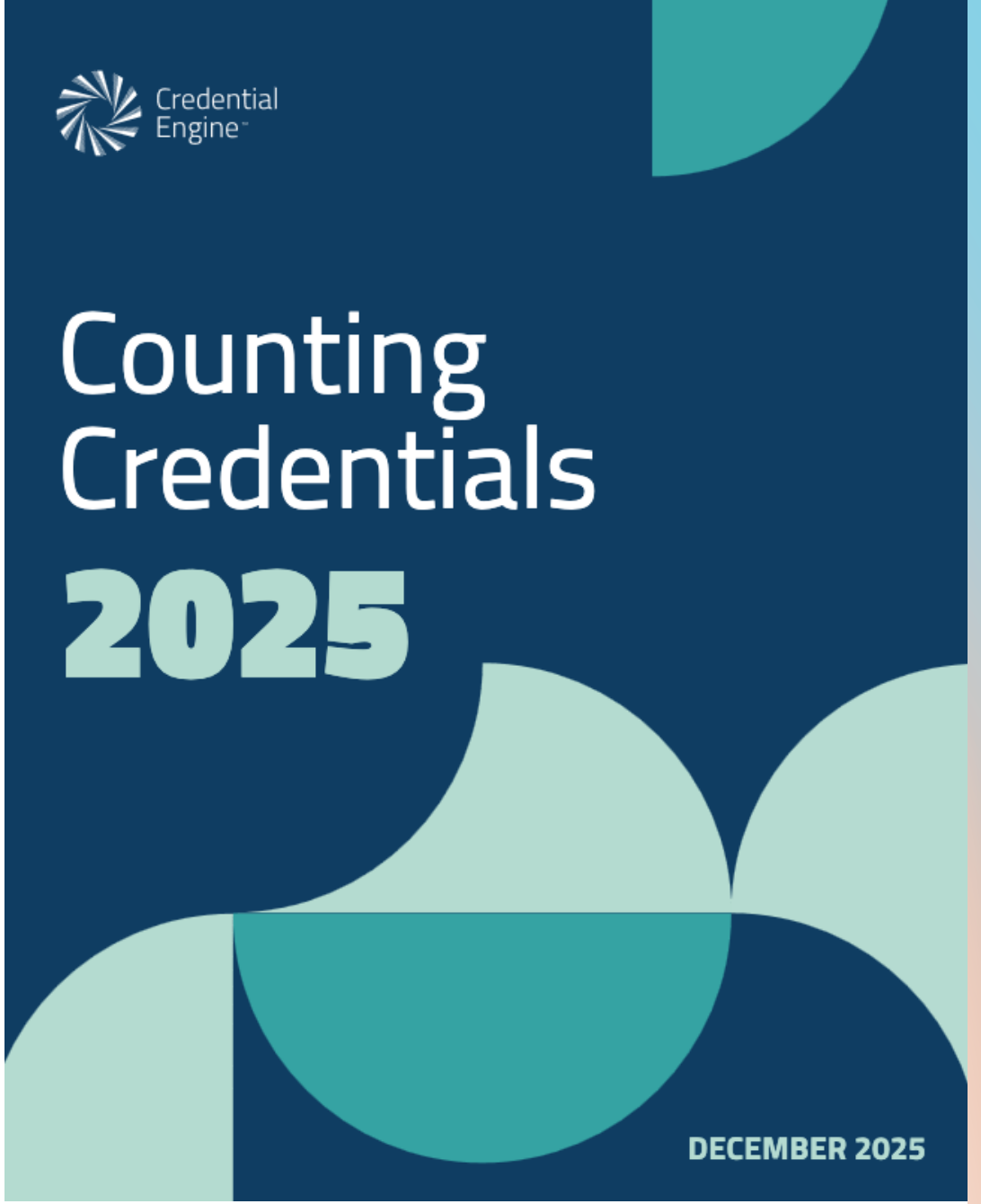
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Helping Short-Term Credential Providers Navigate the Evolving Learn & Work Ecosystem

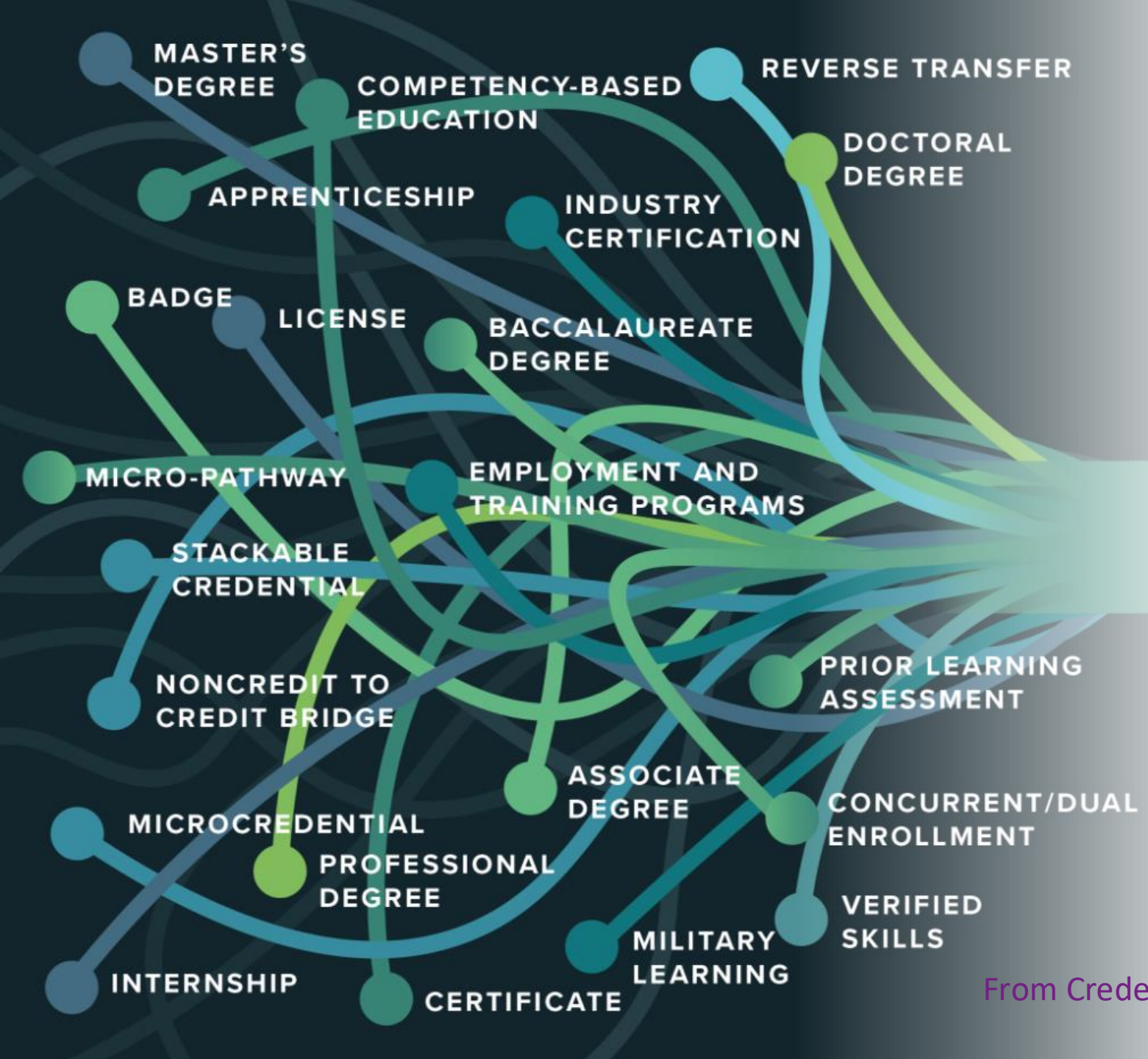
The Landscape – All The Numbers

- **1,850,034** unique credentials in seven distinct credential categories
- **134,491** providers of such credentials
- **$2.34 trillion** total annual expenditures, including by the public sector, the private sector and individuals



https://credentialengine.org/wp-content/uploads/2025/12/Counting-Credentials-2025-Report.pdf

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The Landscape – All The Credentials

- 40+ million learners in the US have some credit but no credential to show for it (and this does not include graduate-level learners).

- How can we acknowledge this challenge – and also "count" this learning?

From Credentials-As-You-Go: https://credentialasyougo.org/

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Short-term Credential Provider Endorsement

- Quality Assurance of Provider Organizations
- Trusted providers identified through "HLC's Endorsement"
- Voluntary

Innovation Center

- Resources and Tools
- Networking
- Training and Technical Assistance
- Employer and Provider Support

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Five Differences Between **HLC Endorsement** and **HLC Accreditation**

Endorsement

Available only to short-term credential providers.

VS

Accreditation

Available only to degree-granting colleges and universities in the United States.

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Endorsement

Short-term credential providers are not currently subject to the program integrity Triad, but some states and accreditors are implementing recognition structures.

VS

Endorsed providers demonstrate alignment of their educational offerings to workforce learning needs.

Accreditation

HLC is one member of the program integrity Triad, which consists of three areas of oversight: accreditors, the federal government and the state government.

VS

Accredited colleges and universities demonstrate alignment of their educational offerings to their distinctive mission.

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Endorsement



Workforce needs change rapidly, so the endorsement of short-term credential providers is reviewed every two years.



HLC's endorsement identifies providers that have met HLC's Endorsement Categories of Review. It is not intended to apply to specific short-term credentials.

Accreditation



Colleges and universities complete a series of accreditation activities on 10-year cycles. They also regularly report updates about their offerings and operations to HLC.



HLC's accreditation identifies colleges and universities that have met HLC's Criteria for Accreditation.

HLC accreditation speaks to the quality of the institution and encompasses all educational programs.

VS

VS

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Categories of Review

1. Stability, Operational Strengths, and Short-Term Workforce Credential Offerings
2. Alignment of Educational Offerings to Workforce Learning Needs & Assurance of Learning
3. Learner Information and Protections

Also: Agreement of HLC's Credential Lab Commitments

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Categories of Review

Stability, Operational Strengths, and Short-Term Workforce Credential Offerings

- Legitimate organization that has appropriate authorization to operate in the United States
- Sound financial and legal conditions based on thresholds set by HLC
- Addresses data privacy and security in its technology and operations
- Publicly identified in the Credential Engine if the Provider issues credentials directly to learner
- Verified recognitions or references from other organizations that have approved, certified, or recognized the provider organization and/or its offerings or resources
- Sufficient information about offerings (short-term workforce credentials that the Provider offers, and may include certificates, certifications, microcredentials, badges or other relevant offerings)

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Categories of Review

Alignment of Educational Offerings to Workforce Learning Needs & Assurance of Learning

- Use of workforce, employer, or industry information to identify learning needs (competencies) that inform offerings
- Processes in place to ensure alignment to workforce learning needs
- Sufficient and regular review processes to ensure ongoing currency and relevancy of offerings given labor market changes
- Identification of the knowledge, skills, and abilities addressed in offerings
- Defines achievement requirements for the credentials
- Method(s) of learning assessment or validation of the knowledge, skills, and abilities to assure that learners meet the achievement requirements

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Categories of Review

Learner Information and Protections

- Publicly available learner-facing information & disclosures
- Educational and/or business continuity policy & process should the Provider be unable to continue with its operations or sunsets an offering
- Learner complaint policy and process
- Learner refund policy and process
- If the Provider collects learner Personally Identifiable Information, it has a learner data protection policy and process
- Learner records and retention policy and process (if the Provider issues, manages, and stores learners' credential records)
- Learner accessibility policy and process and provides accessibility accommodations, if applicable
- Learner use of Artificial Intelligence (AI) disclosures and policies

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Categories for Review

Agreement of HLC's Credential Lab Commitments

- Endorsement Requirements
- Participation in the Endorsement Process
- Truthfulness and Transparency to HLC
- Public Disclosure of Endorsement
- Intellectual Property
- Payment
- Failure to Abide by these Commitments

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What do we talk about when we talk about **OUTCOMES**?

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Up The Red Arrow

The Two-Curve Framework
Ian Morrison, 1996, *The Second Curve: Managing the Velocity of Change*



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Endorsement — Outcomes

Future Category

HLC is considering adding a review category for how the provider **identifies**, **assesses**, **measures**, and **validates** outcomes metrics and uses outcomes information for continuous improvement.

Draft Requirements

Requirements and review elements may include:

- Outcomes the provider identifies and claims to address through credential-related offerings are defined and publicly identified:
  - Knowledge, skills, and/or abilities outcomes
  - Employment-related outcomes
  - Other outcomes (e.g., academic development or educational advancement)
- Organizational processes and evidence assure that the outcomes that are claimed are measured, met, and verified.
- Organizational processes and evidence to assure that that the provider uses outcomes information for continuous improvement.

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The Value of the HLC Endorsement

Enhance Credibility: Strengthen trust with learners, higher ed institutions, and the broader educational community.

Market Clarity: Helps learners and employers determine which short-term credential providers align their offerings with real workforce relevance.

Quality Assurance: Showcase that you have been vetted for financial stability, legal compliance, and data privacy.

Partner Confidence: Gives colleges and universities a reliable standard to reference before partnering with external training organizations.



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Sample of Endorsed Provider Offerings

- Risk Management – Safety, Quality and Performance Improvement, Patient Safety
- Financial Modeling and Validation
- Integration of AI into Facilitation and Collaboration
- Pharmacy staff, Nurses, Business
- Business Intelligence Analyst Specialization
- Cryptocurrencies and Digital Assets Specialization
- Python & Math Fundamentals
- Certified Associate in Project Management
- Nurse Leadership Development – Financial Management, Essentials of Managing Conflict, Lead in a Changing Environment
- Veterinary Dentistry 101: Foundations and Techniques

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Short-term Credential Provider Endorsement

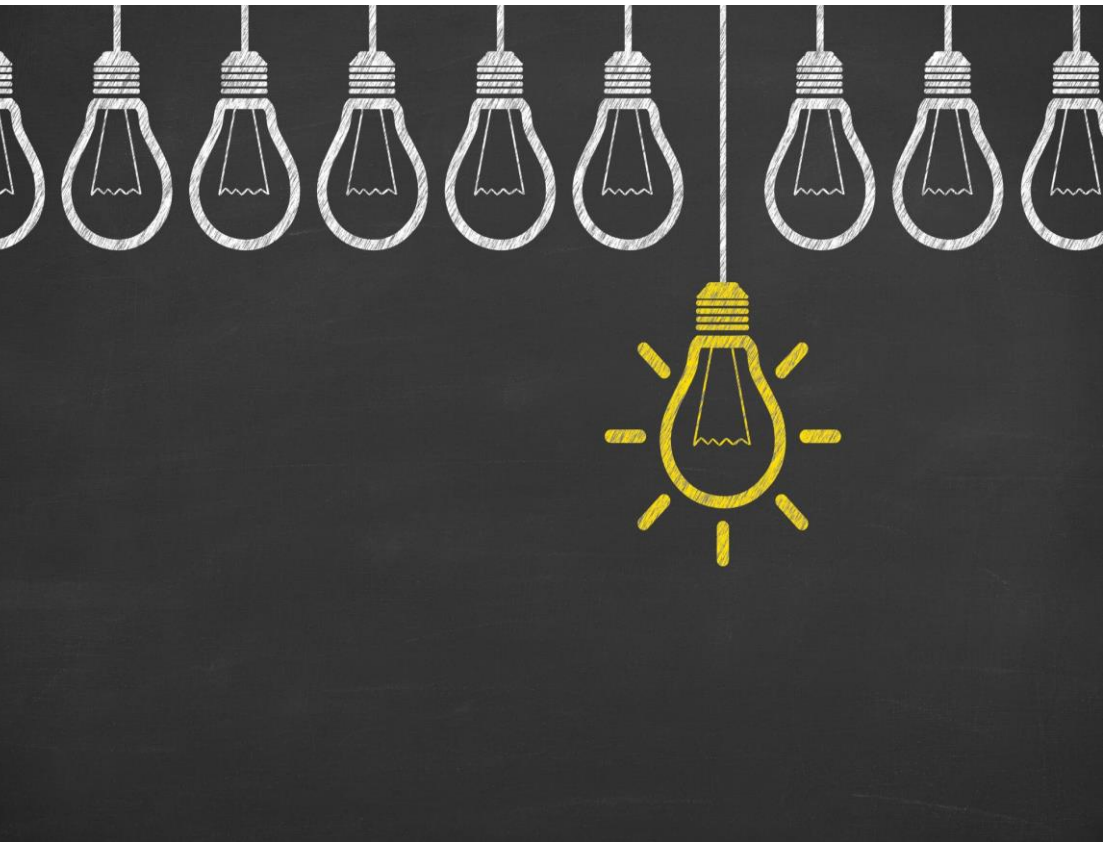
- Quality Assurance of Provider Organizations
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Innovation Center

- Resources and Tools
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Credential Innovation!



The development, redesign, or enhancement of educational credentials—such as degrees, certificates, microcredentials, and badges—to better align with the evolving needs of learners, employers, and society.

Credential innovation aims to create **new pathways** that improve accessibility, relevance, flexibility, visibility, mobility, and value by leveraging employer-partnered design, labor market and skills data, competency-based learning models, and new technologies.

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Credential Innovation Elements

Blue arrows indicate the Design Camp: Foundations focus areas.

We will also provide resources on the other elements.



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FY 27 Offerings

CLIC Design Camp 1: Foundations

Offered twice in FY27. Registration for fall series is closed!

CLIC Design Camp 2: Implementation & Scale-Pilot

Under development

CLIC Lab Lunches

Featuring: Learn & Work Ecosystem Library, CredLens & AACRAO

Institutional Spotlights

Featuring: Institutions involved in the 2025-26 Design Camp: Foundations pilot

Provider Spotlights

Featuring: HLC Endorsed Providers

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Questions & Discussion

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