Policy in Incremental Credentialing

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www.credentialasyougo.org
Credential As You Go is catalyzing redesign and integration of credentialing systems across states, higher education, and third-party providers, including employers, to recognize all learners for what they know and can do.

Credential As You Go focuses on building an incremental credentialing system, recognizing that many types of quality credentials (degrees, certificates, industry certifications, licenses, badges, microcredentials) document an individual’s learning, and credentials are awarded by many types of providers including community and technical colleges, four-year colleges and universities, third-party organizations, employers, military, and state licensing boards.

For too many learners, the only postsecondary credentials that count for employment are degrees. This focus limits access to further education and employment. Yet, many have acquired valuable skills and knowledge through life and work experience. The U.S. needs a credentialing system that captures and validates all learning.

Suggested Citation:
Table of Contents

2 About Credential As You Go
4 Overview
5 Policy that Affects Incremental Credentialing
14 Policy Assessment Checklist
16 Resources for Further Information
Overview

Background

Policy and practice in incremental credentialing go hand in hand. Public colleges and universities will find it difficult to develop and implement incremental credentials without supportive or enabling policy at both the state and institutional levels, and private institutions seeking to do so will find such policy necessary at the institution level. It is also difficult to develop and implement incremental credentials (typically shorter-term non-degree credentials) without supportive federal policy. It is critical, therefore, that the developers of incremental credentials understand the policy context.

Purpose

1. Describe the many policies that may affect incremental credentialing.

2. Provide a policy checklist to help credential developers assess their specific policy environment.

3. Offer links to resources for further information.
Policy that Affects Incremental Credentialing

Policy Bodies

An array of entities and organizations can influence the move to an incremental credentialing system. The main ones include:

- Government – federal
- Government – state
- State higher education systems, state coordinating boards
- Accrediting organizations
- Institutional entities, including boards of regents

Policy from other entities may also influence the move to incremental credentialing. Such entities include employers; labor unions, particularly in relation to apprenticeship programs; and community-based entities such as libraries, immigrant support centers, Goodwill centers, and others.

Definition

The policy landscape is a complex, layered, and significant component of the learn-and-work ecosystem. Policy is a broad category that encompasses:

- Laws
- Regulations
- Procedures
- Administrative actions
- Rules
- Incentives
- Voluntary practices of governments and other institutions
- Budget notes attached to laws
- Interpretations of the above, for example by Attorneys General.

Policy decisions are frequently reflected in resource allocations and in accountability processes.
Federal Government

Tools — Congress and federal agencies have many tools to influence credentialing. They can use the bully pulpit to highlight the value of incremental credentials. They can work across the agencies that have strong connections with employers to create new opportunities for education and training. They can provide funding incentives (e.g., new grant programs) to encourage such opportunities at the secondary and postsecondary levels.

Financial Aid For Learners — Pell grants are a federal subsidy to help learners of lower income pay for college. Pell is limited to students with financial need who have not earned a bachelor’s degree or who enroll in certain post-baccalaureate programs through participating institutions. More than 5,000 institutions participate. For years, there has been debate over expanding federal financial aid to cover short-term credential programs. Advocates argue we need more flexible options that quickly prepare people for in-demand job opportunities. Critics contend that many short-term, non-degree programs don’t help workers advance beyond static jobs that pay low wages – an outcome that especially harms people of color and those from low-income backgrounds.

Data Collection — The Integrated Postsecondary Education Data System (IPEDS, a U.S. Department of Education data-collection system established in 1992) annually conducts 12 surveys – in fall, winter, and spring. All institutions authorized to participate in federal financial assistance programs are required to complete these surveys. Data include institutional characteristics and prices, enrollment, financial aid, degrees and certificates conferred, and student persistence and success. IPEDS is now considering whether and when to collect non-degree data. Answers to those questions will be very important policy decisions for incremental credentialing.

Workforce-Target Incentives — In the workforce development area, policy through Career and Technical Education (CTE) and related programs under Perkins and the Workforce Innovation and Opportunity Act (WIOA) provides funding and guidance that is particularly important for community and technical colleges. High-quality CTE programs represent an effective way to provide young adults with an educational experience that prepares them for college and career success. However, not all CTE programs offer accessible pathways to high-quality educational options; too many lead to credentials that can be fairly described as dead ends. Apprenticeships— important to incremental credentialing — are guided by law such as 29 U.S.C. §50 on promotion of labor standards of apprenticeship plus regulations covered in 29 CFR 29 on labor standards for the registration of apprenticeship programs.
Career Advising and Navigation Services — In re-employment assistance programs and WIOA, federal policy can expand access to effective coaching to help workers navigate a new economic landscape. Federal policymakers could increase investments in Wagner-Peyser re-employment assistance programs and WIOA programs. This would allow states and local workforce boards to hire and train more job coaches at American Job Centers. Policymakers could also increase funding to states to create a high-quality coaching support system across all organizations that serve dislocated and at-risk workers. Many groups are calling for specific actions, including (1) hire more coaches, (2) give coaches training and tools, (3) align performance incentives among all coaching providers to emphasize long-term career success, and (4) ensure that all populations are served.

State Government

States set and implement policies that affect their educational systems, workforce, and employers. Examples of state policy include governor-led, statewide financial assistance programs for short-term postsecondary courses and programs; legislation to support credentialing strategies; higher education system approaches regarding microcredentials; and remedial education policies.

- Louisiana’s governor used federal stimulus dollars to start Reboot Your Careers to provide financial aid to learners in short-term postsecondary courses.

- Since 2016, FastForward has operated a statewide short-term credential program in Virginia. It meets a dual need, as both students and employers want more options for short-term programs that lead to credentials of value.

- In 2021, Florida’s legislature passed HB 1505, which requires public postsecondary institutions to award students a nationally recognized digital badge when they complete core courses in general education that demonstrate career readiness. The requirement went into effect for students entering institutions in Fall 2022. The State Board of Education and the Board of Governors for the State University System jointly appoint faculty committees to identify competencies in general education core that demonstrate career readiness and thus qualify students for the badge. The badge – a verifiable, interoperable, and nationally recognized digital credential – must be awarded and recognized by every public postsecondary institution in the state.
Colorado passed multiple bills in 2022 to support credentialing strategies and assist disadvantaged students:

- Improving Students’ Postsecondary Options (HB22-1366) provides increased funding to make postsecondary options more accessible and affordable.
- Regional Collaborative Grants (HB22-1350) provide incentive grants to fund talent development and improve the workforce.
- Opportunities for Credential Attainment (SB22-192) directs the Colorado Department of Higher Education to work with state institutions of higher education to create stackable credential pathways. The legislation enables public universities to award associate degrees to students who stop out short of a bachelor’s. It also created a task force to study the state’s public higher education system.
- The Colorado Re-Engaged (CORE) Initiative allows four-year institutions to award associate degrees to eligible students who leave a baccalaureate program after earning at least 70 credit hours. By awarding associate degrees for academic credits already completed, Colorado’s four-year institutions can open new career opportunities for individuals, strengthen the state’s workforce and economy, and create pathways for these learners to re-engage in higher education. Associate degrees can provide multiple, measurable benefits. For example:
  - On average, individuals with an associate degree have higher annual earnings, lower rates of unemployment, and access to more high-quality employment opportunities than those with only a high school diploma.
  - In addition to increasing income potential and employment opportunities for individual degree recipients, the CORE Initiative can improve economic prospects in their communities. By increasing the number of Coloradoans with an academic credential, CORE can also expand the state’s workforce and support the continued economic recovery of the business community.
  - In awarding an earned associate degree, the granting institution gains a tool to promote re-engagement, re-enrollment, and completion of a bachelor’s degree.

In January 2023, the governor’s office approved a letter of support for the CORE Initiative. This letter demonstrates support for colleges and universities that are participating in the CORE program and awarding earned associate degrees to qualified students. This letter is expected to be helpful to institutions as they seek Higher Learning Commission accreditation.
Remedial education: Research shows that few students who took remedial or developmental courses earned a certificate or associate degree within six years, and even fewer transferred to a four-year university. Research has also shown that Black and Latino students enroll at disproportionately high rates in remedial classes. Some states have passed legislation guiding remedial education. In California, Assembly Bill 1705 would mostly ban remedial math and English classes, which cannot transfer with credit to four-year universities. Bill 1705 addresses concerns that some students are still being funneled into remedial classes despite a 2017 law designed to limit that practice. The earlier law, Assembly Bill 705, prohibited colleges from placing students in remedial classes unless those students are highly unlikely to succeed in transfer-level coursework. The new law would establish stricter rules detailing the limited scenarios in which colleges can enroll students in remedial classes.

State Systems Of Higher Education / Coordinating Boards

State systems of higher education and coordinating boards play a major role in policy. They typically do some or all the following:

- Develop and implement postsecondary policy so that it aligns with federal and state statute.
- Administer academic, financial aid, and workforce programs to include the review and approval of academic programs and research centers.
- Commission and conduct research and analysis and complete data reports.
- Set tuition rates, administer funding formulas, and allocate funds.

Governors often play a key role in these entities by appointing their CEOs.

Other features:
- Organizational structures—In 28 states, there is a single statewide coordinating board, agency, or governing board; 20 states have a single statewide coordinating board or agency; eight have a single statewide governing board; the remaining have one or more major systemwide coordinating or governing board(s) and/or a statewide administrative/service agency.
- CEO appointments—Coordinating/governing boards appoint most postsecondary CEOs.
- Governor’s role—Most board members for state system and coordinating/governing boards are appointed, typically by the governor.
- Ex-officio—Boards often include higher education leaders and state K-12 superintendents.
• Students—Many boards have student members, typically appointed by the governor or selected by student government organizations.

• Faculty—Faculty members serve on some boards, usually selected by professional associations.

State examples:
• New York: The State University of New York (SUNY) adopted a broad microcredential policy in 2018, following recommendations of Micro-Credentialing Task Force created in 2015. Via collaborative process and endorsed by SUNY Trustees, SUNY defined microcredentials to ensure that their rigor and quality match those of every type of credential that SUNY offers. SUNY Microcredentials (1) verify, validate, and attest that specific skills and/or competencies have been achieved; (2) are endorsed by the issuing institution; (3) are developed via established faculty governance processes; and (4) are designed to be meaningful and high quality. SUNY also has established a taxonomy of terms related to microcredentials.

• Indiana: Initiated by the Indiana Commission for Higher Education, multiple state agencies and all public colleges and universities are working in partnership to increase credential transparency. They’re doing this with help from Credential Engine, using its Credential Transparency Descriptor Language (CTDL) as the means to achieve this goal. The partnership aims to publish a critical mass of information to the IN Credential Registry, a state-specific subset of national Credential Engine Registry. While much data has already been published (more than 3,000 programs), and more is continuously added, increasing attention is now directed to integrating Registry data with tools for prospective students and other learners. These tools help learners think through their career goals and find education and training programs that can help them achieve those goals. IN's newly licensed statewide Career Explorer software will point to the Registry for information about education and training. Through a partnership with Parchment, IN has a mature Indiana e-Transcript Program. That program, which is almost universally used at the high school-to-college level (200,000 transcripts sent annually), is now being implemented at the college-to-college level. Ivy Tech Communi-

Accreditation

Accreditation plays an important role in the policy world. American higher education relies on accreditation to ensure quality and foster a culture of continuous improvement.

There are two types of educational accreditation – “institutional” and “programmatic” (also called specialized or professional accreditation). Institutional accreditation reviews the academic and organizational structures of a college or university as a whole; programmatic accreditation assesses specialized or professional programs and disciplines at colleges
and universities. Most specialized accrediting bodies are members of the Association of Specialized and Professional Accreditors (ASPA).

There are two kinds of institutional accreditors: Regional accreditors accredit institutions within a defined geographic region of the United States; national accreditors accredit colleges and universities throughout the nation. Some regional accreditors also accredit institutions outside their geographic regions. Some specialized accreditors accredit professional schools and postsecondary institutions that are free-standing in their operations. This means the specialized accreditor may also function as an “institutional” accrediting agency.

Both types of accreditation are important – and not only to help ensure quality in education. Institutional accreditation can provide students with access to federal student aid, and the licensing requirements for many professions include completion of a program that is accredited by a specialized accreditor.

Examples of policy stemming from institutional accreditors:
- The Middle States Commission on Higher Education has the following types of documents: policy statement, accreditation policy, administrative policy, procedures, guidelines, and templates (request forms) which are defined in the policy Review of Standards, Requirements of Affiliation, and Policies. Each policy is accompanied by a set of procedures. The commission may also develop guidelines to support and guide institutions, peer evaluators, and the Commission in the conduct of peer review and accreditation decision making. Recently updated documents (summer 2022) are related to incremental credentialing at institutions:
  - Transfer Credit, Prior Learning, and Articulation Agreements Policy
  - Transfer of Credit, Prior Learning, and Articulation Agreements Guidelines
  - Transfer of Credit, Prior Learning, and Articulation Agreements Procedures
- The Higher Learning Commission is reviewing the rapidly changing trends in credentialing. Its board uses this information to shape future policy, and other institutional accrediting bodies are looking carefully at trends. In 2022, the HLC identified the following trends:
  - The exponential rise of microcredentials within and outside higher education. This includes micro-masters at the graduate level.
  - Increasing competition among providers is eroding the prevailing edge that higher education has long enjoyed.
  - Non-degree programs and certificates are on the rise. Many learners are choosing these alternative offerings that may or may not lead toward a degree.
  - Employers often encourage credentials that are short-term, yield rapid returns on investment, and/or can lead to immediate promotion or new jobs.
Many consumers seek continuing professional development to learn entirely new skill sets. This signals the end of the “jobs for life, one career path” historical paradigm.

Apprenticeships, coupled with a variety of credentials, provide pathways to jobs and are gaining increasing support from elected officials.

With more than 1 million known credentials offered in the U.S. alone, learners need more complete and more coherent information about the choices available to them.

Many institutions are embedding certificates as stackable pathways to the degree.

Expanded credentials open the door for new partnerships, but their success will depend on focusing on learners’ needs and ensuring quality.

Decreased enrollments in certain parts of the country, especially in community colleges, are causing increased financial stress across higher education.

Institutions are building plans and new business models to assure sustainability.

Institutional mergers and acquisitions (or affiliations) are increasing.

More institutions are closing due to financial and other pressures.

State funding is down in some areas, up in others, and in many cases not at the level to make institutions “whole” from pre-recession years.

Local funding is under stress due to the pandemic and the associated costs of creating a safe environment.

Tuition-driven institutions will need to expand sources of revenue to strengthen their financial health. At the same time, they face criticism from the public about rising costs.

COVID relief funds assisted most colleges and universities, but there is no sign they will be continued.

For some students, the “gap year” became a “gone year.” They did not start or return to college.

Tuition discounting is on the rise at some institutions, which threatens sustainability.

Increased focus on capital campaigns has been successful at many institutions. However, the funding is not always sustainable.

Alternative providers and short-term credential programs are a growing threat to the financial models of higher education.
Institutional policy is provided through an array of bodies, individuals, and actions at the campus level:

- **Boards of trustees.** They can issue directives, write administrative rules, launch initiatives, establish committees and task forces to explore certain directions, approve line-item budgets for specific projects, hire leaders and charge them with specific mission to carry out innovations.

- **College/university leadership.** Guidance and directives can come from institutional leaders, including the president, provost, chief information officer, registrar, faculty senate, school or department heads, general counsel, and task forces.

- **Website and catalog.** The institution’s official website and college catalog language.

- **Structural developments.** Such as discrete campus units for prior learning assessment, instructional design, microcredentialing, data integration (degree/non-degree), continuing education and outreach.

- **Development of typologies.** For defining, coding, and categorizing incremental credentials within the campus learning management system.

- **Memoranda of understanding (MOUs).** Guide collaboratives or networks (often supported extramurally) that are committed to innovations in curriculum development and delivery.

- **Contracts with external vendors.** Such contracts can specify approaches and strategies through the learning management system (LMS). These approaches can capture digital credentialing with companies such as Credly and Parchment, and/or allow learners to establish their own digital portfolio of learning gained outside the traditional classroom.

- **Campus HR entities.** They can count curricular innovation efforts by faculty toward tenure and advancement.
It is critical that those seeking to advance incremental credentialing at their institutions (e.g., the campus leadership team, faculty) understand the policy landscape. At a minimum, that landscape should include the federal, state, state system/coordinating board, accreditation, and employer levels.

The following checklist can be a vital tool for assessing the policy context. The higher the score, the more positive will be the policy context for incremental credentialing.

Each member of the incremental credentialing development team should complete this form. The individual scores will help define team members’ varying levels of understanding of the policy context. The team can then work to reach a common understanding of the policy landscape early in the development process.

☐ Your institution receives federal Title IV funds and administers Pell grants to students.

☐ Your institution values degree as well as non-degree credentials, and the institution’s leaders speak about these developments in public forums.

☐ Your institution has a typology for defining, coding, and categorizing incremental credentials within the campus learning management system. This includes definitions of the names for various types of credentials.

☐ Your institution collects and reports data on degrees, certificates, and other shorter-term credentials (e.g., microcredentials, badges, licenses).

☐ Your institution has a verification and recordkeeping policy in place to capture learning that occurs outside the traditional classroom. This might include offering students the capacity to develop a digital portfolio in addition to their college transcript, and/or provide Comprehensive Learner Records (CLRs), and/or developing Learning & Employment Records (LERs), and/or outsourcing badging or other digital credential services to Credly, Parchment, or other services.

☐ Your institution has a policy governing prior learning assessment.

☐ Your institution collects data on both credit and non-credit credentials.
☐ Your institution administers Career and Technical Education (CTE) and related WIOA and Perkins programs for your students.
☐ Your institution partners with employers to offer apprenticeships.
☐ Your institution partners with employers to offer internships.
☐ Your institution partners with employers to offer other work-and-learn programs.
☐ Your state allows community colleges to offer baccalaureate degrees.
☐ Your state allows four-year institutions to offer degrees below the baccalaureate degree level (e.g., associate degrees, sub-baccalaureate certificate programs).
☐ Your state has policy calling for stackable credentials.
☐ Your state has policy calling for mandatory transfer between two- and four-year institutions (e.g., common articulation agreement, common course numbering).
☐ Your state has policy related to microcredentials, alternative credentials, and/or non-degree credentials.
☐ Your state has a policy calling for prior learning assessment.
☐ Your institutional accrediting organization has clear policies concerning incremental credentials.
☐ The specialized accreditors for your institution’s programs have clear policies on incremental credentials.
☐ Your institution participates in grants, research, collaboratives, networks of institutions, and/or other such activities related to innovations in credentialing.
☐ Your institution has already developed some incremental credentials (there is prior experience with incremental credentialing).
☐ Your institution participates in reverse transfer degree programs.

Your institution's policy context score: _________
Resources for Further Information

To view all the following resources on a single page online, use the QR code or please visit: https://credentialasyougo.org/playbooks/policy-in-incremental-credentialing/resources-for-further-information/

**California**: Bill Text - AB-1705 Seymour-Campbell Student Success Act of 2012: matriculation: assessment.

**Career Advising and Navigation Services**: https://en.wikipedia.org/wiki/Workforce_Innovation_and_Opportunity_Act


**Colorado CORE**: 2023-01-19 CORE Initiative letter of support CDHE FINAL (1).pdf


**Florida**: 2021 Florida Legislative Session Recap - Florida College Access Network


Indiana: https://credentialengine.org/partners/indiana/

Institutional Accreditors – ASPA: https://aspa-usa.org/institution-accreditors/

Learn & Work Ecosystem Library: https://learnworkecosystemlibrary.com/buildingblock/policy/
See topics with policy sub-components:
  • Accreditation
  • Adult Learners: Second-chance Options, Accelerated Options
  • Alternative Credentials
  • Apprenticeship
  • Career Pathways
  • Competency / Skills Models & Learning Frameworks
  • Concurrent / Dual Enrollment
  • Credential Engine
  • Credential Transparency Description Language
  • Credentials
  • Credit Interoperability
  • HR Open Standards Consortium
  • Institutional Accrediting Agencies in Higher Education
  • Licensing & Licensing Boards
  • Military Crosswalks & Credentialing
  • National Accrediting Organizations (Programs) & Specialized Accreditors In Higher Education
  • Pell, Short Term Pell
  • Policy and Practice
  • Reverse Transfer
  • Stackable Credentials
  • Unions

Middle States Commission on Higher Education: https://www.msche.org/policies/

North Carolina: N.C. Senate Bill 761

Louisiana Reboot Your Career: https://www.ltcs.edu/rebootyourcareer

SUNY System microcredential policy: https://www.sun.edu/microcredentials/


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Additional Resources

Please check our website for updated content, strategies, and examples:
www.credentialasyougo.org